REQUEST FOR PROPOSAL

For
UNRWA

RFP#: CPS/WB/ERCD/0043/0/14

26th November, 2014
RFP # CPS/WB/ERCD/0043/0/14

To whom it may concern,

We hereby invite you to bid for the above mentioned tender.

Please find attached the instructions to bid and the Terms of Reference that you will need to refer to and complete when developing your quote. Your bid should be send back to us not later than: 25 December 2014 before/at 12:00 p.m. Jerusalem time.

UNRWA is generally exempted from VAT payment to Israel and Palestine and therefore, intends to apply to the Palestine Authority for a VAT waiver for this particular contract. Subject to the waiver being approved the winning bidder will be required to accept the UNRWA Terms and Conditions for service contract, and provide nil VAT invoice to UNRWA for settlement.

We look forward to receiving your bid.

Axel Auerbach
Head of Field Procurement and Logistics Office
Jerusalem

Annexes:
A. Instructions to bid
B. Terms of Reference
C. UNRWA General Conditions
INSTRUCTIONS TO BID

REQUEST FOR PROPOSAL RFP#: CPS/WB/ERCD/0043/0/14


<table>
<thead>
<tr>
<th>RFP Number:</th>
<th>CPS/WB/ERCD/0043/0/14</th>
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</thead>
<tbody>
<tr>
<td>Date of the Tender:</td>
<td>26th November, 2014</td>
</tr>
<tr>
<td>Deadline for Queries in writing</td>
<td>03rd December, 2014</td>
</tr>
<tr>
<td>Tender Due Date:</td>
<td>25th December, 2014 12:00 p.m.</td>
</tr>
<tr>
<td>Required minimum validity period of offer:</td>
<td>25th February, 2015</td>
</tr>
</tbody>
</table>

Please Note that this is a two – envelope tender:

Part one: Technical Part.
Part two: Commercial Part.

Tender Due Date: 25th December, 2014 at/before 12:00 p.m. Jerusalem Time

By E-Mail: TOC Mail (B.BABAEV@UNRWA.ORG)
Subject line of email must state: CONFIDENTIAL RFP No.: CPS/WB/ERCD/0043/0/14
Both parts should be submitted in two separate files.
Offers sent via e-mail as attachments should not exceed 4MB; otherwise the vendor must split his offer into more than one email.
Closing Date and Time: 25 Dec 2014 at/before 12:00p.m. Jerusalem Time

Or

By Hand in a sealed envelope:
Both parts should be submitted in two separate sealed envelopes. Both the sealed envelopes should then be placed in one sealed outer envelope or mail package clearly addressed to and marked and sent to the addresses as follows before the deadline:
25 Dec 2014 at/before 12:00p.m. Jerusalem Time

Attn: Chairperson, Tender Opening Committee
UNRWA West Bank (Jerusalem)
AMMUNITION Hill Givat Hatatochmoshet
P.O.Box. 19149
Jerusalem
Queries About This RFP

For queries on this RFP, please contact the UNRWA Chief Procurement and Logistics via email at fplo_wb@unrwa.org no later than the date indicated in the cover letter – 3 December 2014. On the subject line, please indicate the RFP number. Proposals must NOT be sent to the above email.
ANNEX B

TERMS OF REFERENCE


1. BACKGROUND

UNRWA is a United Nations agency established by the General Assembly in 1949 and is mandated to provide assistance and protection to a population of some 5 million registered Palestine refugees as of 1 January 2014. Its mission is to help Palestine refugees in Jordan, Lebanon, Syria, West Bank and the Gaza Strip to achieve their full potential in human development, pending a just solution to their plight. UNRWA’s services encompass education, health care, relief and social services, camp infrastructure and improvement, microfinance and emergency assistance. UNRWA is funded almost entirely by voluntary contributions.

The Resource Mobilisation Strategy 2012-2015 aims to address funding challenges. It details the opportunities, risks, assumptions, and perceptions for the Agency. The Agency’s Resource Mobilisation Strategy was developed in order to maximise the resources available to the Agency by fully utilising the opportunities arising from a variety of donor instruments and bilateral budget lines in all fields of operations. The aim was to provide UNRWA with stable predictable revenue through strengthened partnership with traditional donors, diversified donor base, and establishing an enabling environment to support donor relation management.

The proposed evaluation of the Resource Mobilisation Strategy (RMS) aims to facilitate an objective assessment of the overall results against the planned achievement, including the design of the Resource Mobilisation Strategy's logical framework and its implementation and execution. Specifically, the evaluation will determine as systematically and objectively as possible the relevance, efficiency, effectiveness, impact and sustainability of the RMS. The evaluation will also contribute to better accountability of the funds spent on implementation of the RMS in relation to results. The evaluation will provide recommendations that can serve as an input for the next Resource Mobilisation Strategy and help to align this next strategy with the upcoming Medium Term Strategy 2016 – 2021.

For more information about UNRWA’s operations, please visit the following website: http://www.un.org/unrwa/english.html.

2. PURPOSE


3. SCOPE OF WORK

The evaluation will cover all fields of UNRWA operations if accessible and look at all aspects of the RMS including stages of development. It will cover all evaluation domains:

- **Relevance** describes the extent to which the objectives of an intervention are consistent with UNRWA needs, global priorities and partners’ and donors’ priorities.

- **Efficiency** is a measure of how economically resources and inputs are converted to results. True efficiency occurs when the proposed results are desired results are achieved using the least costly resources.

- **Effectiveness** relates to the extent to which the intervention has achieved (or is likely to achieve) its objectives, taking into account the perspectives of its beneficiaries. It assesses the contribution made (or expected to be made) to the objectives.

- **Impact** assesses positive and negative, primary and secondary long-term effects produced by an intervention directly or indirectly, intended or unintended.

- **Sustainability** is seen as the continuation of benefits from a development intervention after major development assistance has been completed and funding has been withdrawn.
The evaluation will be carried out by an evaluation team having experience in strategy development and evaluation, project management/administration as well as extensive knowledge of evaluation systems (procedures and methodologies), partnership building, and results-based management. The consultant/contractor should have sufficient knowledge of fund raising approaches as well as familiarity with the context of the region.

Time-Line
The evaluation is scheduled to take place during the period from January 2015 to May 2015. The expected start date is within the three weeks after the signing of the contract. The evaluator(s) are expected to undertake missions to all five fields subject to security clearance to undertake necessary visits and meetings to support in drafting the final report.

Methodology
The evaluation should be transparent, inclusive, participatory and independent. The evaluator(s) will not act as representative of any party, but should use his/her independent judgment and should not have been directly involved in the design, appraisal or implementation of the RMS.

The evaluation will be conducted by a team of consultants with the Department of Internal Oversight Services (DIOS) managing the process and providing quality assurance. Information collected for the evaluation will be triangulated. The information collection methods will include, but are not limited to: literature review of best practices in strategy implementation, primary data collection and analysis by the evaluation team, secondary data analysis; and analysis of time series of financial data. To the extent possible the data should be triangulated.

The evaluation should adhere to the UNEG Norms and Standards for Evaluation in the UN System and UNEG’s Ethical Guidelines and Code of Conduct. The evaluation should use the established theory-of-change as a basis to assess the results of the RMS.

The evaluation should seek to answer the following questions according to the Background Paper on the Evaluation of Resource Mobilization Strategy 2012-2015.

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Suggested questions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevance</td>
<td>• Is the Resource Mobilisation Strategy in line with the UNRWA strategic framework (Medium Term Strategy, Sector Strategies, and Emergency Appeals) as stated in the documentation and as perceived by internal and external stakeholders?</td>
</tr>
<tr>
<td></td>
<td>• What is an appropriate duration of a Resource Mobilization Strategy, given the changing socio political context, the conflicts in several of UNRWA fields and the need to align with the MTS?</td>
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<tr>
<td></td>
<td>• Did the design and the implementation of the RMS cover all funding portals?</td>
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<tr>
<td></td>
<td>• Is the support structure (Representative Offices, reorganized ERCD Staffing etc.) consistent with direction of the strategy and appropriate for the implementation of the strategy?</td>
</tr>
<tr>
<td></td>
<td>• Were recommendations, lessons learned and best practices from previous strategies considered when planning the Resource Mobilization Strategy?</td>
</tr>
<tr>
<td></td>
<td>• To what extend do internal and external stakeholders perceive ownership of the resource mobilization strategy?</td>
</tr>
<tr>
<td></td>
<td>• To what extent was the Resource Mobilization Strategy designed to monitor progress and to ensure evaluability?</td>
</tr>
</tbody>
</table>
| Efficiency | • Where activities undertaken considering cost and austerity measures?  
• Were the most cost effective methods selected for implementation?  
• Did the ERCD structure and the implementation modalities adequately support the implementation of the Resource Mobilization Strategy? |
| Effectiveness | • To what extent has the Resource Mobilisation Strategy achieved the planned results as mentioned in the logframe?  
• Has the Resource Mobilization Strategy budget been allocated and spent as planned?  
• What are the key elements of the Resource Mobilisation Strategy which had effectively supported UNRWA’s programmes?  
• Were the support structures to the Resource Mobilization Strategy adequate to support the achievement of the results of the Resource Mobilization Strategy?  
• How do the practices that emerged from the Resource Mobilization Strategy relate to good practice on networking and collaboration used by other organizations?  
• To what extent has the Resource Mobilisation Strategy contributed to UNRWA’s donor visibility?  
• Does UNRWA dedicate adequate financial resources to resource mobilization? |
| Impact | • To what extent does the Resource Mobilisation Strategy contribute to (a) providing additional predictable GF income, (b) sufficient emergency funding, and (c) an appropriate level of project funding for UNRWA?  
• Are there any significant un-intended effects (positive or negative) not mentioned in the Resource Mobilization Strategy document?  
• What were the most important achievements of the Resource Mobilization Strategy implementation?  
• To what extent have external factors been influencing the impact of the planned results of the Resource Mobilization Strategy? |
| Sustainability | • To what extent is UNRWA expected to be able to sustain the increases in income?  
• Is UNRWA able to sustain the organizational and management structure required for the implementation of future Resource Mobilization Strategies?  
• How likely are linkages / relationships with donors maintained? |
Responsibilities of the Evaluation Team

UNRWA seeks the services of an evaluation team, of which one will be the Team Leader who will lead, manage, guide and supervise the team.

The Evaluation Team will be responsible for:
- Reviewing all necessary documentation including the RMS document and other related documents
- Designing the detailed inception report with detailed evaluation methodology, tools and approach
- Conducting the evaluation field work inclusive of meetings and field visits
- Undertaking primary and secondary data analysis; and analysis of time series of financial data, as well as perform triangulation of data
- Drafting the evaluation report in line with UNRWA evaluation policy;
- Finalizing the evaluation report on the basis of comments received;

The responsibilities and qualifications of the Team Leader:
- Lead and manage the evaluation and act as primary interlocutor with Steering Committee and UNRWA;
- Ensure efficient division of tasks within the evaluation team;
- Conduct the evaluation in accordance with the proposed objective and scope of the evaluation;
- Oversee the administration and analysis of the results of the exercise;
- Draft and communicate the evaluation report;
- Finalize the evaluation report in English and submit it to UNRWA.

Responsibilities of UNRWA:
- UNRWA will provide an email of introduction and facilitate access to relevant offices, including security clearance for travel to Field Offices (if applicable) to carry out Field work;
- UNRWA will provide temporary desk spaces, if required, for the consultant;
- Vehicle support for work related travel to and from Field Offices.
- The evaluation team should have their own laptops.

Responsibilities of the Evaluation Steering Committee:
The Steering Committee consists of Host and Donor representatives from the Swiss Development Cooperation, the United States and the Kingdom of Jordan. UNRWA representatives are from the External Relations and Communications Department and the Gaza Field Office and the Steering Committee is chaired by UNRWA’s Planning Department. The Steering Committee will:
- Comment and approve the background paper of the evaluation;
- Receive a briefing about the process and outcome of the procurement exercise that is managed by a procurement committee;
- Endorse the inception report (including methodology, timeline and work plan for the evaluation process);
- Engage periodically with the substance of the evaluation, providing preliminary feedback to the evaluation team during the debriefing sessions (one during and one at the end of the field mission);
- Manage the commenting process on the draft evaluation report;
- Endorse the final report.
- Support in the dissemination of the report and its recommendations

4. DELIVERABLES AND TARGET COMPLETION

The [Consultant/Contractor] will submit the following to UNRWA:
Deliverables/Outputs of the assignment/service:
- Inception report: An inception report developed to be shared and agreed with the RMS Steering Committee within one week of commencement of contract. The report will reflect the background paper, consist of detailed methodology of the evaluation, stakeholders to be met and detailed work plan. This report will also clearly specify the distribution of tasks among the team of consultants;
- Present preliminary findings and recommendation to the Steering Committee.
- Submit the draft report following the evaluation report outline of UNRWA;
- Final report: Submit a final report. The report will incorporate feedback from key stakeholders and the Steering Committee and accepted by UNRWA.

The final report contains:
- Executive Summary including findings and recommendations;
- Introduction (RMS background, Purpose of the evaluation, Key issues addressed, the outputs of the evaluation and how they will be used, methodology and structure of the evaluation);
- Relevance Efficiency
- Effectiveness
- Impact
- Sustainability
- Annexes - TOR, Itinerary, List of people met, List of documents reviewed, and questionnaires used.
- Findings and recommendations have to be supported through evidence in the text, evaluation questions defined above need to be answered in the sections of the report.

Tentative Payment Schedule:
Payments will be made based on the following percentages and milestones:
- 1st Payment (20% of total contract value) – March 2015 upon the receipt and review of the inception report to be approved by DIOS after consolidation of comments from the Steering Committee
- Final Payment (80% of total contract value) – May 2015 - upon the receipt and review of the final report to be approved by DIOS after consolidation of comments.

5. PAYMENT SCHEDULE
Payments shall be linked to deliverables as follows:

<table>
<thead>
<tr>
<th></th>
<th>Percentage</th>
<th>Deliverable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payment 1</td>
<td>20%</td>
<td>upon the receipt and review of the inception report to be approved by DIOS after consolidation of comments from the Steering Committee</td>
</tr>
<tr>
<td>Payment 2</td>
<td>80%</td>
<td>upon the receipt and review of the final report to be approved by DIOS after consolidation of comments from key stakeholders and the Steering Committee</td>
</tr>
</tbody>
</table>

6. RELEVANT DOCUMENTS (ATTACHED)

a) Terms of Reference - Steering Committee for the Resource Mobilization Strategy Evaluation
d) Resource mobilization Strategy Reports to Adcom and SubCom
e) Medium-Term Strategy
7. REPORTING

The [Consultant/Contractor] shall report to Robert Stryk, Chief, Evaluation Division at the Department of Internal Oversight Services (DIOS), UNRWA.

8. REQUIREMENTS FOR EXPERIENCE AND QUALIFICATIONS

The company or institution must have:

- At least 5 years of relevant professional experience in project management, evaluation, planning.

The Team Leader undertaking the evaluation must possess the following skills and competencies:

I. Academic Qualifications:
   - A post graduate qualification preferably in Social Sciences, Public Administration or any relevant discipline.

II. Experience:
   - Work experience in the area of project management, evaluation and/or resource mobilizations for at least 5 years is required;
   - Experience of evaluating projects funded/managed by UNRWA/UN agencies or other international organizations is required;
   - Extensive knowledge of evaluation systems (procedures and methodologies) is required;
   - Strong expertise in Result Based Planning Process and Participatory approaches;
   - Knowledge of Palestine refugees rights and issues of concern is preferred;
   - Demonstrated analytical ability and excellent report writing skills with relevant experience and produced at least 5 reports for donor/UN agencies;
   - Willingness and ability to travel to all UNRWA’s five fields subject to security clearance;
   - Project review or evaluation experiences are desirable and experience of working as Team Leader of any such mission is required.

III. Competencies:

Teamwork:
   - Ability to establish and maintain effective working relations as a team member, in a multi-cultural, multi-ethnic environment with sensitivity and respect;

Communication:
   - Excellent interpersonal and writing communication skills.

IV. Language Skills:
   - Excellent writing, editing, and oral communication skills in English;
   - Knowledge of Arabic would be an advantage.

9. EVALUATION FOR AWARD OF CONTRACT

Contractors will be evaluated based on the following methodology:

Cumulative analysis: When using the weighted scoring method, the award of the contract will be made to the offer that has been evaluated and determined as:
   - Responsive/compliant/acceptable; and
   - Having received the highest score out of a pre-determined set of weighted technical and financial criteria specific to the solicitation.

Only offers obtaining a minimum of 70% marks i.e. 49 marks in the Technical evaluation would be considered for financial evaluation.
Technical Evaluation Criteria (Total 70 marks):
- Appropriateness of the proposed methodology including the timeline - 20 marks;
- Demonstrated analytical ability and excellent report writing skills with relevant experience and produced at least 5 reports for donor/UN agencies - 20 marks;
- Extensive international experience of leading evaluations of similar projects - 15 marks;
- Experience of evaluating projects funded/managed by UNRWA/UN agencies and other international organizations - 15 marks.

Financial Evaluation (Total 30 marks)
Financial proposals from all technically qualified candidates will be scored out 30 marks based on the formula provided below. The maximum marks (30) will be assigned to the lowest financial proposal.

All other proposals will receive points according to the following formula:
- $p = y \left( \mu/z \right)$

Where:
- $p =$ points for the financial proposal being evaluated.
- $y =$ maximum number of points for the financial proposal.
- $\mu =$ price of the lowest priced proposal.
- $z =$ price of the proposal being evaluated.

Technical Proposal:
List of mandatory documents to be provided by bidders including:

1) A cover letter that indicates:
   - The name, title, address and telephone and facsimile number of the authorized representative of the Company/Firm submitting the Proposal;
   - The date of the submitted Proposal; and
   - The validity of the submitted Proposal

2) A detailed Technical Proposal with timeline, in English, that includes: Proposed Methodology, Approach and Implementation Plan – this section should demonstrate the Proposer’s response to the Terms of Reference by indicating how the specific activities and deliverables will be implemented, and how the deliverables will be provided.

3) Management Structure and Key Personnel – This section should include the comprehensive curriculum vitae (CVs) of evaluators including the Team Leader, that will be assigned to support the implementation of the proposed methodology, clearly defining the roles and responsibilities vis-à-vis the proposed methodology. CVs should establish competence and demonstrate qualifications in areas relevant to the TOR.

4) A full history of the company, highlighting the factors that in their view qualify the Bidders for providing the evaluation of the RMS

5) Description of similar and recent evaluations executed by their company that clearly illustrates at least ten (10) years of relevant experience, and specific detailed and un-priced examples of such evaluation handled that have or have had value of at least similar value to their Proposal.

6) Three references with contacts and phone numbers of similar size accounts of other organizations (international, national, public or private)

7) Any other information that they may deem pertinent regarding the competitive advantage of their proposed offer.

8) No prices to be included in the technical proposal
Financial Proposal:

The bidders to provide their prices in USD, with a breakdown of the prices

The financial proposal shall specify a total lump sum amount, and payment terms around specific and measurable (qualitative and quantitative) deliverables (i.e. whether payments fall in installments or upon completion of the entire contract). Payments are based upon output, i.e. upon delivery of the services specified in the TOR. The financial proposal will include a breakdown of this lump sum amount (including travel, per diems, and number of anticipated working days).

All envisaged travel costs must be included in the financial proposal. This includes all travel to join duty station/repatriation travel. In general, UNRWA should not accept travel costs exceeding those of an economy class ticket.

10. TIME-FRAME FOR THE EVALUATION PROCESS

The assignment shall initiate upon the signing of the contract and end after four months and will consist of 107 working days as below:

<table>
<thead>
<tr>
<th>No of working days</th>
<th>What tasks</th>
<th>Where (location)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>Desk review</td>
<td>Home based</td>
</tr>
<tr>
<td>12</td>
<td>Inception</td>
<td>UNRWA HQ</td>
</tr>
<tr>
<td>45</td>
<td>Field work</td>
<td>UNRWA HQ and fields</td>
</tr>
<tr>
<td>5</td>
<td>Presentation of results</td>
<td>UNRWA HQ</td>
</tr>
<tr>
<td>25</td>
<td>Draft Report</td>
<td>Home based</td>
</tr>
<tr>
<td>5</td>
<td>Final Report</td>
<td>Home based</td>
</tr>
</tbody>
</table>

Total working days: 107

11. DELIVERY AND PAYMENT SCHEDULE

<table>
<thead>
<tr>
<th>Deliverable / Event</th>
<th>Corresponding ToR item</th>
<th>Deadline (on or before)</th>
<th>Amount (in US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Inception report to be approved by DIOS</td>
<td></td>
<td>March 2015</td>
<td>20% of total contract value</td>
</tr>
<tr>
<td>2. Evaluation findings and draft evaluation report to be approved by DIOS</td>
<td></td>
<td>April 2015</td>
<td>40% of total contract value</td>
</tr>
<tr>
<td>3. Final report to be approved by DIOS</td>
<td></td>
<td>May 2015</td>
<td>40% of total contract value</td>
</tr>
</tbody>
</table>
ANNEX C

GENERAL CONDITIONS OF CONTRACT FOR THE PROVISION OF SERVICES ONLY

1. EFFECTIVE DATE: This Contract shall be effective when signed by the Parties. The Contract constitutes a contract between the Parties, the rights and obligations of which shall be governed solely by the terms and conditions of the Contract, including these General Conditions.

2. LEGAL STATUS OF THE PARTIES: UNRWA and the Contractor shall each be referred to as a “Party” hereunder, and:

2.1 Pursuant, inter alia, to the Charter of the United Nations and the Convention on the Privileges and Immunities of the United Nations, the United Nations, including its subsidiary organs (including UNRWA) has full juridical personality and enjoys such privileges and immunities as are necessary for the independent fulfilment of its purposes.

2.2 The Contractor shall have the legal status of an independent contractor vis-à-vis UNRWA, and nothing contained in or relating to the Contract shall be construed as establishing or creating between the Parties the relationship of employer and employee or of principal and agent. The officials, representatives, employees, or subcontractors of each of the Parties shall not be considered in any respect as being the employees or agents of the other Party, and each Party shall be solely responsible for all claims arising out or relating to its engagement of such persons or entities.

3. SOURCE OF INSTRUCTIONS: The Contractor shall neither seek nor accept instructions from any authority external to UNRWA in connection with the performance of its obligations under the Contract. Should any authority external to UNRWA seek to impose any instructions concerning or restrictions on the Contractor’s performance under the Contract, the Contractor shall promptly notify UNRWA and provide all reasonable assistance required by UNRWA. The Contractor shall not take any action in respect of the performance of its obligations under the Contract that may adversely affect the interests of UNRWA, and the Contractor shall perform its obligations under the Contract with the fullest regard to the interests of UNRWA.

4. RESPONSIBILITY FOR EMPLOYEES: To the extent that the Contract involves the provision of any services to UNRWA by the Contractor’s officials, employees, agents, servants, subcontractors and other representatives (collectively, the Contractor’s “personnel”), the following provisions shall apply:

4.1 The services shall be delivered in a professional and workmanlike manner in accordance with the terms and conditions of this Contract. The Contractor shall conduct its operations with due diligence and efficiency, in accordance with sound technical, financial and managerial standards and practices.

4.2 The Contractor shall be responsible for the professional and technical competence of the personnel it assigns to perform work under the Contract and will select reliable and competent individuals who will be able to effectively perform the obligations under the Contract and who, while doing so, will respect the local laws and customs and conform to a high standard of moral and ethical conduct.

4.3 Such Contractor personnel shall be professionally qualified and, if required to work with officials or staff of UNRWA, shall be able to do so effectively. The qualifications of any personnel whom the Contractor may assign or may propose to assign to perform any obligations under the Contract shall be substantially the same, or better, as the qualifications of any personnel originally proposed by the Contractor.

4.4 At the option of and in the sole discretion of UNRWA:

4.4.1 the qualifications of personnel proposed by the Contractor (e.g., a curriculum vitae) may be reviewed by UNRWA prior to such personnel’s performing any obligations under the Contract;

4.4.2 any personnel proposed by the Contractor to perform obligations under the Contract may be interviewed by qualified staff or officials of UNRWA prior to such personnel’s performing any obligations under the Contract; and,

4.4.3 in cases in which, pursuant to Article 4.4.1 or 4.4.2, above, UNRWA has reviewed the qualifications of such Contractor’s personnel, UNRWA may reasonably refuse to accept any such personnel.

4.5 Requirements specified in the Contract regarding the number or qualifications of the Contractor’s personnel may change during the course of performance of the Contract. Any such change shall be made only following written notice of such proposed change and upon written agreement between the Parties regarding such change, subject to the following:

4.5.1 UNRWA may, at any time, request, in writing, the withdrawal or replacement of any of the Contractor’s personnel, and such request shall not be unreasonably refused by the Contractor.

4.5.2 Any of the Contractor’s personnel assigned to perform obligations under the Contract shall not be withdrawn or replaced without the prior written consent of UNRWA, which shall not be unreasonably withheld.

4.5.3 The withdrawal or replacement of the Contractor’s personnel shall be carried out as quickly as possible and in a manner that will not adversely affect the performance of obligations under the Contract.

4.5.4 All expenses related to the withdrawal or replacement of the Contractor’s personnel shall, in all cases, be borne exclusively by the Contractor.
4.5.5 Any request by UNRWA for the withdrawal or replacement of the Contractor's personnel shall not be considered to be a termination, in whole or in part, of the Contract, and UNRWA shall not bear any liability in respect of such withdrawn or replaced personnel.

4.5.6 If a request for the withdrawal or replacement of the Contractor's personnel is not based upon a default by or failure on the part of the Contractor to perform its obligations in accordance with the Contract, the misconduct of the personnel, or the inability of such personnel to reasonably work together with UNRWA officials and staff, then the Contractor shall not be liable by reason of any such request for the withdrawal or replacement of the Contractor's personnel for any delay in the performance by the Contractor of its obligations under the Contract that is substantially the result of such personnel's being withdrawn or replaced.

4.6 Nothing in Articles 4.3, 4.4 and 4.5, above, shall be construed to create any obligations on the part of UNRWA with respect to the Contractor's personnel assigned to perform work under the Contract, and such personnel shall remain the sole responsibility of the Contractor.

4.7 The Contractor shall be responsible for requiring that all personnel assigned to it perform any obligations under the Contract and who may have access to any premises or other property of UNRWA shall:

4.7.1 undergo or comply with security screening requirements made known to the Contractor by UNRWA, including but not limited to, a review of any criminal history;

4.7.2 when within UNRWA premises or on UNRWA property, display such identification as may be approved and furnished by UNRWA security officials, and that upon the withdrawal or replacement of any such personnel or upon termination or completion of the Contract, such personnel shall immediately return any such identification to UNRWA for cancellation.

4.8 Not less than one working day after learning that any of Contractor's personnel who have access to any UNRWA premises have been charged by law enforcement authorities with an offense other than a minor traffic offense, the Contractor shall provide written notice to inform UNRWA about the particulars of the charges then known and shall continue to inform UNRWA concerning all substantial developments regarding the disposition of such charges.

4.9 All operations of the Contractor, including without limitation, storage of equipment, materials, supplies and parts, within UNRWA premises or on UNRWA property shall be confined to areas authorized or approved by UNRWA. The Contractor's personnel shall not enter or pass through and shall not store or dispose of any of its equipment or materials in any areas within UNRWA premises or on UNRWA property without appropriate authorization from UNRWA.

5. ASSIGNMENT; SUBCONTRACTING:

5.1 Except as provided in Article 5.2, below, the Contractor may not assign, transfer, pledge, subcontract or make any other disposition of the Contract, of any part of the Contract, or of any of the rights, claims or obligations under the Contract except with the prior written authorization of UNRWA. Any such unauthorized assignment, transfer, pledge, subcontracting or other disposition, or any attempt to do so, shall not be binding on UNRWA. Except as permitted with respect to any approved subcontractors, the Contractor shall not delegate any of its obligations under the Contract, except with the prior written consent of UNRWA. Any such unauthorized delegation, or attempt to do so, shall not be binding on UNRWA.

5.2 The Contractor may assign or otherwise transfer the Contract to the surviving entity resulting from a reorganization of the Contractor's operations, provided that:

5.2.1 such reorganization is not the result of any bankruptcy, receivership or other similar proceedings; and,

5.2.2 such reorganization arises from a sale, merger, or acquisition of all or substantially all of the Contractor's assets or ownership interests; and,

5.2.3 the Contractor promptly notifies UNRWA about such assignment or transfer at the earliest opportunity; and,

5.2.4 the assignee or transferee agrees in writing to be bound by all of the terms and conditions of the Contract, and such willing is promptly provided to UNRWA following the assignment or transfer.

6. INDEMNIFICATION:

6.1 The Contractor shall indemnify, defend, and hold and save harmless, UNRWA, and its officials, agents and employees, from and against all suits, proceedings, claims, demands, losses and liability of any kind or nature brought by any third party against UNRWA, including, but not limited to, all litigation costs and expenses, attorney's fees, settlement payments and damages, based on, arising from, or relating to:

6.1.1 allegations or claims that the possession or use by UNRWA of any patented device, any copyrighted material, or any other goods, property or services provided or licensed to UNRWA under the terms of the Contract, in whole or in part, separately or in a combination contemplated by the Contractor's published specifications therefor, or otherwise specifically approved by the Contractor, constitutes an infringement of any patent, copyright, trademark, or other intellectual property right of any third party; or,

6.1.2 any acts or omissions of the Contractor, or of any subcontractor or anyone directly or indirectly employed by them in the performance of the Contract, which give rise to legal liability to anyone not a party to the
Contract, including, without limitation, claims and liability in the nature of a claim for workers' compensation.

6.2 In addition to the indemnity obligations set forth in this Article 6, the Contractor shall be obligated, at its sole expense, to defend UNRWA and its officials, agents and employees, pursuant to this Article 6, regardless of whether the suits, proceedings, claims and demands in question actually give rise to or otherwise result in any loss or liability.

6.3 UNRWA shall advise the Contractor about any such suits, proceedings, claims, demands, losses or liability within a reasonable period of time after having received actual notice thereof. The Contractor shall have sole control of the defense of any such suit, proceeding, claim or demand and of all negotiations in connection with the settlement or compromise thereof, except with respect to the assertion or defense of the privileges and immunities of UNRWA or any matter relating thereto, for which only UNRWA itself is authorized to assert and maintain. UNRWA shall have the right, at its own expense, to be represented in any such suit, proceeding, claim or demand by independent counsel of its own choosing.

6.4 In the event the use by UNRWA of any goods, property or services provided or licensed to UNRWA by the Contractor, in whole or in part, in any suit or proceeding, is for any reason enjoined, temporarily or permanently, or is found to infringe any patent, copyright, trademark or other intellectual property right, or in the event of a settlement, is enjoined, limited or otherwise interfered with, then the Contractor, at its sole cost and expense, shall, promptly, either:

6.4.1 procure for UNRWA the unrestricted right to continue using such goods or services provided to UNRWA; or,

6.4.2 replace or modify the goods or services provided to UNRWA, or part thereof, with the equivalent or better goods or services, or part thereof, that is non-infringing; or,

6.4.3 refund to UNRWA the full price paid by UNRWA for the right to have or use such goods, property or services, or part thereof.

7. INSURANCE AND LIABILITY:

7.1 The Contractor shall pay UNRWA promptly for all loss, destruction, or damage to the property of UNRWA caused by the Contractor's personnel or by any of its subcontractors or anyone else directly or indirectly employed by the Contractor or any of its subcontractors in the performance of the Contract.

7.2 Unless otherwise provided in the Contract, prior to commencement of performance of any other obligations under the Contract, and subject to any limits set forth in the Contract, the Contractor shall take out and shall maintain for the entire term of the Contract, for any extension thereof, and for a period following any termination of the Contract reasonably adequate to deal with losses:

7.2.1 insurance against all risks in respect of its property and any equipment used for the performance of the Contract; and,

7.2.2 workers' compensation insurance, or its equivalent, or employer's liability insurance, or its equivalent, with respect to the Contractor's personnel sufficient to cover all claims for injury, death and disability, or any other benefits required to be paid by law, in connection with the performance of the Contract; and,

7.2.3 liability insurance in an adequate amount to cover all claims, including, but not limited to, claims for death and bodily injury, products and completed operations liability, loss of or damage to property, and personal and advertising injury, arising from or in connection with the Contractor's performance under the Contract, including, but not limited to, liability arising out of or in connection with the acts or omissions of the Contractor, its personnel, agents, or invitees, or the use, during the performance of the Contract, of any vehicles, boats, airplanes or other transportation vehicles and equipment, whether or not owned by the Contractor; and,

7.2.4 such other insurance as may be agreed upon in writing between UNRWA and the Contractor.

7.3 The Contractor's liability policies shall also cover subcontractors and all defense costs and shall contain a standard "cross liability" clause.

7.4 The Contractor acknowledges and agrees that UNRWA accepts no responsibility for providing life, health, accident, travel or any other insurance coverage which may be necessary or desirable in respect of any personnel performing services for the Contractor in connection with the Contract.

7.5 Except for the workers' compensation insurance or any self-insurance program maintained by the Contractor and approved by UNRWA, in its sole discretion, for purposes of fulfilling the Contractor's requirements for providing insurance under the Contract, the insurance policies required under the Contract shall:

7.5.1 name UNRWA as an additional insured under the liability policies, including, if required, as a separate endorsement under the policy; and,

7.5.2 include a waiver of subrogation of the Contractor's insurance carrier's rights against UNRWA; and,

7.5.3 provide that UNRWA shall receive written notice from the Contractor's insurance carrier not less than thirty (30) days prior to any cancellation or material change of coverage; and,

7.5.4 include a provision for response on a primary and non-contributing basis with respect to any other insurance that may be available to UNRWA.

7.6 The Contractor shall be responsible to fund all amounts within any policy deductible or retention.
7.7 Except for any self-insurance program maintained by the Contractor and approved by UNRWA for purposes of fulfilling the Contractor’s requirements for maintaining insurance under the Contract, the Contractor shall maintain the insurance taken out under the Contract with reputable insurers that are in good financial standing and that are acceptable to UNRWA. Prior to the commencement of any obligations under the Contract, the Contractor shall provide UNRWA with evidence, in the form of certificate of insurance or such other form as UNRWA may reasonably require, that demonstrates that the Contractor has taken out insurance in accordance with the requirements of the Contract. UNRWA reserves the right, upon written notice to the Contractor, to obtain copies of any insurance policies or insurance program descriptions required to be maintained by the Contractor under the Contract. Notwithstanding the provisions of Article 7.5.3, above, the Contractor shall promptly notify UNRWA concerning any cancellation or material change of insurance coverage required under the Contract.

7.8 The Contractor acknowledges and agrees that neither the requirement for taking out and maintaining insurance as set forth in the Contract nor the amount of any such insurance, including, but not limited to, any deductible or retention relating thereto, shall in any way be construed as limiting the Contractor’s liability arising under or relating to the Contract.

8. ENCUMBRANCES AND 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 UNRWA against any monies due to the Contractor or that may become due for any work done or against any goods supplied or materials furnished under the Contract, or by reason of any other claim or demand against the Contractor or UNRWA.

9. EQUIPMENT FURNISHED BY UNRWA TO THE CONTRACTOR: Title to any equipment and supplies that may be furnished by UNRWA to the Contractor for the performance of any obligations under the Contract shall rest with UNRWA, and any such equipment shall be returned to UNRWA at the conclusion of the Contract or when no longer needed by the Contractor. Such equipment, when returned to UNRWA, shall be in the same condition as when delivered to the Contractor, subject to normal wear and tear, and the Contractor shall be liable to compensate UNRWA for the actual costs of any loss of, damage to, or degradation of the equipment that is beyond normal wear and tear.

10. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS:

10.1 Except as is otherwise expressly provided in writing in the Contract, all right, title and interest, including copyrights, in all works and other materials, whether in written or electronic form and including all derivative works thereof, produced in the performance of this Contract shall be vested exclusively in, and the Contractor shall without further consideration assign, whether as works for hire or otherwise, the same to, UNRWA.

10.2 To the extent that any such intellectual property or other proprietary rights consist of any intellectual property or other proprietary rights of the Contractor: (i) that pre-existed the performance by the Contractor of its obligations under the Contract, or (ii) that the Contractor may develop or acquire, or may have developed or acquired independently of the performance of its obligations under the Contract, UNRWA does not and shall not claim any ownership interest thereto, and the Contractor grants to UNRWA a perpetual license to use such intellectual property or other proprietary right solely for the purposes of and in accordance with the requirements of the Contract.

10.3 At the request of UNRWA, the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring or licensing them to UNRWA in compliance with the requirements of the applicable law and of the Contract.

10.4 Subject to the foregoing provisions, all maps, drawings, photographs, mosaics, plans, reports, estimates, recommendations, documents, and all other data compiled by or received by the Contractor under the Contract shall be the property of UNRWA, shall be made available for use or inspection by UNRWA at reasonable times and in reasonable places, shall be treated as confidential, and shall be delivered only to UNRWA authorized officials on completion of work under the Contract.

11. PUBLICITY, AND USE OF THE NAME, EMBLEM OR OFFICIAL SEAL OF THE UNITED NATIONS OR UNRWA: The Contractor shall not advertise or otherwise make public for purposes of commercial advantage or goodwill that it has a contractual relationship with UNRWA, nor shall the Contractor, in any manner whatsoever use the name, emblem or official seal of the United Nations or UNRWA, or any abbreviation of the name of the United Nations or UNRWA in connection with its business or otherwise without the written permission of UNRWA.

12. CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION: Information and data that is considered proprietary by either Party or that is delivered or disclosed by one Party (“Discloser”) to the other Party (“Recipient”) during the course of performance of the Contract, and that is designated as confidential (“Information”), shall be held in confidence by that Party and shall be handled as follows:

12.1 The recipient (“Recipient”) of such Information shall:

12.1.1 use the same care and discretion to avoid disclosure, publication or dissemination of the Discloser’s Information as it uses with its own similar Information that it does not wish to disclose, publish or disseminate; and,

12.1.2 use the Discloser’s Information solely for the purpose for which it was disclosed.

12.2 The Contractor may disclose Information to the extent required by law, provided that, subject to and without any waiver of the privileges and immunities of UNRWA, the Contractor will give UNRWA sufficient prior notice of a request for the disclosure of Information in order to allow UNRWA to have a
reasonable opportunity to take protective measures or such other action as may be appropriate before any such disclosure is made.

12.3 UNRWA may disclose Information to the extent as required pursuant to the Charter of the United Nations, or pursuant to resolutions or regulations of the General Assembly or rules promulgated thereunder.

12.4 The Recipient shall not be precluded from disclosing Information that is obtained by the Recipient from a third party without restriction, is disclosed by the Discloser to a third party without any obligation of confidentiality, is previously known by the Recipient, or at any time is developed by the Recipient completely independently of any disclosures hereunder.

12.5 These obligations and restrictions of confidentiality shall be effective during the term of the Contract, including any extension thereof, and, unless otherwise provided in the Contract, shall remain effective following any termination of the Contract.

13. FORSE MAJEURE; OTHER CHANGES IN CONDITIONS:

13.1 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the affected Party shall give notice and full particulars in writing to the other Party, of such occurrence or cause if the affected Party is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under the Contract. The affected Party shall also notify the other Party of any other changes in condition or the occurrence of any event which interferes or threatens to interfere with its performance of the Contract. Not more than fifteen (15) days following the provision of such notice of force majeure or other changes in condition or occurrence, the affected Party shall also submit a statement to the other Party of estimated expenditures that will likely be incurred for the duration of the change in condition or the event of force majeure. On receipt of the notice or notices required hereunder, the Party not affected by the occurrence of a cause constituting force majeure shall take such action as it reasonably considers to be appropriate or necessary in the circumstances, including the granting to the affected Party of a reasonable extension of time in which to perform any obligations under the Contract.

13.2 If the Contractor is rendered unable, wholly or in part, by reason of force majeure to perform its obligations and meet its responsibilities under the Contract, UNRWA shall have the right to suspend or terminate the Contract on the same terms and conditions as are provided for in Article 14, “Termination,” except that the period of notice shall be seven (7) days instead of thirty (30) days. In any case, UNRWA shall be entitled to consider the Contractor permanently unable to perform its obligations under the Contract in case the Contractor is unable to perform its obligations, wholly or in part, by reason of force majeure for any period in excess of ninety (90) days.

13.3 Force majeure as used herein means any unforeseeable and irresistible act of nature, any act of war (whether declared or not), invasion, revolution, insurrection, terrorism, or any other acts of a similar nature or force, provided that such acts arise from causes beyond the control and without the fault or negligence of the Contractor. The Contractor acknowledges and agrees that, with respect to any obligations under the Contract that the Contractor must perform in areas in which UNRWA is engaged in, preparing to engage in, or disengaging from any operations, any delays or failure to perform such obligations arising from or relating to harsh conditions within such areas, including without limitation closures, strikes and curfews, or to any incidents of civil unrest occurring in such areas, shall not, in and of itself, constitute force majeure under the Contract.

14. TERMINATION:

14.1 Either Party may terminate the Contract for cause, in whole or in part, upon thirty (30) days’ notice, in writing, to the other Party. The initiation of conciliation or arbitral proceedings in accordance with Article 17 “Settlement of Disputes,” below, shall not be deemed to be a “cause” for otherwise to be in itself a termination of the Contract.

14.2 UNRWA may terminate the Contract at any time by providing written notice to the Contractor in any case in which the mandate of UNRWA applicable to the performance of the Contract or the funding of UNRWA applicable to the Contract is curtailed or terminated, whether in whole or in part. In addition, unless otherwise provided by the Contract, upon sixty (60) day’s advance written notice to the Contractor, UNRWA may terminate the Contract without having to provide any justification therefor.

14.3 In the event of any termination of the Contract, upon receipt of notice of termination that has been issued by UNRWA, the Contractor shall, except as may be directed by UNRWA in the notice of termination or otherwise in writing:

14.3.1 take immediate steps to bring the performance of any obligations under the Contract to a close in a prompt and orderly manner, and in doing so, reduce expenses to a minimum;

14.3.2 refrain from undertaking any further or additional commitments under the Contract as of and following the date of receipt of such notice;

14.3.3 place no further subcontracts or orders for materials, services, or facilities, except as UNRWA and the Contractor agree in writing are necessary to complete any portion of the Contract that is not terminated;

14.3.4 terminate all subcontracts or orders to the extent they relate to the portion of the Contract terminated;

14.3.5 transfer title and deliver to UNRWA the fabricated or unfabricated parts, work in
process, completed work, supplies, and other material produced or acquired for the portion of the Contract terminated;

14.3.6 deliver all completed or partially completed plans, drawings, information, and other property that, if the Contract had been completed, would be required to be furnished to UNRWA thereunder;

14.3.7 complete performance of the work not terminated; and,

14.3.8 take any other action that may be necessary, or that UNRWA may direct in writing, for the minimization of losses and for the protection and preservation of any property, whether tangible or intangible, related to the Contract that is in the possession of the Contractor and in which UNRWA has or may be reasonably expected to acquire an interest.

14.4 In the event of any termination of the Contract, UNRWA shall be entitled to obtain reasonable written accountings from the Contractor concerning all obligations performed or pending in accordance with the Contract. In addition, UNRWA shall not be liable to pay the Contractor except for, but without prejudice to UNRWA’s rights under Article 15.1, those goods delivered and services provided to UNRWA in accordance with the requirements of the Contract, but only if such goods or services were ordered, requested or otherwise provided prior to the Contractor’s receipt of notice of termination from UNRWA or prior to the Contractor’s tendering of notice of termination to UNRWA.

14.5 UNRWA may, without prejudice to any other right or remedy available to it, terminate the Contract forthwith in the event that:

14.5.1 the Contractor is adjudged bankrupt, or is liquidated, or becomes insolvent, or applies for a moratorium or stays on any payment or repayment obligations, or applies to be declared insolvent;

14.5.2 the Contractor is granted a moratorium or a stay, or is declared insolvent;

14.5.3 the Contractor makes an assignment for the benefit of one or more of his creditors;

14.5.4 a Receiver is appointed on account of the insolvency of the Contractor;

14.5.5 the Contractor offers a settlement in lieu of bankruptcy or receivership; or,

14.5.6 UNRWA reasonably determines that the Contractor has become subject to a materially adverse change in its financial condition that threatens to substantially affect the ability of the Contractor to perform any of its obligations under the Contract.

14.6 Except as prohibited by law, the Contractor shall be bound to compensate UNRWA for all damages and costs, including, but not limited to, all costs incurred by UNRWA in any legal or non-legal proceedings, as a result of any of the events specified in Article 14.5, above, and resulting from or relating to a termination of the Contract, even if the Contractor is adjudged bankrupt, or is granted a moratorium or stays or is declared insolvent. The Contractor shall immediately inform UNRWA of the occurrence of any of the events specified in Article 14.5, above, and shall provide UNRWA with any information pertinent thereto.

14.7 The provisions of this Article 14 are without prejudice to any other rights or remedies of UNRWA under the Contract or otherwise.

15. REMEDIES OF UNRWA; NON-WAIVER OF RIGHTS.

15.1 In case the Contractor fails to comply with any term of the Contract, the Contractor shall be liable for all damages sustained by UNRWA, and UNRWA may, after giving the Contractor reasonable notice to perform and without prejudice to any other rights or remedies, exercise one or more of the following rights:

15.1.1 procure all or part of the service or related goods from other sources;

15.1.2 refuse to accept delivery of all or part of the services of related goods; or

15.1.3 terminate the Contract in accordance with Article 14.1,

and the Contractor shall be liable by reason of default for any loss or damage sustained and additional costs incurred by UNRWA, including without limitation any increase in the price payable by UNRWA resulting from the procurement of the services or related goods from other sources. UNRWA may, without notice to the Contractor, apply to the payment of any such loss, damage or additional costs, by setoff or otherwise, all credits, claims or other amounts, whether or not related to the Contract, at any time owing by UNRWA to the Contractor.

15.2 The failure by either Party to exercise any rights available to it, whether under the Contract or otherwise, shall not be deemed for any purposes to constitute a waiver by the other Party of any such right or any remedy associated therewith, and shall not relieve the Parties of any of their obligations under the Contract. All remedies afforded in the Contract shall be taken and construed as cumulative, i.e., in addition to every other remedy provided under the Contract and by law.

16. NON-EXCLUSIVITY: Unless otherwise specified in the Contract, UNRWA shall have no obligation to purchase any minimum quantities of goods or services from the Contractor, and UNRWA shall have no limitation on its right to obtain goods or services of the same kind, quality and quantity described in the Contract, from any other source at any time.
17. SETTLEMENT OF DISPUTES:

17.1 AMICABLE SETTLEMENT: The Parties shall use their best efforts to amicably settle any dispute, controversy, or claim arising out of the Contract or the breach, termination, or invalidity thereof. Where the Parties wish to seek assistance of a neutral third person in their attempt to reach an amicable settlement in a process of conciliation or mediation, such process shall take place in accordance with the Optional Conciliation Rules of the Permanent Court of Arbitration in force at the date of commencement of conciliation or mediation, as the case may be, or according to such other procedure as may be agreed between the Parties in writing.

17.2 ARBITRATION: Any dispute, controversy, or claim between the Parties arising out of or relating to the Contract or the breach, termination, or invalidity thereof, unless settled amicably under Article 17.1 above within sixty (60) days after receipt by one Party of the other Party’s written request for conciliation or mediation, shall be settled by arbitration in accordance with the Permanent Court of Arbitration Optional Rules for Arbitration between International Organizations and Private Parties in force on the date of this Contract (the “PCA Arbitration Rules”). The decisions of the arbitral tribunal shall be based on general principles of international commercial law. The appointing authority shall be designated by the Secretary-General of the Permanent Court of Arbitration following a written request submitted by either Party. The number of arbitrators shall be three, unless the Parties, in the interest of economy of proceedings, agree that there shall be one arbitrator. The place of arbitration shall be Amman, Jordan. The language to be used in the arbitral proceedings shall be English. The arbitrators must be fluent in that language. The arbitral tribunal shall be empowered to take any measures it deems appropriate, including without limitation, ordering the return or destruction of goods or any property, whether tangible or intangible, of or any confidential information provided under the Contract, ordering the termination of the Contract, or ordering that any other protective measures be taken with respect to the goods, services or any other property, whether tangible or intangible, or of any confidential information provided under the Contract, as appropriate, all in accordance with the authority of the arbitral tribunal pursuant to the PCA Arbitration Rules. The arbitral tribunal shall have no authority to award punitive damages. In addition, unless otherwise expressly provided in the Contract, the arbitral tribunal shall have no authority to award interest in excess of the London Inter-Bank Offered Rate (“LIBOR”) then prevailing, and any such interest shall be simple interest only. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such dispute, controversy, or claim.

18. PRIVILEGES AND IMMUNITIES: Nothing in or relating to the Contract shall be deemed a waiver, express or implied, of any of the privileges and immunities accorded to UNRWA in international law.

19. TAX EXEMPTION:

19.1 Article II, Section 7, of the Convention on the Privileges and Immunities of the United Nations provides, *inter alia*, that the United Nations, including its subsidiary organs (including UNRWA), is exempt from all direct taxes, except charges for public utility services, and is exempt from customs restrictions, duties, and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize the exemptions of UNRWA from such taxes, restrictions, duties, or charges, the Contractor shall immediately consult with UNRWA to determine a mutually acceptable procedure.

19.2 The Contractor authorizes UNRWA to deduct from the Contractor’s invoices any amount representing such taxes, duties or charges, unless the Contractor has consulted with UNRWA before the payment thereof and UNRWA has, in each instance, specifically authorized the Contractor to pay such taxes, duties, or charges under written protest. In that event, the Contractor shall provide UNRWA with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized, and UNRWA shall reimburse the Contractor for any such taxes, duties, or charges so authorized by UNRWA and paid by the Contractor under written protest.

20. OBSERVANCE OF THE LAW: The Contractor shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the Contract. In addition, the Contractor shall maintain compliance with all obligations relating to its registration as a qualified vendor of goods or services to UNRWA, as such obligations are set forth in UNRWA vendor registration procedures.

21. MODIFICATIONS:

21.1 Only the Chief, Procurement and Logistics Division, or, for local contracts, the Field Office Director in each of UNRWA’s offices of operation, or such other contracting authority as UNRWA has made known to the Contractor in writing, possess the authority to agree on behalf of UNRWA to any modification of or change in the Contract, to a waiver of any of its provisions or to any additional contractual relationship of any kind with the Contractor. Accordingly, no modification or change in the Contract shall be valid and enforceable against UNRWA unless provided by a valid written amendment to the Contract signed by the Contractor and the Chief, Procurement and Logistics Division, or the Field Office Director (for local contracts), or such other contracting authority.

21.2 If the Contract shall be extended for additional periods in accordance with the terms and conditions of the Contract, the terms and conditions applicable to any such extended term of the Contract shall be the same terms and conditions as set forth in the Contract, unless the Parties shall have agreed otherwise pursuant to a valid amendment concluded in accordance with Article 21.1 above.
21.3 The terms or conditions of any supplemental undertakings, licenses, or other forms of agreement concerning any goods or services provided under the Contract shall not be valid and enforceable against UNRWA nor in any way shall constitute an agreement by UNRWA thereto unless any such undertakings, licenses or other forms are the subject of a valid amendment concluded in accordance with Article 21.1, above.

22. AUDITS AND INVESTIGATIONS:

22.1 Each invoice paid by UNRWA shall be subject to a post-payment audit by auditors, whether internal or external, of UNRWA or by other authorized and qualified agents of UNRWA at any time during the term of the Contract and for a period of two (2) years following the expiration or prior termination of the Contract. UNRWA shall be entitled to a refund from the Contractor for any amounts shown by such audits to have been paid by UNRWA other than in accordance with the terms and conditions of the Contract.

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

23. LIMITATION ON ACTIONS:

23.1 Except with respect to any indemnification obligations in Article 6, above, or as are otherwise set forth in the Contract, any arbitral proceedings in accordance with Article 17.2, above, arising out of the Contract must be commenced within three years after the cause of action has accrued.

23.2 The Parties further acknowledge and agree that, for these purposes, a cause of action shall accrue when the breach actually occurs, or, in the case of latent defects, when the injured Party know or should have known all of the essential elements of the cause of action, or in the case of a breach of warranty, when tender of delivery is made, except that, if a warranty extends to future performance of the goods or any process or system and the discovery of the breach consequently must await the time when such goods or other process or system is ready to perform in accordance with the requirements of the Contract, the cause of action accrues when such time of future performance actually begins.

24. ADDITIONAL WARRANTIES:

24.1 The Contractor represents and warrants that:

24.1.1 it has not and shall not offer any direct or indirect benefit arising from or related to the performance of the Contract or the award thereof to any representative, official, employee, or other agent of UNRWA.

24.1.2 neither it, its parent entities (if any), nor any of the Contractor's subsidiary or affiliated entities (if any) 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.

24.1.3 neither it, its parent entities (if any), nor any of the Contractor's subsidiaries or affiliated entities (if any) is engaged in the sale or manufacture of anti-personnel mines or components utilized in the manufacture of anti-personnel mines.

24.1.4 it shall take all appropriate measures to prevent sexual exploitation or abuse of anyone by its employees or any other persons engaged and controlled by the Contractor to perform any services under the Contract. For these purposes, sexual activity with any person less than eighteen years of age, regardless of any laws relating to consent, shall constitute the sexual exploitation and abuse of such person. In addition, the Contractor shall refrain from, and shall take all reasonable and appropriate measures to prohibit its employees or other persons engaged and controlled by it from any activities that are exploitative or degrading to any person. UNRWA shall not apply the foregoing standard relating to age in any case in which the Contractor's personnel or any other person who may be engaged by the Contractor to perform any services under the Contract is married to the person less than the age of eighteen years with whom sexual activity has occurred and in which such marriage is recognized as valid under the laws of the country of citizenship of such Contractor's personnel or such other person who may be engaged by the Contractor to perform any services under the Contract.
24.1.5 neither it, its parent entities (if any), nor any of the Contractor's subsidiary, affiliated entities (if any) or suppliers is engaged in any transactions with, and/or the provision of resources and support to, individuals and organizations associated with, receiving any type of training for, or engaged in, any act or offense described in Article 2, Sections 1, 3, 4 or 5 of the International Convention for the Suppression of the Financing of Terrorism, adopted by the General Assembly of the United Nations in Resolution 54/109 of 9 December 1999.

24.2 The Contractor acknowledges and agrees that the provisions of Article 24.1 constitute an essential term of the Contract and that breach of any such representation and warranty shall entitle UNRWA to terminate the Contract immediately upon notice to the Contractor, without any liability for termination charges or any other liability of any kind.

25. BANK GUARANTEE: If specifically requested by UNRWA, prior to the signature of the Contract, the Contractor shall provide a banker's guarantee from a bank acceptable to UNRWA in the form, amount and manner prescribed by UNRWA.

26. NOTICE AND OTHER FORMALITIES:

26.1 Service of any notice referred to in the Contract or arising therefrom shall be deemed to be valid if sent by registered mail, or by cable, or by hand against authorized signature on receipt, to the address of the Party concerned as set forth in the Contract.

26.2 It is expressly agreed that UNRWA shall have the right to enforce these General Conditions without the necessity of resorting to service of summons, mise en demeure, notarial notice, and without any legal formalities or court proceedings of any kind whatsoever; it is being further agreed that the notice provided for in the preceding paragraph is adequate for all purposes notwithstanding any provision of applicable law to the contrary.

27. SEVERABILITY: If any term, covenant, or condition of this Contract or the application thereof to any person or circumstance shall to any extent be determined to be invalid or unenforceable, the remainder of this Contract, or the application of such term, covenant or condition to persons or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby and each term, covenant, or condition of this Contract shall remain valid and be enforced to the fullest extent possible