



**Invitation to Bid
UNDP Ukraine
Case # UKR/2010/002**

Date: April 8, 2010

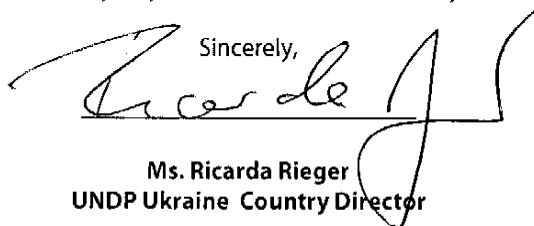
Dear Sir/Madam,

Subject: ITB # UKR/2010/002 Procurement of flare for biogas utilization.

1. We hereby solicit your bid for the supply of following goods:
flare to biogas collection system of municipal solid waste landfill located in Aleksandrovsk, Lugansk oblast
2. To enable you to submit a bid, please find enclosed:

Annex I.	Instructions to Bidders
Annex II.	Bid Data Sheet
Annex III.	General Terms and Conditions
Annex IV.	Special Conditions
Annex V.	Schedule of Requirements and Technical Specifications
Annex VI.	Bid Submission Form
Annex VII.	Price Schedule
Annex VIII.	Bid Security Form
Annex IX.	Performance Security Form
Annex X.	Declaration by Bidder and Disclosure Requirement
3. Interested Bidders may obtain further information by sending written requests to email procurement@undp.org.ua
4. Bids must be delivered to the the following address no later than **12am UTC on 29 April 2010**.
**United Nations Development Programme
Ukraine, Kyiv 01021
Klovskiy Uzviz #1
Tel: +253-9363
Fax: 253-2607**
Late bids shall be rejected.
5. Bids will be opened in the presence of Bidders' Representatives, who chose to attend at the address, date and time indicated in the Bidding Documents.
6. This letter is not to be construed in any way as an offer to contract with your firm.

Sincerely,



**Ms. Ricarda Rieger
UNDP Ukraine Country Director**

INSTRUCTIONS TO BIDDERS

A. Introduction

- 1. General:** The Purchaser invites Sealed Bids for the supply of goods to the UN system
- 2. Eligible Bidders:** Bidders should not be associated, or have been associated in the past, directly or indirectly, with a firm or any of its affiliates which have been engaged by the Purchaser to provide consulting services for the preparation of the design specifications, and other documents to be used for the procurement of goods to be purchased under this Invitation to Bids.
- 3. Cost of Bid:** The Bidder shall bear all costs associated with the preparation and submission of the Bid, and the procuring UN entity will in no case be responsible or liable for those costs, regardless of the conduct or outcome of the solicitation.

B. Solicitation Documents

- 4. Examination of Solicitation Documents:** The Bidder is expected to examine all corresponding instructions, forms, terms and specifications contained in the Solicitation Documents. Failure to comply with these documents will be at the Bidder's risk and may affect the evaluation of the Bid.
- 5. Clarification of Solicitation Documents:** A prospective Offeror requiring any clarification of the Solicitation Documents may notify the procuring UNDP entity in writing before 3 pm UTC on April 15, 2010 at the following e-mail address:
procurement@undp.org.ua

The clarification to the queries received (including an explanation of the query but without identifying the source of inquiry) will be posted in the "Tenders" section of UNDP Ukraine website <http://undp.org.ua/en/tenders> (on the ITB UKR/2010/002 page) no later than 4 pm UTC on April 20, 2010.

- 6. Amendments of Solicitation Documents:** No later than one week prior to the Deadline for Submission of Bids, the procuring entity may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective Bidder, amend the Solicitation Documents. All prospective Bidders that have received the Solicitation Documents will be notified in writing of any amendments. In order to afford prospective Bidders reasonable time in which to take the amendments into account in preparing their offers, the procuring entity may, at its discretion, extend the Deadline for the Submission of Bids.

C. Preparation of Bids

- 7. Language of the Bid:** The Bid prepared by the Bidder and all correspondence and documents relating to the Bid exchanged by the Bidder and the procuring entity shall be written in the language indicated on the Bid Data Sheet.

- 8. Documents Comprising the Bid:**

The Bid must comprise the following documents:

- a Bid Submission form;
- a Price Schedule completed in accordance with the Annexures V, VI and VIII and clause 12 of Instructions to Bidders;
- documentary evidence established in accordance with clause 9 of Instructions to Bidders that the Bidder is eligible to and is qualified to perform the contract if its Bid is accepted,

- (d) documentary evidence established in accordance with clause 11 of Instructions to Bidders that the goods and ancillary services to be supplied by the Bidder are eligible goods and services and conform to the Bidding Documents;

9. Documents Establishing Bidder's Eligibility and Qualifications:

The Bidder shall furnish evidence of its status as qualified Supplier. The documentary evidence of the Bidder's qualifications to perform the contract if its Bid is accepted shall be established to the Purchaser's satisfaction:

- (a) that, in the case of a Bidder offering to supply goods under the contract which the Bidder did not manufacture or otherwise produce, the Bidder has been duly authorised by the goods' manufacturer or producer to supply the goods in the country of final destination;
- (b) that the Bidder has the financial, technical, and production capability necessary to perform the contract.
- (c) general description of the company, including contact details and list of management personnel;
- (d) at least 3 official references from clients who purchased similar products in past;
- (e) documents confirming legal status, registration and main place of business of Bidder;
- (f) Written power of attorney of the signatory of the Bid to commit the Bidder (if not authorized by the charter);
- (g) Audited Financial Statements (Balance Sheet, Income Statement, Cash Flow Statement) for years 2007 through 2009.

10. Export License:

All bidders/vendors must aware that the goods and services are for the benefit of the Government under UNDP's development assistance framework and goods purchased will normally be transferred to the national partners, or to an entity nominated by it, in accordance with UNDP's policies and procedures.

The bidder/vendor shall include in their proposal:

A statement whether any import or export licenses are required in respect of the goods to be purchased or service to be rendered including any restrictions on the country of origin, use/dual use nature of goods or services, including and disposition to end users;

Confirmation that he has obtained licenses of this nature in the past and have an expectation of obtaining all the necessary licenses should their bid be successful.

11. Documents Establishing Goods' Conformity to Bidding Documents:

The Bidder shall also furnish as part of its Bid, documents establishing the conformity to the Bidding Documents of all goods and related services which the Bidder proposes to supply under the contract.

The documentary evidence of conformity to the Bidding Documents may be in the form of literature, drawings, and data, and shall consist of:

- (a) A detailed description of the essential technical and performance characteristics of the goods;
- (b) A list giving full particulars, including available sources and current prices of spare parts, special tools, etc, necessary for the proper and continuing functioning of the goods for a period to be specified in the Bid Data Sheet, following commencement of the use of the goods.

12. Bid Currencies/Bid Prices: All prices shall be quoted in US dollars or any other convertible currency. The Bidder shall indicate on the appropriate Price Schedule the unit prices (where applicable) and total Bid Price of the goods it proposes to supply under the contract.

13. Period of Validity of Bids: Bids shall remain valid for 120 days after the date of Bid Submission prescribed by the procuring UN entity. A Bid valid for a shorter period may be rejected as non-responsive. In exceptional circumstances, the procuring UN entity may solicit the Bidder's consent to an extension of the period of validity. The request and the responses thereto shall be made in writing. Bidders granting the request will not be required nor permitted to modify their Bids.

14. Bid Security:

- (a) The Bidder shall furnish as part of its Bid a Bid Security to the Purchaser in the amount of 2.5 % of the Offer Value.
- (b) The Bid Security is to protect the Purchaser against the risk of the Bidder's conduct which would warrant the security's forfeiture, pursuant to Clause 14(g) below.
- (c) The Bid Security shall be denominated in the currency of the Purchase Order or in a freely convertible currency and shall be in one of the following forms:
 - i. bank guarantee or irrevocable letter of credit, issued by a reputable bank located in the purchaser's country or abroad, and in the form provided in these Solicitation Documents, or,
 - ii. cashier's cheque, or certified cheque.
- (d) Any Bid not secured in accordance with Clauses 14 a) and 14 c) above will be rejected by the Purchaser as non-responsive.
- (e) Unsuccessful Bidder Bid Security will be discharged or returned as promptly as possible but no later than thirty (30) days after the expiration of the period of Bid Validity prescribed by the Purchaser pursuant to clause 13 of instructions to Bidders.
- (f) The successful Bidder's Bid Security will be discharged or returned upon the Bidder signing the Purchase Order, pursuant to clause 27 of Instructions to Bidders, and furnishing the Performance Security, pursuant to clause 28 of Instructions to Bidders.
- (g) The Bid Security may be forfeited:
 - 1) If a Bidder withdraws its offer during the period of the Bid Validity specified by the Bidder on the Bid Submission Form, or,
 - 2) In the case of a successful Bidder, if the Bidder fails:
 - i. to sign the Purchase Order in accordance with Clause 27 of Instructions to Bidders, or,
 - ii. to furnish Performance Security in accordance with Clause 28 of Instructions to Bidders.

D. Submission of Bids

15. Format and Signing of Bid: The Bidder shall prepare two copies of the Bid, clearly marking each "Original Bid" and "Copy of Bid" as appropriate. In the event of any discrepancy between them, the original shall govern. The two copies of the Bid shall be typed or written in indelible ink and shall be signed by the Bidder or a person or persons duly authorised to bind the Bidder to the contract. A Bid shall contain no interlineations, erasures, or overwriting except, as necessary to correct errors made by the Bidder, in which case such corrections shall be initialed by the person or persons signing the bid.

16. Sealing and Marking of Bids:

16.1. The Bidder shall seal the original and each copy of the Bid in separate envelopes, duly marking the envelopes as "ORIGINAL" and "COPY". The envelopes shall then be sealed in an outer envelope.

16.2. The inner and outer envelopes shall:

- (a) be addressed to the Purchaser at the address given in section I of these Solicitation Documents; and

(b) make reference to the "subject" indicated in section I of these Solicitation Documents, and a statement: "DO NOT OPEN BEFORE", to be completed with the time and the date specified in section I of these Solicitation Documents for Bid Opening.

16.3. The inner and outer envelopes shall also indicate the name and address of the Bidder to enable the Bid to be returned unopened in case it is declared "late".

16.4. If the outer envelope is not sealed and marked as required by clause 16.2 of Instructions to Bidders, the Purchaser will assume no responsibility for the Bid's misplacement or premature opening.

17. Deadline for Submission of Bids/Late Bids:

17.1. Bids must be delivered to the office on or before the date and time specified in section I of these Solicitation Documents.

17.2. The Purchaser may, at its discretion, extend this deadline for the submission of the bids by amending the Bidding Documents in accordance with clause 6 of Instructions to Bidders, in which case all rights and obligations of the Purchaser and Bidders previously subject to the deadline will thereafter be subject to the deadline as extended.

17.3. Any Bid received by the Purchaser after the Deadline for Submission of Bids will be rejected and returned unopened to the Bidder.

18. Modification and Withdrawal of Bids: The Bidder may withdraw its Bid after submission, provided that written notice of the withdrawal is received by the procuring UN entity prior to the deadline for submission. No Bid may be modified after passing of the Deadline for Submission of Bids. No Bid may be withdrawn in the interval between the Deadline for Submission of Bids and the expiration of the Period of Bid Validity.

E. Opening and Evaluation of Bids

19. Opening of Bids:

19.1 The Purchaser will open all Bids in the presence of Bidders' Representatives who choose to attend, at the time, on the date, and at the place specified in section I of this Solicitation Document. The Bidders' Representatives who are present shall sign a register evidencing their attendance.

The opening of the Bids will take place on 29 April, 2010 at 12:30am UTC at the Purchaser's address: UNDP Ukraine, UN House, 1 Klovsky Uzviz, 01021 Kiev, Ukraine

19.2 The bidders' names, Bid Modifications or withdrawals, bid Prices, discounts, and the presence or absence of requisite Bid Security and such other details as the purchaser, at its discretion, may consider appropriate, will be announced at the opening. No Bid shall be rejected at Bid Opening, except for Late Bids, which shall be returned unopened to the Bidder.

19.3 Bids (and modifications sent pursuant to clause 18 of Instructions to Bidders) that are not opened and read out at Bid Opening shall not be considered further for evaluation, irrespective of the circumstances. Withdrawn Bids will be returned unopened to the Bidders.

19.4 The Purchaser will prepare minutes of the Bid Opening.

20. Clarification of Bids: To assist in the examination, evaluation and comparison of Bids the procuring UN entity may at its discretion ask the Bidder for clarification of its Bid. The request for clarification and the response shall be in writing and no change in price or substance of the Bid shall be sought, offered or permitted.

21. Preliminary Examination:

- 21.1. Prior to the detailed evaluation, the Purchaser will determine the substantial responsiveness of each Bid to the Invitation to Bid (ITB). A substantially responsive Bid is one which conforms to all the terms and conditions of the ITB without material deviations.
- 21.2. The Purchaser will examine the bids to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the bids are generally in order.
- 21.3. Arithmetical errors will be rectified on the following basis: If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If the Bidder does not accept the correction of errors, its Bid will be rejected. If there is a discrepancy between words and figures the amount in words will prevail.
- 21.4. A Bid determined as not substantially responsive will be rejected by the Purchaser and may not subsequently be made responsive by the Bidder by correction of the non-conformity.

22. Conversion to Single Currency: To facilitate evaluation and comparison, the Purchaser will convert all Bid Prices expressed in the amounts in various currencies in which the Bid Prices are payable to US dollars at the official UN exchange rate on the last day for Submission of Bids.

23. Evaluation of Bids: Determination of compliance with the Solicitation Documents is based on the content of the Bid itself without recourse to extrinsic evidence.

Evaluation Criteria	
1.1	Compliance with pricing conditions set in the ITB.
1.2	Compliance with requirements relating to technical design features or the product's ability to satisfy functional requirements.
1.3	Compliance with Special and General Conditions specified by these Solicitation Documents.
1.4	Compliance with start-up, delivery or installation deadlines set by the procuring entity.
1.5	Demonstrated ability to honor important responsibilities and liabilities allocated to Supplier in this ITB (e.g. performance guarantees, warranties, or insurance coverage, etc).
1.6	Proof of after-sales service capacity and appropriateness of service network in Ukraine.

F. Award of Contract

24. Award Criteria: The procuring UN entity will Issue the Purchase Order to the lowest priced technically qualified Bidder. The Purchaser reserves the right to accept or reject any Bid, to annul the solicitation process and reject all Bids at any time prior to award of purchase order, without thereby incurring any liability to the affected Bidder(s) or any obligation to provide information on the grounds for the purchaser's action.

25. Purchaser's Right to Vary Requirements at Time of Award: The procuring UNDP entity reserves the right to award the whole or part of the requirement or otherwise split the award if deemed necessary.

26. Notification of Award: Prior to the expiration of the period of Bid Validity, the Purchaser will send the successful Bidder the Purchase Order. The Purchase Order may only be accepted by the Supplier's signing and returning an acknowledgement copy of it or by timely delivery of the goods in accordance with the terms of this purchase order, as herein specified. Acceptance of this Purchase Order shall effect a contract between the parties under which the rights and obligations of the parties shall be governed solely by the terms and conditions of this purchase order.

27. Signing of the Purchase Order: Within 5 (five) days of receipt of the Purchase Order the successful Bidder shall sign, date and return it to the Purchaser.

28. Performance Security: The successful Bidder shall provide the Performance Security on the Performance Security Form provided for in these Solicitation Documents, within 30 (thirty) days of receipt of the Purchase Order from the Purchaser.

Failure of the successful Bidder to comply with the requirement of clause 27 or clause 28 of Instructions to Bidders shall constitute sufficient grounds for the annulment of the award and forfeiture of the Bid Security, in which event the Purchaser may make the award to the next lowest evaluated Bidder or call for new Bids.

29. Vendor Protest: Our vendor protest procedure is intended to afford an opportunity to appeal to persons or firms not awarded a purchase order or contract in a competitive procurement process. **It is not available to non-responsive or non-timely proposers/bidders or when all proposals/bids are rejected. In the event that** you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link: <http://www.undp.org/procurement/protest.shtml>.

Annex II

BID DATA SHEET

The following specific data for the goods to be procured shall complement, supplement, or amend the provisions in the Instruction to Bidders. Whenever there is a conflict, the provisions herein shall prevail over those in the Instructions to Bidders.

Relevant clause(s) of Instruction to Bidders	Specific data complementing, supplementing, or amending instructions to Bidders		
Language of the Bid	English		
Bid Price	The prices quoted shall be as per following INCOTERMS 2000 and place: FOB FCA CPT <input checked="" type="checkbox"/> DDU Other..... Place: Ukraine, Lugansk city.		
Documents Establishing Bidder's Eligibility & Qualifications	<input checked="" type="checkbox"/> Required.	Not required.	
Bid Validity Period.	<input checked="" type="checkbox"/> 120 days	If different, please specify.....	
Bid Security	<input checked="" type="checkbox"/> Required: 2.5 % of the Offer Value	Not required.	
Preliminary Examination – completeness of bid.	Partial bids permitted. <input checked="" type="checkbox"/> Partial bids not permitted.		
Purchaser's Right to Vary Requirements at Time of Award	15 percent, increase or decrease. remain unchanged.	Condition waived	<input checked="" type="checkbox"/> Condition applies in terms of split award

<p>Compliance with any other clause required?</p>	<p>No. <input checked="" type="checkbox"/> If yes, specify:</p> <p>Other: Bidders for the outlined delivery contract will be required to provide the following information in their tender proposals</p> <ul style="list-style-type: none"> • Description of the most optimal cost and technically efficient product specifications and project technologic solutions. • Detailed description and schedule of activities to be implemented under the contract. • Summary of previous experience and track record. • Detailed breakdown of the off-site or on-site warranty costs. • Declaration by Bidder and Disclosure Requirement (attached as Annex X)
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General Terms and Conditions

1. ACCEPTANCE OF THE PURCHASE ORDER

This Purchase Order may only be accepted by the Supplier's signing and returning an acknowledgement copy of it or by timely delivery of the goods in accordance with the terms of this Purchase Order, as herein specified. Acceptance of this Purchase Order shall effect a contract between the Parties under which the rights and obligations of the Parties shall be governed solely by the terms and conditions of this Purchase Order, including these General Conditions. No additional or inconsistent provisions proposed by the Supplier shall bind UNDP unless agreed to in writing by a duly authorized official of UNDP.

2. PAYMENT

- 2.1. UNDP shall, on fulfilment of the Delivery Terms, unless otherwise provided in this Purchase Order, make payment within 30 days of receipt of the Supplier's invoice for the goods and copies of the shipping documents specified in this Purchase Order.
- 2.2. Payment against the invoice referred to above will reflect any discount shown under the payment terms of this Purchase Order, provided payment is made within the period required by such payment terms.
- 2.3. Unless authorized by UNDP, the Supplier shall submit one invoice in respect of this Purchase Order, and such invoice must indicate the Purchase Order's identification number.
- 2.4. The prices shown in this Purchase Order may not be increased except by express written agreement of UNDP.

3. TAX EXEMPTION

- 3.1 Section 7 of the Convention on the Privileges and Immunities of the United Nations provides, inter alia, that the United Nations, including its subsidiary organs, is exempt from all direct taxes, except charges for utilities services, and is exempt from customs duties and charges of a similar nature in respect of articles imported or exported for its official use. In the event any governmental authority refuses to recognize UNDP's exemption from such taxes, duties or charges, the Supplier shall immediately consult with UNDP to determine a mutually acceptable procedure.
- 3.2 Accordingly, the Supplier authorizes UNDP to deduct from the Supplier's invoice any amount representing such taxes, duties or charges, unless the Supplier has consulted with UNDP before the payment thereof and UNDP has, in each instance, specifically authorized the Supplier to pay such taxes, duties or charges under protest. In that event, the Supplier shall provide UNDP with written evidence that payment of such taxes, duties or charges has been made and appropriately authorized.

4. RISK OF LOSS

Risk of loss, damage to or destruction of the goods shall be governed in accordance with DDU Incoterms 2000, unless otherwise agreed upon by the Parties on the front side of this Purchase Order.

5. EXPORT LICENCES

Notwithstanding any INCOTERM 2000 used in this Purchase Order, the Supplier shall obtain any export licences required for the goods.

6. FITNESS OF GOODS/PACKAGING

The Supplier warrants that the goods, including packaging, conform to the specifications for the goods ordered under this Purchase Order and are fit for the purposes for which such goods are ordinarily used and for purposes expressly made known to the Supplier by UNDP, and are free from defects in workmanship and materials. The Supplier also warrants that the goods are contained or packaged adequately to protect the goods.

7. INSPECTION

7.1. UNDP shall have a reasonable time after delivery of the goods to inspect them and to reject and refuse acceptance of goods not conforming to this Purchase Order; payment for goods pursuant to this Purchase Order shall not be deemed an acceptance of the goods.

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

8. INTELLECTUAL PROPERTY INFRINGEMENT

The Supplier warrants that the use or supply by UNDP of the goods sold under this Purchase Order does not infringe any patent, design, trade-name or trade-mark. In addition, the Supplier shall, pursuant to this warranty, indemnify, defend and hold UNDP and the United Nations harmless from any actions or claims brought against UNDP or the United Nations pertaining to the alleged infringement of a patent, design, trade-name or trade-mark arising in connection with the goods sold under this Purchase Order.

9. RIGHTS OF UNDP

In case of failure by the Supplier to fulfil its obligations under the terms and conditions of this Purchase Order, including but not limited to failure to obtain necessary export licences, or to make delivery of all or part of the goods by the agreed delivery date or dates, UNDP may, after giving the Supplier reasonable notice to perform and without prejudice to any other rights or remedies, exercise one or more of the following rights:

- a) Procure all or part of the goods from other sources, in which event UNDP may hold the Supplier responsible for any excess cost occasioned thereby.
- b) Refuse to accept delivery of all or part of the goods.
- c) Cancel this Purchase Order without any liability for termination charges or any other liability of any kind of UNDP.

10. LATE DELIVERY

Without limiting any other rights or obligations of the parties hereunder, if the Supplier will be unable to deliver the goods by the delivery date(s) stipulated in this Purchase Order, the Supplier shall (i) immediately consult with UNDP to determine the most expeditious means for delivering the goods and (ii) use an expedited means of delivery, at the Supplier's cost (unless the delay is due to Force Majeure), if reasonably so requested by UNDP.

11. ASSIGNMENT AND INSOLVENCY

11.1. The Supplier shall not, except after obtaining the written consent of UNDP, assign, transfer, pledge or make other disposition of this Purchase Order, or any part thereof, or any of the Supplier's rights or obligations under this Purchase Order.

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

12. USE OF UNDP OR UNITED NATIONS NAME OR EMBLEM

The Supplier shall not use the name, emblem or official seal of UNDP or the United Nations for any purpose.

13. PROHIBITION ON ADVERTISING

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

14. CHILD LABOUR

The Supplier represents and warrants that neither it nor any of its affiliates is engaged in any practice inconsistent with the rights set forth in the Convention 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.

Any breach of this representation and warranty shall entitle UNDP to terminate this Purchase Order immediately upon notice to the Supplier, without any liability for termination charges or any other liability of any kind of UNDP.

15. MINES

The Supplier represents and warrants that neither it nor any of its affiliates is actively and directly engaged in patent activities, development, assembly, production, trade or manufacture of mines or in such activities in respect of components primarily utilized in the manufacture of Mines. The term "Mines" means those devices defined in Article 2, Paragraphs 1, 4 and 5 of Protocol II annexed to the Convention on Prohibitions and Restrictions on the Use of Certain Conventional Weapons Which May Be Deemed to Be Excessively Injurious or to Have Indiscriminate Effects of 1980.

Any breach of this representation and warranty shall entitle UNDP to terminate this Purchase Order immediately upon notice to the Supplier, without any liability for termination charges or any other liability of any kind of UNDP.

16. SETTLEMENT OF DISPUTES

16.1. Amicable Settlement

The Parties shall use their best efforts to settle amicably any dispute, controversy or claim arising out of, or relating to this Purchase Order or the breach, termination or invalidity thereof. Where the Parties wish to seek such an amicable settlement through conciliation, the conciliation shall take place in accordance with the UNCITRAL Conciliation Rules then obtaining, or according to such other procedure as may be agreed between the Parties.

16.2. Arbitration

Unless, any such dispute, controversy or claim between the Parties arising out of or relating to this Purchase Order or the breach, termination or invalidity thereof is settled amicably under the preceding paragraph of this Section within sixty (60) days after receipt by one Party of the other Party's request for such amicable settlement, such dispute, controversy or claim shall be referred by either Party to arbitration in accordance with the UNCITRAL Arbitration Rules then obtaining, including its provisions on applicable law. The arbitral tribunal shall have no authority to award punitive damages. The Parties shall be bound by any arbitration award rendered as a result of such arbitration as the final adjudication of any such controversy, claim or dispute.

17. PRIVILEGES AND IMMUNITIES

Nothing in or related to these General Terms and Conditions or this Purchase Order shall be deemed a waiver of any of the privileges and immunities of the United Nations, including its subsidiary organs.

Special Conditions

The following Special Conditions shall complement, supplement, or amend the General Conditions. Whenever there is a conflict, the provisions herein shall prevail over those in the General Conditions.

Warranty/Guarantee	
<input checked="" type="checkbox"/> Applies <input type="checkbox"/> Does not apply	<p>If, within 12 months after the goods have been put into service, any defects are discovered or arise in the normal course of usage, the Supplier shall remedy the defect either by replacement or by repair off-site or on-site (costs to be specified in the offer).</p>
Liquidated damages	
<input checked="" type="checkbox"/> Applies <input type="checkbox"/> Does not apply	<p>If the Supplier fails to supply the specified goods within the time period(s) stipulated by the purchase order, the Purchaser shall, without prejudice to its other remedies under the contract, deduct from the Purchase Order price, as liquidated damages, a sum equivalent to 0.5 percent of the delivered price of the delayed goods for each week of delay until actual delivery, up to a maximum deduction of 10 percent of the delayed goods Purchase Order price. Once the maximum is reached, the Purchaser may consider termination of the Purchase Order</p>
Performance security	
<input checked="" type="checkbox"/> Applies <input type="checkbox"/> Does not apply	<p>a) Within 30 (thirty) days of receipt of the Purchase Order from the purchaser, the successful Bidder shall furnish a Performance Security to the Purchaser in the amount of 10% of the Purchase Order Value. b) The Performance Security shall be valid until a date 30 (thirty) days from the date of Issue of a Satisfactory Certificate of Inspection and Testing by the procuring UN entity. c) The proceeds of the Performance Security shall be payable to the Purchaser as compensation for any loss resulting from the Supplier's failure to complete its obligations under the contract. d) The Performance Security shall be denominated in the currency of the Purchase Order and shall be in one of the following form of a bank guarantee or irrevocable letter of credit, issued by a reputable bank located in the purchaser's country or abroad in the form provided in these Solicitation Documents. e) The Security will be returned to the Supplier within 30 (thirty) days of completion of the Purchase order, including any warranty obligation.</p>
Compliance with any other condition (s) required?	
<input type="checkbox"/> Applies <input checked="" type="checkbox"/> Does not apply	

SCHEDULE OF REQUIREMENTS AND TECHNICAL SPECIFICATIONS

Specification for the procurement of flare to biogas collection system of municipal solid waste landfill located in Aleksandrovsk, Lugansk oblast

1. INTRODUCTION

More than 12 million tons of municipal solid waste (MSW) are generated in Ukraine annually. The waste is disposed at approximately 700 official landfills or open dumps. Burial in landfills is the main type of MSW disposal in Ukraine. Most landfills were started more than 30 years ago. Consequently, their engineering often does not meet national environmental protection regulations and violates current sanitary and technical requirements.

Out of the total number of dumps in Ukraine (700), only 140 landfills are suitable for LFG extraction and utilization. Of them, 90 are large-scale landfills that contain up to 30% of all MSW of Ukraine and are most economically attractive for LFG recovery. The energy potential of the landfill gas that can be used for energy production is estimated at 0.21 million toe (estimated gas volume 400 million m³/year), or approximately 0.3% of the total consumption of fossil fuels in Ukraine. Therefore, there is significant potential for commercial recovery of the landfill gas in Ukraine, which makes it an important priority area for achieving economic development and environmental sustainability in Ukraine.

2. DESCRIPTION OF THE PROJECT SITE

The landfill gas collection and utilization project will be implemented at the first phase of Lugansk MSW landfill (Oleksandrivsk city). Landfill is owned by Lugansk territorial community represented by Lugansk city council. It is servicing Lugansk city and several neighboring villages with total population of 450 thousand peoples. The landfill is being operated since 1978. The first phase of the landfill was closed in 2006. The total area of first phase is 11,6 hectares, new designed area – up to 8,7 hectares. Landfill contains more than 2.0 millions tonnes of MSW. The average annual waste acceptance rate is 120 thousand tonnes. Erection of the gas collection project is in progress.

More detailed information about the landfill could be found at the following links:

http://www.undp.org.ua/files/ua_19452Ozinka_utilizaciji.pdf

http://www.undp.org.ua/files/ua_65660Tex_Obgruntuvannia.pdf

3. OBJECTIVE

The objective of this assignment is to provide quotation to the UNDP Ukraine for delivery of high temperature flare to biogas collection system of MSW landfill located in Aleksandrovsk, Lugansk oblast, including blower and landfill gas monitoring system.

This delivery should be executed in full compliance to the international regulations/requirements for this type of projects, and fully compliant to approved consolidated baseline methodology ACM0001 "Consolidated baseline and monitoring methodology for landfill gas project activities".

4. FEATURES OF THE FLARE AND BLOWER STATIONS

High temperature flare and blower station should be offered by the Contractor based on the following physical and chemical characteristics of gas, weather condition and operation procedure.

Landfill gas yield	nm ³ /h	600
Temperature of gas in inlet	°C	3-40
Biogas moisture content	%	100
CH ₄ content	% vol.	25-65
CO ₂ content	% vol.	20-30
O ₂ content	% vol.	0-5
H ₂ S content	ppm	50-500
Temperature in the area of plant location		
Year average	°C	+ 8
summer maximum		+ 40
winter minimum		- 30
Operating hours per day	hours	24
Operating days per year	days	365

Expected parameters of the high temperature flare and blower station

Gas flow rate of the flare	max	Nm ³ /h	600
	min	Nm ³ /h	60
Gas flow rate of the blower	max	Nm ³ /h	600
	min	Nm ³ /h	60
Blower pressure rise		mbar	200-250
Suction pressure at inlet of the plant (max)		mbar	< 100
Supply pressure at utilization flange		mbar	100
Turn down ratio			1 : 10
Combustion temperature		°C	1000..1200
Flange connection PN16			DN125
Sound pressure level of the flare at full load in 15 m distance		dB(A)	≤ 70
Electricity supply		V/Hz	3x400/230 50
Electrical capacity consumption		kW	15-20

- Emissions comply with international standards (EU Standards "TA-Luft" or equivalent)
- High safety standard (EN 60079-ff or equivalent)

- Efficient combustion (proven efficiency >95% based on known residence time or flue gas content measurements)
- Environmental protection system (IP54 or equivalent)
- Material: hot dip galvanized steel, stainless steel

All delivered components should be in a container or mounted on a skid. The unit should be equipped with a gas utilization connection for the purpose of the possible energy recovery. System must be suitable for work in outdoor conditions.

High temperature flare and blower should be equipped with monitoring system, data storage and remote transfer I by means of Internet connection. The system should be capable to send SMS to operator in case of emergency.

5. MONITORING REQUIREMENTS

The monitoring methodology is based on direct measurement of the amount of landfill gas captured and destroyed at the flare, and the electricity generating/thermal energy unit(s) to determine the quantities as shown in Figure 1. The monitoring plan for flaring provides for continuous measurement of the quantity and quality of LFG flared. The main variables that need to be determined are the quantity of methane actually captured, and quantity of methane flared. The methodology for flaring also measures energy consumed by the project activity that is produced using fossil fuels.

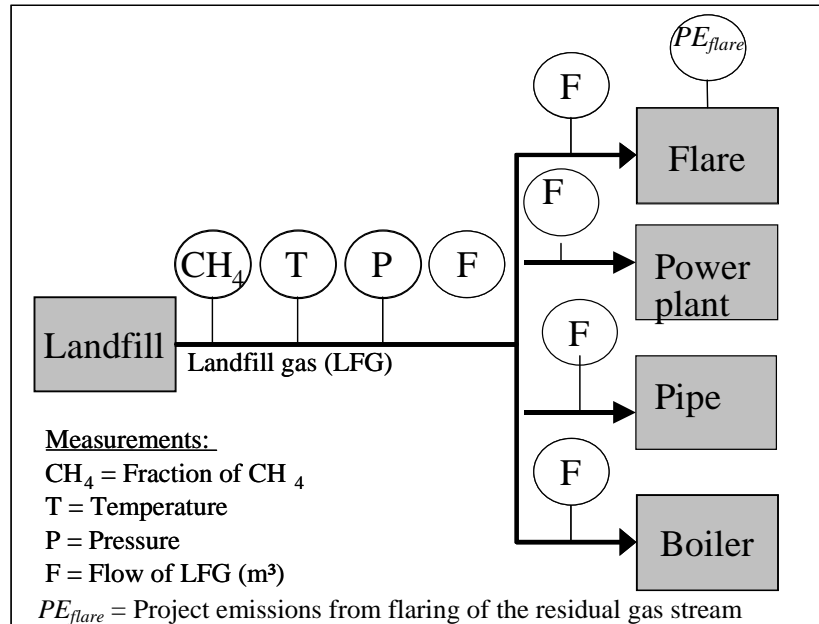


Figure 1: Monitoring Plan

To determine these variables, the following parameters have to be monitored:

- The amount of landfill gas generated (in m³, using a continuous flow meter), where the total quantity as well as the quantities fed to the flare are measured continuously.
- The fraction of methane in the landfill gas should be measured with a continuous gas analyzer;
- Temperature (*T*) and pressure (*p*) of the landfill gas should be measured to determine the density of methane in the landfill gas;
- The operating hours of the flare

6. SCOPE OF SUPPLY FLARE, BLOWER AND MONITORING PACKAGE

- High temperature flare with safety equipment and automatic combustion temperature control
- Condensate trap with thermal insulation and heating element
- Blower with frequency transformer for step less adoption of the degassing volume and constant pressure regulation
- Electrical control cabinet
- JI/CDM monitoring package
 - Continuous gas analyze for landfill gas CH₄, CO₂, O₂
 - Continuous flow meter
 - Temperature, pressure meters
 - Data logger and transfer system
- Spare parts kit for at least one year of operation
- Documents
 - Layout drawing
 - Wiring diagram
 - Fictional description
 - Operating and maintenance manual
 - Installation procedure description with recommendation for a concrete foundation
 - Other technical documentation

7. GENERAL CONDITION AND TERMS OF DELIVERY

Training of the customer personnel: by the supplier

Transportation: by the supplier

Custom clearance: by the customer

Erection: by the customer under supplier's supervision

Commissioning: by the customer

Delivery time: up to 3 (three) months following the signature of the Purchase Order

Warranty period: off-site or on-site warranty (please specify and provide terms and conditions) for the minimum period of 12 months.

8. APPLICATION

Bidders are requested to provide the following mandatory information in their tender proposals:

- Description of the most optimal cost and technically efficient product specifications and project technologic solutions.
- Detailed description and schedule of activities to be implemented under the contract.
- Summary of previous experience and track record.
- Detailed breakdown of the off-site or on-site warranty costs.

BID/PROPOSAL SUBMISSION FORM

To: The procuring entity

Dear Sir / Madam,

Having examined the Bidding Documents, the receipt of which is hereby duly acknowledged, we, the undersigned, offer to supply and deliver [*description of goods*] in conformity with the said bidding documents for the sum of [*total bid amount in words and figures*] as may be ascertained in accordance with the Price Schedule attached herewith and made part of this Bid.

We undertake, if our Bid is accepted, to deliver the goods in accordance with the delivery schedule specified in the Schedule of Requirements.

We agree to abide by this Bid for a period of [*number*] days from the date fixed for opening of Bids in the Invitation to Bid, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

We understand that you are not bound to accept any Bid you may receive.

Dated thisday of[*year*].

.....
Signature

.....
[*in the capacity of*]

Duly authorised to sign the Bid for and on behalf of

PRICE SCHEDULE

1. The Price Schedule must provide a detailed cost breakdown for each item.
2. Technical descriptions for each proposed item must provide sufficient detail to allow the Purchaser to determine compliance of Bid with specifications as per Schedule of Requirements and Technical Specifications of this ITB.
3. Estimated weight/volume of the consignment must be part of the documentation submitted.
4. All prices/rates quoted must be exclusive of all taxes, since the United Nations, including its subsidiary organs, is exempt from taxes.
5. The format shown on the following pages should be used in preparing the Price Schedule. The format uses a specific structure which may or may not be applicable but are indicated to serve as examples.

Item	Unit	Quantity Required	Unit Price *	Total Price per item
High temperature flare with safety equipment and automatic combustion temperature control	Pcs	1		
Condensate trap with thermal insulation and heating element	Pcs	1		
Blower with frequency transformer for step less adoption of the degassing volume and constant pressure regulation	Pcs	1		
Electrical control cabinet	Pcs	1		
JI/CDM monitoring package	Pcs	1		
Spare parts kit for at least one year of operation	Kit	1		
Warranty costs off-site or on-site (please specify and provide detailed breakdown of costs)				
GRAND TOTAL				

- *Unit price should be based on DDU Lugansk (Incoterms 2000).
- Note: In case of discrepancy between unit price and total, the unit price shall prevail.

Signature of Bidder

BID SECURITY FORM

To: UNDP UKRAINE
1 Klovskiy Uzviz ,
01021 Kiev
Ukraine

UNDP Invitation to Bid Reference: UKR/2010/002

Guarantee No.: _____

Amount: **USD** _____

Date of Expiry: _____

At the request of *[name and address of Supplier]*, we hereby guarantee you irrevocably for the above maximum amount to secure that they fulfil their obligations as an Bidder in accordance with their bid *[reference]* covering *[description of goods]*.

Your claim(s), if any, duly made and presented to us under the guarantee will be honoured on your first demand also stating that *[name of Supplier]* has not fulfilled their above tender obligations towards you.

Where we have received no such claim by the above expiry date at the latest, we stand released from our liability under this guarantee.

We will reduce the guarantee amount by any such amount, as we have had to pay in order to meet your claim(s) duly made and presented under the guarantee.

When the guarantee expires, please return this document to us.

Yours faithfully

SIGNATURE AND SEAL OF THE GUARANTOR

Date:

.....

Name of Bank:

Address:

PERFORMANCE SECURITY FORM

To: UNDP UKRAINE

WHEREAS [*name and address of Contractor*] (hereinafter called “the Contractor”) has undertaken, in pursuance of Contract No. dated, to execute Services

(hereinafter called “the Contract”):

AND WHEREAS it has been stipulated by you in the said Contract that the Contractor shall furnish you with a Bank Guarantee by a recognised bank for the sum specified therein as security for compliance with his obligations in accordance with the Contract:

AND WHEREAS we have agreed to give the Contractor such a Bank Guarantee:

NOW THEREFORE we hereby affirm that we are the Guarantor and responsible to you, on behalf of the Contractor, up to a total of [*amount of guarantee*] [*in words*], such sum being payable in the types and proportions of currencies in which the Contract Price is payable, and we undertake to pay you, upon your first written demand and without cavil or argument, any sum or sums within the limits of [*amount of guarantee as aforesaid*] without your needing to prove or to show grounds or reasons for your demand for the sum specified therein.

The guarantee shall be valid until a date 30 days from the date of issue of a satisfactory certificate of inspection and testing by the procuring UN entity.

SIGNATURE AND SEAL OF THE GUARANTOR

Date

Name of Bank

Address

Declaration by Bidder and Disclosure Requirement

The undersigned represents to UNDP as follows (check as appropriate)¹:

- 1. Bidder accepts the Terms and Conditions in Annex I and agrees to do all acts required in Annex I.
 - 2. Bidder accepts the Terms and Conditions in Annex IV and agrees to do all acts required in Annex IV.
 - 3. Bidder, if awarded a contract, may be liable for liquidated damages if provided for in this ITB or the contract.
 - 4. Bidder is aware that UNDP is not committed to award a contract, or to reimburse any costs incurred by the bidder in connection with the ITB process.
 - 5. Bidder is aware that neither the ITB, nor any of its annexes, including this Annex X, constitutes any agreement or contractual relationship between UNDP, or any of its entities, and the bidder. Bidder acknowledges that the sole purpose of the ITB and its annexes is to enable vendors to submit a bid; bidder will not regard or seek to rely upon the ITB or any of its annexes as an offer on the part of UNDP capable of acceptance by the bidder.
 - 6. Bidder acknowledges that bids are evaluated according to UNDP Financial Regulations and Rules and the evaluation criteria specified in Annex V.
 - 7. Bidder is familiar with and accepts the payment terms in Annex III.
 - 8. Bidder's offer will be valid for a period of not less than 120 (one hundred twenty) days.
 - 9. Bidder is familiar with and accepts the UN's conditions for the withdrawal and modification of bids and the UN's rules governing errors in bids and public opening of bids.
 - 10. Bidder represents that the bid has been compiled without the improper assistance of employees or former employees of UNDP.
 - 11. Bidder has not, and is not, engaged in any corrupt practices.
-

- 12. Bidder is not aware of any existing or potential conflict of interest with relation to this ITB. If during the procurement process a conflict of interest arises, or appears likely to arise, bidder will notify UNDP immediately.

- 13. Bidder shall promptly inform UNDP in writing of any bid submitted, or likely to be submitted, by a holding, parent, subsidiary, or affiliated company of the bidder in response to this ITB of which it is aware, or ought reasonably to be aware.

REGISTERED OFFICE
OR OTHER ADDRESS
OF BIDDER:

POSTAL ADDRESS:

TELEPHONE NUMBERS:

FACSIMILE NUMBERS

Signature of authorized official of bidder or person otherwise authorized to sign the offer on behalf of the bidder

SIGNATURE:

DATE OF SIGNATURE:

NAME (Block Letters):

POSITION HELD: