

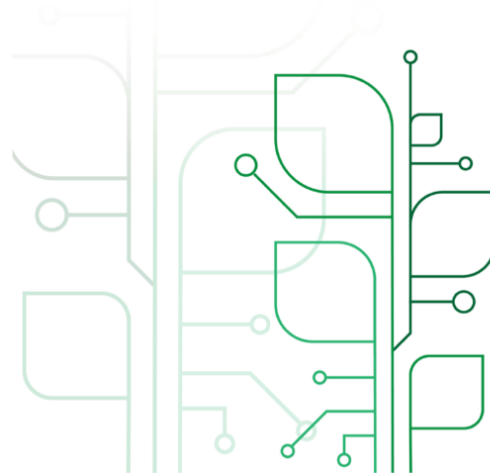


CONSULTANCY SERVICES FOR: FINANCIAL AND PROGRAM AUDIT OF THE CITIIS 2.0 PROGRAM

Request for Proposals

Issue Date : 05-12-2024

Closing Date : 02-01-2025



National Institute of Urban Affairs

1 Floor, Core 4B India Habitat Centre

Lodhi Road, New Delhi –110003

(91-11) 24643284 24617543, 24617517

(91-11) 24617513

Letter of Invitation

[RFP No.NIUA/CITIIS 2.0/2024-25/AUDIT/07]

New Delhi 05-12-2024

Dear Mr./Ms.:

1. City Investments To Innovate, Integrate and Sustain (CITIIS) 2.0, the second phase of the CITIIS program, has been conceived by MoHUA in collaboration with Agence Française de Développement (AFD), Kreditanstalt für Wiederaufbau (KfW), European Union (EU), and National Institute of Urban Affairs (NIUA) to supplement such climate initiatives of Government of India and MoHUA through its unique model. The program builds upon the learnings and successes of CITIIS 1.0 and is designed to supplement MoHUA's actions undertaken through ongoing national programs, while deepening the values of innovation, inclusion, and sustainability.
2. The National Institute of Urban Affairs (NIUA) (hereinafter called "Client") has been designated as the Program Management Unit (PMU) by the MoHUA, AFD and KfW towards managing the CITIIS 2.0 program. The Client intends to apply a portion of the proceeds of this financing to eligible payments under the Contract for which this Request for Proposals is issued.
3. The Client now invites Proposals to provide the following consulting services (hereinafter called "Services"): **CONSULTANCY SERVICES FOR: FINANCIAL AND PROGRAM AUDIT OF THE CITIIS 2.0 PROGRAM.**
4. It is not permissible to transfer this invitation. Bid Security / Earnest Money Deposit (EMD) is not required for the submission of the proposal.
5. The RFP includes the following documents:
 - Section I - Instructions to Consultants (ITC)
 - Section II – Data Sheet
 - Section III – Evaluation Criteria and Standard Forms
 - Section IV – Financial Proposal – Standard forms
 - Section V – Eligibility Criteria
 - Section VI – AFD's Policy – prohibited practices – Environmental and Social Responsibility
 - Section VII - Terms of Reference (TORs)
 - Section VIII – Conditions of Contract and Contract forms
6. The proposals will be evaluated based on Quality and Cost Based Selection (QCBS) process which entails evaluation of both technical and financial proposals. The proposal selected is the one that obtains the highest technical + financial weighted score. The weightings would be 80% for the technical score and 20% for the financial score. More details on the Services are provided in the Terms of Reference (Section VII).
7. The maximum permissible overall budget for this assignment is **INR 40,00,000 (Forty Lakhs)** inclusive of taxes **for a duration of 4 years**. Any proposal exceeding this amount will be rejected. The extension will be provided with the mutual consent between both parties.
8. The Consultant has to ensure that the physical copy of her/his proposal is page numbered. After scanning the page numbered physical copy, the soft copy of the Technical Proposal is uploaded on the NIUA website. **The soft copy of the Technical Proposal must not include Financial Proposal.**
9. The Consultant has to ensure that the main envelope of physical copy of the proposal to be submitted at the NIUA Office shall comprise the following two envelopes: **1st Inner Envelope** with the Technical Proposal and **2nd Inner Envelope** with the Financial Proposal. Each envelope should be written **CONSULTANCY SERVICES FOR: FINANCIAL AND PROGRAM AUDIT OF**

THE CITIIS 2.0 PROGRAM. The contact details of the Consultant like name, address, mobile number and e-mail ID should be clearly mentioned on each envelope.

10. Your proposal shall comprise your Proposal Submission Form including Power of Attorney, Technical Proposal, Financial Proposal inclusive of all taxes and the signed Covenant of Integrity, and must be received at the following address via physical copy to **National Institute of Urban Affairs, Core 4B, 1st Floor, India Habitat Centre, New Delhi-110003 by 02-01-2025, 17:00 hr IST**.
11. Any queries in relation to the RFP to be sent prior to **17-12-2024, 17:00 hr IST** at the mail ID **citiis@niua.org** and the responses will be available by **24-12-2024**.
12. Within 15 days (fifteen) days of the receipt of Letter of Award from the Client, the successful Bidder shall furnish the performance bank guarantee (PBG) in accordance with the conditions of contract. The Performance Bank Guarantee (PBG) shall be 5 (Five) percentage of the contract amount. The PBG shall be furnished in the form of an unconditional guarantee issued by a bank (scheduled commercial bank) as per attached draft format.
13. To substantiate their credentials and to respond to any queries, the Consultants may be asked to make a presentation of their Technical Proposal, during the technical evaluation stage.
14. The issue of the RFP does not imply that the NIUA is bound to select bid(s), and it reserves the right without assigning any reason to
 - i. reject any or all of the bids, or
 - ii. cancel the tender process; or
 - iii. abandon the procurement process; or
 - iv. issue another bid for identical or similar work

Yours sincerely,

Director

National Institute of Urban Affairs

SELECTION OF CONSULTANT

REQUEST FOR PROPOSALS

RFP No.: NIUA/CITIIS 2.0/2024-25/AUDIT/07

**CONSULTANCY SERVICES FOR: FINANCIAL AND PROGRAM AUDIT OF THE
CITIIS 2.0 PROGRAM**

Client: National Institute of Urban Affairs (NIUA)

Country: INDIA

Project: City Investments To Innovate, Integrate and Sustain (CITIIS)
2.0

Issued on:05-12-2024

PART I – SELECTION PROCEDURES AND REQUIREMENTS

Section I - Instructions to Consultants

A. General Provisions

1 Definitions

- 1.1 "**Affiliate(s)**" means an individual or an entity that directly or indirectly controls, is controlled by, or is under common control with the Consultant.
- 1.2 "**Applicable law**" means the laws and any other instruments having the force of law in the Client's country, or in such other country as may be specified in the **Data Sheet**, as they may be issued and in force from time to time.
- 1.3 "**AFD**" means *Agence Française de Développement (AFD)*.
- 1.4 "**Client**" means the implementing agency that signs the Contract for the Services with the selected Consultant.
- 1.5 "**Consultant**" means a legally-established professional consulting firm or an entity that may provide or provides the Services to the Client under the Contract.
- 1.6 "**Contract**" means a legally binding written agreement signed between the Client and the Consultant. It includes all the attached documents listed in its Clause 1 (the General Conditions of Contract (GCC), the Special Conditions of Contract (SCC), and the Appendices).
- 1.7 "**Data Sheet**" means an integral part of the Instructions to Consultants (ITC) Section II that is used to reflect specific country and assignment conditions to supplement, but not to over-write, the provisions of the ITC.
- 1.8 "**Day**" means a calendar day.
- 1.9 "**Experts**" means, collectively, Key Experts, Non-Key Experts, or any other personnel of the Consultant, Subconsultant or Joint Venture member(s).
- 1.10 "**Joint Venture (JV)**" means an association with or without a legal personality distinct from that of its members, of more than one Consultant where one member has the authority to conduct all business for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Client for the performance of the Contract.
- 1.11 "**Key Expert(s)**" means an individual professional provided by the Consultant or its Subconsultant, whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract and whose CV is taken into account in the technical evaluation of the Consultant's Proposal.

- 1.12 "**ITC**" (this Section I of the RFP) means the Instructions to Consultants that provide the shortlisted Consultants with all information they need to prepare their Proposals.
- 1.13 "**LOI**" means the Letter of Invitation being sent by the Client to the shortlisted Consultants.
- 1.14 "**Non-Key Expert(s)**" means an individual professional provided by the Consultant or its Subconsultant and who is assigned to perform the Services or any part thereof under the Contract and whose CVs are not evaluated individually.
- 1.15 "**Proposal**" means the technical Proposal and the financial Proposal of the Consultant.
- 1.16 "**RFP**" means the Request for Proposals to be prepared by the Client for the selection of Consultants.
- 1.17 "**Services**" means the consulting services work to be performed by the Consultant pursuant to the Contract.
- 1.18 "**Subconsultant**" means an entity to whom the Consultant intends to subcontract any part of the Services while remaining responsible to the Client during the performance of the Contract.
- 1.19 "**TORs**" (this Section VII of the RFP) means the Terms of Reference that explain the objectives, scope of work, activities, and tasks to be performed, respective responsibilities of the Client and the Consultant, and expected results and deliverables of the Services.

2 Introduction

- 2.1 The Client named in the **Data Sheet** intends to select a Consultant from those listed in the Letter of Invitation, in accordance with the method of selection specified in the **Data Sheet**.
- 2.2 The shortlisted Consultants are invited to submit a technical Proposal and a financial Proposal for the Services named in the **Data Sheet**. The Proposal will be the basis for negotiating and ultimately signing the Contract with the selected Consultant.
- 2.3 The Consultants should take into account the Applicable law in preparing their Proposals. They may attend a pre-Proposal conference if one is specified in the **Data Sheet**. Attending any such pre-Proposal conference is optional and is at the Consultants' expense.
- 2.4 The Client will timely provide, at no cost to the Consultants, the inputs, relevant project data, and reports required for the preparation of the Consultant's Proposal as specified in the **Data Sheet**.

3 Conflict of interest

- 3.1 The Consultant is required to provide professional, objective, and impartial advice, at all times holding the Client's interests paramount, strictly avoiding conflicts with other assignments or its own corporate interests, and acting without any consideration for future work.
- 3.2 The Consultant has an obligation to disclose to the Client any situation of actual or potential conflict of interest that impacts its capacity to serve the best interest of its Client. Failure to disclose such situations may lead to the rejection of the Consultant's Proposal or the termination of its Contract.
- 3.3 Without limitation on the generality of the foregoing, and unless stated otherwise in the Data Sheet, the Consultant shall not be hired under the circumstances set forth below:

3.3.1 Conflicting activities

3.3.1.1 Conflict between consulting activities and procurement of goods, works or non-consulting services: a firm that has been engaged by the Client to provide goods, works, or non-consulting services for a project, or any of its Affiliates, shall be disqualified from providing consulting services resulting from or directly related to those goods, works, or non-consulting services. Conversely, a firm hired to provide consulting services for the preparation or implementation of a project, or any of its Affiliates, shall be disqualified from subsequently providing goods or works or non-consulting services resulting from or directly related to the consulting services for such preparation or implementation.

3.3.2 Conflicting assignments

3.3.2.1 Conflict among consulting assignments: a Consultant (including its Experts and Subconsultants) or any of its Affiliates shall not be hired for any assignment that, by its nature, may be in conflict with another assignment of the Consultant for the same or for another Client.

3.3.3 Conflicting relationships

3.3.3.1 Relationship with the Client's staff: a Consultant (including its Experts and Subconsultants) that has a close business or family relationship with a professional staff of the Client who are directly or indirectly involved in any part of (i) the preparation of the Terms of Reference for the Services, (ii) the selection process for the Contract, or (iii) the supervision of the Contract, may not be awarded a Contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to AFD throughout the selection process and the execution of the Contract.

- | | | | |
|----------|-------------------------------------|-----|---|
| 4 | Unfair competitive advantage | 4.1 | Fairness and transparency in the selection process require that the Consultants or their Affiliates competing for a specific assignment do not derive a competitive advantage from having provided consulting services related to the assignment in question. To that end, the Client shall indicate in the Data Sheet and make available to all shortlisted Consultants together with this RFP all information that would in that respect give such Consultant any unfair competitive advantage over other competing Consultants. |
| 5 | Prohibited practices | 5.1 | AFD requires compliance with its policy in regard to prohibited practices as set forth in Section VI. |
| | | 5.2 | In further pursuance of this policy, Consultant shall permit and shall cause its Experts, Subconsultants, subcontractors, or suppliers to permit AFD to inspect all accounts, records, and other documents relating to the submission of the Proposal and Contract performance (in case of an award), and to have them audited by auditors appointed by AFD. |
| 6 | Eligibility | 6.1 | AFD financing may benefit to Consultants (firms, including Joint Ventures and their individual members) from all countries to offer |

consulting services for AFD-financed projects subject to compliance with the eligibility criteria specified in Section V.

6.2 Furthermore, it is the Consultant's responsibility to ensure that its Experts, Joint Venture members, Subconsultants, agents (declared or not), subcontractors, service providers, suppliers and/or their employees meet the eligibility requirements as established by AFD in the Section V.

6.3 Government officials and civil servants of the Client's country are not eligible to be included as Experts in the Consultant's Proposal unless such engagement does not conflict with the Applicable law, and they (i) are on leave of absence without pay, or have resigned or retired; (ii) are not being hired by the same agency they were working for before going on leave of absence without pay, resigning, or retiring; and (iii) their hiring would not create a conflict of interest.

B. Preparation of Proposals

7 General considerations 7.1 In preparing the Proposal, the Consultant is expected to examine the RFP in detail. Material deficiencies in providing the information requested in the RFP may result in rejection of the Proposal.

8 Cost of preparation of Proposal 8.1 The Consultant shall bear all costs associated with the preparation and submission of its Proposal, and the Client shall not be responsible or liable for those costs, regardless of the conduct or outcome of the selection process.

9 Language 9.1 The Proposal, as well as all correspondence and documents relating to the Proposal exchanged between the Consultant and the Client shall be written in the language(s) specified in the **Data Sheet**.

10 Documents comprising the Proposal 10.1 The Proposal shall comprise the documents and forms listed in the **Data Sheet**.

10.2 The Consultant shall furnish information on commissions, gratuities, and fees, if any, paid or to be paid to agents or any other party relating to this Proposal and, if awarded, Contract execution.

11 Only one Proposal 11.1 The Consultant shall submit only one Proposal, either in its own name or as a member of a Joint Venture. If a Consultant (including any Joint Venture member) submits or participates in more than one Proposal, all such Proposals shall be disqualified and rejected. This does not, however, unless otherwise stated in the **Data Sheet**, preclude a Subconsultant, or the Consultant's staff from participating as Key Experts and Non-Key Experts in more than one Proposal.

12 Proposal validity 12.1 The **Data Sheet** indicates the period during which the Consultant's Proposal must remain valid after the Proposal submission deadline.

12.2 During this period, the Consultant shall maintain its original Proposal without any change, including the availability of the Key Experts, the proposed rates and the total price.

12.3 If it is established that any Key Expert nominated in the Consultant's Proposal was not available at the time of Proposal submission or was included in the Proposal without his/her confirmation, such Proposal shall be disqualified and rejected for further evaluation.

12.4 Extension of validity period

12.4.1 The Client will make its best effort to complete the negotiations within the Proposal's validity period. However,

should the need arise, the Client may request, in writing, all Consultants who submitted Proposals prior to the submission deadline to extend the Proposals' validity.

12.4.2 If the Consultant agrees to extend the validity of its Proposal, it shall be done without any change in the original Proposal and with the confirmation of the availability of the Key Experts.

12.4.3 The Consultant has the right to refuse to extend the validity of its Proposal in which case such Proposal will not be further evaluated.

12.5 Substitution of Key Experts in case of extension of validity period

12.5.1 If any of the Key Experts become unavailable for the extended validity period, the Consultant shall provide a written adequate justification and evidence satisfactory to the Client together with the substitution request. In such case, a replacement Key Expert shall have equal or better qualifications and experience than those of the originally proposed Key Expert. The technical evaluation score, however, will remain to be based on the evaluation of the CV of the original Key Expert.

12.5.2 If the Consultant fails to provide a replacement Key Expert with equal or better qualifications, or if the provided reasons for the replacement or justification are unacceptable to the Client, such Proposal will be rejected.

12.6 Subcontracting

12.6.1 The Consultant shall not subcontract the whole of the Services.

13 Clarification and amendment of RFP

13.1 The Consultant may request a clarification of any part of the RFP during the period indicated in the **Data Sheet** before the Proposals' submission deadline. Any request for clarification must be sent in writing, or by standard electronic means, to the Client's address indicated in the **Data Sheet**. The Client will respond in writing, or by standard electronic means, and will send written copies of the response (including an explanation of the query but without identifying its source) to all shortlisted Consultants. Should the Client deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure described below:

13.1.1 At any time before the Proposal submission deadline, the Client may amend the RFP by issuing an amendment in writing or by standard electronic means. The amendment shall be sent to all shortlisted Consultants and will be binding on them. The shortlisted Consultants shall acknowledge receipt of all amendments in writing.

13.1.2 If the amendment is substantial, the Client shall extend the Proposal submission deadline to give the shortlisted Consultants reasonable time to take an amendment into account in their Proposals.

13.2 The Consultant may submit a modified Proposal or a modification to any part of it at any time prior to the Proposal submission deadline. No modifications to the technical or financial Proposal shall be accepted after the deadline.

- 14 Preparation of Proposals – Specific consideration**
- 14.1 While preparing the Proposal, the Consultant must give particular attention to the following:
- 14.1.1 If a shortlisted Consultant considers that it may enhance its expertise for the Services by associating with other consultants in the form of a Joint Venture, it may do so with either (i) non-shortlisted Consultant(s), or (ii) shortlisted Consultants if permitted in the **Data Sheet**. Association with a non-shortlisted Consultant shall be subject to approval of the Client. When associating with non-shortlisted firms in the form of a Joint Venture, the shortlisted Consultant shall be a lead member. If shortlisted Consultants associate with each other, any of them can be a lead member.
- 14.1.2 The Client may indicate in the **Data Sheet** the estimated Key Experts' time input (expressed in person-month) or the Client's estimated total cost of the Services, but not both. This estimate is indicative and the Proposal shall be based on the Consultant's own estimates for the same.
- 14.1.3 If stated in the **Data Sheet**, the Consultant shall include in its Proposal at least the same time input (in the same unit as indicated in the **Data Sheet**) of Key Experts, failing which the financial Proposal will be rejected.
- 14.1.4 For assignments under the Fixed-Budget selection method, the estimated Key Experts' time input is not disclosed. Total available budget, with an indication whether it is inclusive or exclusive of taxes, is given in the **Data Sheet**, and the financial Proposal shall not exceed this budget.
- 15 Technical Proposal format and content**
- 15.1 The technical Proposal shall not include any financial information. A technical Proposal containing material financial information shall be declared non-responsive.
- 15.1.1 Consultant shall not propose alternative Key Experts. Only one CV shall be submitted for each Key Expert position. Failure to comply with this requirement will make the Proposal non-responsive.
- 15.1.2 Variations are not allowed.
- 15.2 The technical Proposal shall be prepared using the standard forms provided in Section III of the RFP.
- 16 Financial Proposal**
- 16.1 The financial Proposal shall be prepared using the standard forms provided in Section IV of the RFP. It shall list all costs associated with the Services, including (a) remuneration of Key Experts and Non-Key Experts, (b) other expenses indicated in the **Data Sheet**.
- 16.2 Price adjustment
- For assignments with a duration exceeding 18 months, a price adjustment provision of remuneration rates applies if so stated in the **Data Sheet**.
- 16.3 Taxes
- The financial Proposal should clearly estimate, as a separate amount, the taxes, duties, fees, levies and other charges imposed in the Client's country under the Applicable law, on the Consultants, the Subconsultants, and their Experts (other than nationals or permanent residents of the Client's country), as stated in the **Data Sheet**. The

Consultant and its Subconsultants and Experts are responsible for meeting all tax liabilities arising out of the Contract unless stated otherwise in the **Data Sheet**. Information on taxes in the Client's country is provided in the **Data Sheet**.

16.4 Currency of Proposal

The Consultant may express the price for its Services in the currency or currencies as stated in the **Data Sheet**. If indicated in the **Data Sheet**, the portion of the price representing local cost shall be stated in the local currency.

16.5 Currency of payment

Payment under the Contract shall be made in the currency or currencies in which the payment is requested in the Proposal.

C. Submission, Opening and Evaluation

17 **Submission, sealing and marketing of Proposals**

17.1 The Consultant shall submit a signed and complete Proposal comprising the documents and forms in accordance with Clause 10 (Documents comprising Proposal). The submission can be done by mail or by hand. If authorized in the **Data Sheet**, the Consultant may choose to submit its Proposals electronically.

17.2 An authorized representative of the Consultant shall sign the original submission letters in the required format for both the technical Proposal and the financial Proposal and shall initial all pages of both. The authorization shall be in the form of a written power of attorney attached to the technical Proposal.

17.2.1 A Proposal submitted by a Joint Venture shall be signed by all members so as to be legally binding on all members, or by an authorized representative who has a written power of attorney signed by each member's authorized representative.

17.3 Any modifications, revisions, interlineations, erasures, or overwriting shall be valid only if they are signed or initialed by the person signing the Proposal.

17.4 The signed technical and financial Proposals shall be marked "**ORIGINAL**", and its copies marked "**COPY**" as appropriate. The number of copies is indicated in the **Data Sheet**. All copies shall be made from the signed original. If there are discrepancies between the original and the copies, the original shall prevail.

17.5 The original and all the copies of the technical Proposal shall be placed inside of a sealed envelope clearly marked "**TECHNICAL PROPOSAL, [Name of the Services]**", reference number, name and address of the Consultant, and with a warning "**DO NOT OPEN UNTIL TECHNICAL PROPOSAL OPENING**".

17.6 Similarly, the original financial Proposal shall be placed inside of a sealed envelope clearly marked "**FINANCIAL PROPOSAL, [name of the Services]**", reference number, name and address of the Consultant, and with a warning "**DO NOT OPEN WITH THE TECHNICAL PROPOSAL**".

17.7 The sealed envelopes containing the technical and financial Proposals shall be placed into one outer envelope and sealed. This outer envelope shall bear the submission address, RFP reference number, the name of the Services, Consultant's name and the

address, and shall be clearly marked "**DO NOT OPEN BEFORE TECHNICAL PROPOSAL OPENING**".

17.8 If the envelopes and packages with the Proposal are not sealed and marked as required, the Client will assume no responsibility for the misplacement, loss, or premature opening of the Proposal.

17.9 The Proposal or its modifications must be sent to the address indicated in the **Data Sheet** and received by the Client no later than the deadline indicated in the **Data Sheet**, or any extension to this deadline. Any Proposal or its modification received by the Client after the deadline shall be declared late and rejected, and promptly returned unopened.

18 Confidentiality

18.1 From the time the Proposals are opened to the time the Contract is awarded, the Consultant should not contact the Client on any matter related to its technical and/or financial Proposal. Information relating to the evaluation of Proposals and award recommendations shall not be disclosed to the Consultants who submitted the Proposals or to any other party not officially concerned with the process, until the publication of the Contract award information.

18.2 Any attempt by shortlisted Consultants or anyone on behalf of the Consultant to influence improperly the Client in the evaluation of the Proposals or Contract award decisions may result in the rejection of its Proposal.

18.3 Notwithstanding the above provisions, from the time of the Proposals' opening to the time of Contract award publication, if a Consultant wishes to contact the Client on any matter related to the selection process, it should do so only in writing.

19 Opening of technical Proposals

19.1 The Client's evaluation committee shall conduct the opening of the technical Proposals in the presence of the shortlisted Consultants' authorized representatives who choose to attend (in person, or online if this option is offered in the **Data Sheet**). The opening date, time and address are stated in the **Data Sheet**. The envelopes with the financial Proposal shall remain sealed and shall be securely stored with a reputable public auditor or independent authority until they are opened in accordance with Clause 23 of the ITC.

19.2 At the opening of the technical Proposals the following shall be read out: (i) the name of the Consultant or, in case of a Joint Venture, the name of the Joint Venture, the name of the lead member and the names of all members; (ii) the presence or absence of a duly sealed envelope with the financial Proposal; (iii) any modifications to the Proposal submitted prior to Proposal submission deadline; and (iv) any other information deemed appropriate or as indicated in the **Data Sheet**.

20 Proposals evaluation

20.1 Subject to provision of Sub-Clause 15.1 of the ITC, the evaluators of the technical Proposals shall have no access to the financial Proposals until the technical evaluation is concluded.

20.2 The Consultant is not permitted to alter or modify its Proposal in any way after the Proposal submission deadline except as permitted under Sub-Clause 12.7 of this ITC. While evaluating the Proposals, the Client will conduct the evaluation solely on the basis of the submitted technical and financial Proposals.

- 21 **Evaluation of technical Proposals** 21.1 The Client's evaluation committee shall evaluate the technical Proposals on the basis of their responsiveness to the Terms of Reference and the RFP, applying the evaluation criteria, sub-criteria, and point system specified in the **Data Sheet**. Each responsive Proposal will be given a technical score. A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP or if it fails to achieve the minimum technical score indicated in the **Data Sheet**.
- 22 **Financial Proposals for QBS** 22.1 Following the ranking of the technical Proposals, when the selection is based on quality only (QBS), the top-ranked Consultant is invited to negotiate the Contract. Only the financial Proposal of the technically top-ranked Consultant is opened by the Client's evaluation committee. All other financial Proposals are returned unopened after the Contract negotiations are successfully concluded and the Contract is signed.
- 23 **Public opening of financial Proposals (for Quality and Cost Based Selection (QCBS), Fixed Budget Selection (FBS), and Least-Cost Selection (LCS) methods)** 23.1 After the technical evaluation is completed, the Client shall notify those Consultants whose Proposals were considered non-responsive to the RFP and TOR or did not meet the minimum qualifying technical score (and shall provide information relating to the Consultant's overall technical score) that their financial Proposals will be returned unopened after completing the selection process and Contract signing. The Client shall simultaneously notify in writing those Consultants that have achieved the minimum overall technical score and inform them of the date, time and location for the opening of the financial Proposals. The opening date should allow the Consultants sufficient time to make arrangements for attending the opening. The Consultant's attendance at the opening of the financial Proposals (in person, or online if such option is indicated in the **Data Sheet**) is optional and is at the Consultant's choice.
- 23.2 The financial Proposals shall be opened by the Client's evaluation committee in the presence of the representatives of those Consultants whose Proposals have passed the minimum technical score. At the opening, the names of the Consultants, the overall technical scores, and the total prices shall be read aloud and recorded. Copies of the record shall be sent to all Consultants who submitted Proposals.
- 24 **Correction of errors** 24.1 Activities and items described in the technical Proposal but not priced in the financial Proposal, shall be assumed to be included in the prices of other activities or items, and no corrections will be made to the financial Proposal.
- 24.2 Time-based Contracts
In the case of a time-based Contract, the Client's evaluation committee will (a) correct any computational or arithmetical errors, and (b) adjust the prices if they fail to reflect all inputs included for the respective activities or items in the technical Proposal. In case of discrepancy between (i) a partial amount (sub-total) and the total amount, or (ii) between the amount derived by multiplication of unit price with quantity and the total price, or (iii) between words and figures, the former will prevail. In case of discrepancy between the technical and financial Proposals in indicating quantities of input, the technical Proposal prevails and the Client's evaluation committee shall correct the quantification indicated in the financial Proposal so as to make it consistent with the one indicated in the technical Proposal, apply the relevant unit price included in the financial

Proposal to the corrected quantity, and correct the total Proposal cost.

24.3 Lump-sum Contracts

In the case of a lump-sum Contract, the Consultant is deemed to have included all inputs that are necessary to perform the Services in the financial Proposal, so neither arithmetical corrections nor price adjustments shall be made. The total price, net of taxes understood as per Clause ITC 25 below, specified in the financial Proposal (form FIN-1) shall be considered as the offered price.

- 25 Taxes** 25.1 The Client's evaluation of the Consultant's financial Proposal shall exclude taxes and duties in the Client's country in accordance with the instructions in the **Data Sheet**.
- 26 Conversion to single currency** 26.1 For the evaluation purposes, prices shall be converted to a single currency using the selling rates of exchange, source and date indicated in the **Data Sheet**.
- 27 Combined quality and cost evaluation (for QCBS, FBS, and LCS methods)** 27.1 In the case of quality and cost based selection (QCBS), the total score is calculated by weighting the technical and financial scores and adding them as per the formula and instructions in the **Data Sheet**. The Consultant achieving the highest combined technical and financial score will be invited for negotiations.
- 27.2 In the case of fixed budget selection (FBS), those Proposals that exceed the budget indicated in Sub-Clause 14.1.4 of the Data Sheet shall be rejected. The Client will select the Consultant that submitted the highest-ranked technical Proposal, and invite such Consultant to negotiate the Contract.
- 27.3 In the case of least-cost selection (LCS), the Client will select the Consultant with the lowest evaluated total price among those consultants that achieved the minimum technical score, and invite such Consultant to negotiate the Contract.
- 28 Abnormally low financial Proposal** 28.1 If the financial Proposal is twenty per cent (20%) or more, lower than the Client's estimate, and unless the Client provides justification that the estimate is inaccurate, the Client shall require the Consultants to produce detailed price analyses for any or all items of the financial Proposal, to demonstrate the internal consistency of those prices and priced quantities with the methodology, resources and schedule proposed, as well as the Terms of Reference (TORs). Notwithstanding provisions of Sub-Clause ITC 24.1 which shall not apply, if inconsistencies are evidenced, the financial Proposal shall be declared non-compliant and rejected.

D. Negotiations and Award

- 29 Negotiations** 29.1 The negotiations will be held at the date and address indicated in the **Data Sheet** with the Consultant's representative(s) who must have written power of attorney to negotiate and sign a Contract on behalf of the Consultant.
- 29.2 The Client shall prepare minutes of negotiations that are signed by the Client and the Consultant's authorized representative.
- 29.3 Availability of Key Experts
- 29.3.1 The invited Consultant shall confirm the availability of all Key Experts included in the Proposal as a pre-requisite to the negotiations, or, if applicable, a replacement in accordance

with Clause 12 of the ITC. Failure to confirm the Key Experts' availability may result in the rejection of the Consultant's Proposal and the Client proceeding to negotiate the Contract with the next-ranked Consultant.

29.3.2 Notwithstanding the above, the substitution of Key Experts at the negotiations may be considered if due solely to circumstances outside the reasonable control of and not foreseeable by the Consultant, including but not limited to death or medical incapacity. In such case, the Consultant shall offer a substitute Key Expert within the period of time specified in the letter of invitation to negotiate the Contract, who shall have equivalent or better qualifications and experience than the original Key Expert.

29.4 Technical negotiations

29.4.1 The negotiations include discussions about the Terms of Reference (TORs), the proposed methodology, the Client's inputs, the special conditions of the Contract, and finalizing the "Description of Services" part of the Contract. These discussions shall not substantially alter the original scope of services under the TORs or the terms of the Contract and shall not modify the ranking of the Proposals.

29.5 Financial negotiations

29.5.1 The negotiations include the clarification of the Consultant's tax liability in the Client's country and how it should be reflected in the Contract.

29.5.2 If the selection method included cost as a factor in the evaluation, the total price stated in the financial Proposal for a lump-sum Contract shall not be negotiated.

29.5.3 In the case of a time-based Contract, unit rates negotiations shall not take place, except when the offered Key Experts and Non-Key Experts' remuneration rates are much higher than the typically charged rates by Consultants in similar contracts. In such case, the Client may ask for clarifications and, if the fees are very high, ask to change the rates.

30 Conclusion of negotiations

30.1 The negotiations are concluded with a review of the finalized draft Contract, which then shall be initialed by the Client and the Consultant's authorized representative.

30.2 If the negotiations fail, the Client shall inform the Consultant in writing of all pending issues and disagreements and provide a final opportunity to the Consultant to respond. If disagreement persists, the Client shall terminate the negotiations informing the Consultant of the reasons for doing so. The Client will invite the next-ranked Consultant to negotiate a Contract. Once the Client commences negotiations with the next-ranked Consultant, the Client shall not reopen the earlier negotiations.

30.3 The Client reserves the right to annul the RFP process and reject all Proposals at any time prior to Contract award, without thereby incurring any liability to Consultants.

31 Award of Contract

31.1 After completing the negotiations the Client shall sign the Contract; if applicable, publish the award information; and promptly notify the other shortlisted Consultants.

31.2 The Consultant is expected to commence the Services on the date and at the location specified in the **Data Sheet**.

Section II – Data Sheet

A. General	
ITC 1.2	Applicable law: India
ITC 2.1	<p>Name of the Client:</p> <p>National Institute of Urban Affairs (NIUA) 1 Floor, Core 4B India Habitat Centre Lodhi Road, New Delhi –110003.</p> <p>Method of selection: Quality and Cost Based Selection (QCBS)</p> <p>Type of Contract: "Lump Sum Contract"</p>
ITC 2.2	<p>The name of the Services is:</p> <p>CONSULTANCY SERVICES FOR: FINANCIAL AND PROGRAM AUDIT OF THE CITIIS 2.0 PROGRAM</p>
ITC 2.3	A pre-Proposal conference will be held: No
ITC 2.4	The Client will provide the following inputs, project data, reports, etc. to facilitate the preparation of the Proposals: Not Applicable
ITC 3.3	<p>The following additional circumstances shall be considered as a conflict of interest: Not Applicable</p> <p>The following additional circumstances shall not be considered as a conflict of interest: Not Applicable</p>
ITC 4.1	Not Applicable
B. Preparation of Proposals	
ITC 9.1	<p>Proposals shall be submitted in English language.</p> <p>All correspondence exchanges and documents shall be in English language.</p>
ITC 10.1	<p>The Proposal shall comprise the following:</p> <p><u>1st Inner Envelope with the technical Proposal:</u></p> <p style="padding-left: 40px;">(1) Technical Proposal submission form (TECH-1) (2) Power of Attorney to sign the Proposal (3) Covenant of Integrity (signed) (4) TECH Forms</p> <p style="text-align: center;">AND</p> <p><u>2nd Inner Envelope with the financial Proposal:</u></p> <p style="padding-left: 40px;">(1) Financial Proposal submission form (FIN-1)</p>
ITC 11.1	Not Applicable
ITC 12.1	Proposals must remain valid for 90 days calendar days after the Proposal submission deadline.

ITC 13.1	Any queries in relation to the RFP to be sent prior to 17-12-2024, 17:00 hr IST to the e-mail ID citiis@niua.org and the responses will be available online by to 24-12-2024 . The contact information for requesting clarifications is: Mr. Naim Keruwala, Program Director – CITIIS
ITC 14.1.1	Not Applicable
ITC 14.1.2	Not Applicable
ITC 14.1.3	Not Applicable
ITC 14.1.4 & 27.2	For the purpose of evaluating the Proposals, the amount is inclusive all of taxes.
ITC 16.1	Not Applicable
ITC 16.2	Not Applicable
ITC 16.3	<p>i. Permanent establishment in the Client's country:</p> <p>The law of the Client's country does authorize the consultant to perform the Contract without having a permanent establishment in the Client's country.</p> <p>ii. Taxation outside the Client's country:</p> <p>The Consultant's financial proposal shall include all taxes, duties and fees imposed outside the Client's country (including in the Consultant's country, if it is different from the Client's country).</p> <p>iii. Taxation in the Client's country:</p> <p>The Consultant's financial Proposal shall include all taxes, duties, and fees described in Sub-Clauses 43.1 and 43.2 of the Special Conditions of Contract, and shall present them separately in the price schedules, for each applicable currency referenced in Sub-Clause 16.4 of the ITC as mentioned in the FIN Forms.</p> <p>An exemption from the following taxes has been obtained for the Contract: None</p>
ITC 16.4	The financial Proposal shall be stated in the following currencies: INR
ITC 16.4	The Currency of Payment: INR
C. Submission, Opening and Evaluation	
ITC 17.1	The Consultants should submit the signed and complete Proposal in physical copy.
ITC 17.4	<p>The Consultant must submit:</p> <p>a) Technical Proposal: one (1) original paper copy</p> <p>b) Financial Proposal: one (1) original paper copy</p> <p>The digital copy of the Technical Proposal shall not include the Financial Proposal.</p>
ITC 17.9	<p>The Proposals must be submitted no later than:</p> <p>Date: 02-01-2025 Time: 1700 hr IST</p> <p>The Proposal submission address is:</p> <p>For Hardcover original copy :</p> <p>National Institute of Urban Affairs (NIUA)</p>

	<p>1 Floor, Core 4B India Habitat Centre Lodhi Road, New Delhi –110003.</p> <p>For Electronic copy of Technical Proposal should be uploaded at the NIUA Website.</p> <p>The digital copy of the Technical Proposal shall not include the Financial Proposal.</p>
ITC 19.1	<p>An online option of the opening of the technical Proposals is not offered.</p> <p>The opening shall take place at:</p> <p>National Institute of Urban Affairs (NIUA) 1 Floor, Core 4B India Habitat Centre Lodhi Road, New Delhi –110003</p> <p>Date and Time: Will be confirmed to all prospective Consultants</p>
ITC 19.2	Any technical Proposal which does not have a signed submission form, will not be considered.
ITC 21.1	<p><u>Criteria, sub-criteria, and point system for the evaluation of the technical Proposals:</u></p> <p>The method of selection is Quality and Cost Based Selection (QCBS) with 80 % Technical Score and 20% Financial Score. The Consultants are requested to provide their best Technical and Financial Proposals. Additional details are provided in the Section III: Technical Proposal of the Documents.</p>
ITC 23.1	An online option of the opening of the financial Proposals is not offered.
ITC 25.1	The evaluation will be carried out on the basis of the Consultant's financial Proposal including II taxes, duties and fees identified in Sub-Clauses 43.1 and 43.2 of the Special conditions of the Contract.
ITC 26.1	Not Applicable
ITC 27.1	The details are provided in the Section III: Technical Proposal of the Document.
D. Negotiations	
ITC 29.1	Expected date and address for Contract negotiations: To be intimated later
ITC 31.2	Expected date for the commencement of the Services: Seven days after signing of the contract agreement.

Section III – Technical Proposal Evaluation Criteria and Standard Forms

1. ELIGIBILITY CRITERIA

- i. The Firm should be a Public Ltd. / Pvt Ltd. / NGO / Society / LLP / Partnerships / Proprietorship and with proven track record and minimum seven years of existence.
- ii. The Firm/Company should be registered with Income Tax Authorities and GST Network. Copy of certificate of incorporation along with name change if any, copy of PAN Card and copy of GST Registration Certificate is required. **Joint-Venture (JV) is not allowed.**
- iii. The firm must be empaneled with the Comptroller and Auditor General of India. The certificate of empanelment should be attached.
- iv. The firm should be having a positive net worth and an average annual turnover of at least INR 1 crore in previous three financial years (FY2020-21, 2021-22 & 2022-23) from consultancy services in India. Certified by the Chartered Accountant (another auditing firm).
- v. On the last date of submission of the Proposal, the Consultant should not be blacklisted by Central Government/State Governments/Union Territories/PSUs in India for unsatisfactory past performance, corrupt, fraudulent or any other unethical business practices. The form for self – certified undertaking is attached in Tech Forms.
- vi. The Chartered Accountants Firm or any of its partners has not been declared guilty of any professional and/or other misconduct under the provisions of the Chartered Accountants Act, 1949 during the current year and immediate past five years. Any of the partners of the firm or their relative is /was not a member of NIUA during the current year and immediate past five years i.e. from 1st April, 2019 to till date. **Self-certificate for the same should be attached.**

If above Eligibility Criteria are not satisfied, then Technical Proposal will not be further evaluated.

1. HIRING PROCESS

A Consultant shall be selected under the selection method based on **Quality and Cost Based Selection (QCBS) with a ceiling amount of INR 40,00,000/- (Forty Lakhs) including all taxes.** Any proposal exceeding this amount will be rejected.

The weightings would be 80% for the Technical Score and 20 % for the Financial Score.

The minimum qualifying technical score will be 70 out of 100. Non-compliant or inadequate technical proposals (i.e. scored below minimum technical score of 70) will be rejected.

Technical Score: The proposals will be assigned a Technical Score based on following criteria:

S. No.	CRITERIA	MAXIMUM SCORE
1	Understanding of the CITIIS project	
i	Observations on the objectives & Comprehensiveness of the proposal (i.e. coverage of requirements in line with TOR)	5
ii	Detailing and relevance of tasks and expected outputs as per guiding documents including work plan.	5
2	<p>Turnover</p> <p>Average Annual Turnover of firm for the last three FYs ending on 31st March 2024 should be equal to or greater than Rs 1 (one) crore -</p> <p>Turnover INR:</p> <p>1 Crore to 2 Crore = 10 marks</p> <p>> 02 Crore to 03 Crore =15 marks</p> <p>>03 Crore =20 marks</p> <p>The Audited Financial Statements, P/L account and positive net worth certificate should be submitted for FY 2020-21, 2021-22 and 2022-23.</p>	20
3	<p>Work experience</p> <p>Work experience of carrying similar experience in audit of similar projects for PSUs, development authorities, urban local bodies, parastatal agencies, autonomous bodies, research organisations, etc. or externally aided projects during last 7 years of minimum amount Rs. 5 lakhs –</p> <p>i. Four to six assignments – 10 Marks</p> <p>ii. Seven to ten assignments – 15 Marks</p> <p>iii. More than ten assignments – 20 marks</p> <p>Similar projects include urban development sector, public finance projects, procurement and financial management, infrastructure projects, central / state government schemes including international grants.</p> <p>Copy of Contract/ Work Order and Completion Certificates from the Client</p> <p style="text-align: center;">OR</p> <p>Copy of Contract / Work Order and Self-Certificate of Completion certified by the Authorized Signatory on the Letter Head of the Company with relevant information like name of the assignment, date of start, date of completion, contract amount and total payment etc.</p> <p><i>(In case of annual audit by the client for an assignment each year audit will be considered separate assignmen, the self-certificate should clearly detail out the nature and period of assignment).</i></p>	20
4	Proposed Team	25

	Composition and quality of proposed team – 5 (five) Marks per CV for 5 positions - Position 01 – Team Leader Position 02 – Public Procurement Management Expert Position 03 – Public Finance Management Expert Position 04 – Urban Management / Governance Expert Position 05 – Environmental & Social Safeguards Expert	
5	Presentation Presentation by the firm (date and time will be intimated)	25
	TOTAL TECHNICAL PROPOSAL SCORE	100

**Form TECH-1:
Technical Proposal submission form**

_____ [Location, Date]

To:

The Director,
National Institute of Urban Affairs
Core 4B, 01st Floor, India Habitat Centre
Lodhi Road, New Delhi – 110003

Dear Sir/Madam:

We, the undersigned, offer to provide the Services for **CONSULTANCY SERVICES FOR: FINANCIAL AND PROGRAM AUDIT OF THE CITIIS 2.0 PROGRAM** in accordance with your Request for Proposals dated XX.XX.2024 and our Proposal. We are hereby submitting our Proposal, which includes this technical Proposal and a financial Proposal sealed in a separate envelope.

We hereby declare that:

- a) All the information and statements made in this Proposal are true and we accept that any misrepresentation contained in this Proposal may lead to the rejection of our Proposal by the Client;
- b) Our Proposal shall be valid and remain binding upon us for the period of time specified in, Sub-Clause 12.1 of the Data Sheet;
- c) We have no conflict of interest in accordance with Clause 3 of the ITC;
- d) Our Proposal is binding upon us and subject to any modifications resulting from the Contract negotiations.

We undertake, if our Proposal is accepted and the Contract is signed, to initiate the Services related to the assignment no later than the date indicated in Sub-Clause 31.2 of the Data Sheet.

We acknowledge and agree that the Client reserves the right to annul the selection process and reject all Proposals at any time prior to Contract award, without thereby incurring any liability to us.

Enclosed –

- i. **Power of Attorney**
- ii. **Covenant of Integrity on the letter head of the company and signed with stamp on each page.**

We remain,

Yours sincerely,

Signature: _____

Name: _____

Address: _____

Contact information (phone and email): _____

Sample Format of Power of Attorney (POA)

Know all men by these presents, we, (name of Firm and address of the registered office) do hereby constitute, nominate, appoint and authorise Mr / Ms..... son/daughter/wife of and presently residing at, who is presently employed with us and holding the position of as our true and lawful attorney (hereinafter referred to as the “authorized Representative”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our Proposal fo XXXXXX, proposed to be developed by the (the “Client”) including but not limited to signing and submission of all applications, proposals and other documents and writings, participating in pre-bid and other conferences and providing information/ responses to the Client, representing us in all matters before the Client, signing and execution of all contracts and undertakings consequent to acceptance of our proposal and generally dealing with the Client in all matters in connection with or relating to or arising out of our Proposal for the said Project and/or upon award thereof to us till the entering into of the Agreement with the Client.

AND, we do hereby agree to ratify and confirm all acts, deeds and things lawfully done or caused to be done by our said authorized Representative pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said authorized Representative in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS DAY OF, 20.....

For

(Signature, name, designation and address)

Witnesses:

- 1.
- 2.

Notarised

Accepted

.....

(Signature, name, designation and address of the Attorney)

Notes:

- The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required the same should be under common seal affixed in accordance with the required procedure. The Power of Attorney should be executed on a non-judicial stamp paper of Rs. 100 (hundred) and duly notarised by a notary public.
- Wherever required, the Bidder should submit for verification the extract of the charter documents and other documents such as a resolution/power of attorney in favor of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Bidder.
- For a Power of Attorney executed and issued overseas, the document will also have to be legalized by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued. However, Bidders from countries that have signed the Hague Legislation Convention 1961 need not get their Power of Attorney legalized by the Indian Embassy if it carries a conforming Apostille certificate.

COVENANT OF INTEGRITY

I [Name], in my function as [function/position held] in [name of the company] and duly authorized representative for the signature of the contract to be signed for [title of the call for tender or the contract] hereby declare that we observe the highest standards of ethics during the procurement and, if we are successful in our tender, during the performance of the contract. We have not engaged nor will engage in, or have been convicted or sanctioned by any authority of, any fraud, corruption, collusion, coercion, obstruction, money laundering, financing of terrorism or other malpractice (hereafter referred to as "Prohibited Conduct")¹. Where convictions occurred, details of the conviction and remedial measures are provided. If such events should occur in the future, including if any instance of Prohibited Conduct shall come to our attention, we hereby undertake to so inform [Promoter and AFD/EIB/KfW (whoever is MRI Lead Financier)] immediately.

Moreover, neither our company² nor any entity member of the joint venture or of the consortium or any one acting on our behalf, such as sub-contractors, is the subject of a current exclusion /has been the subject of any debarment, exclusion or other sanctioning decision by any of the Participating MRI Partners (AFD, EIB and/or KfW), EU institutions and/or any major Multi-lateral Development Bank (including World Bank Group, African Development Bank, Asian Development Bank, European Bank for Reconstruction and Development or Inter-American Development Bank) on the grounds of Prohibited Conduct and we further undertake to immediately inform [Promoter and AFD/EIB/KfW (whoever is MRI Lead Financier)] if this situation was to occur at a later stage. Where such a decision of exclusion has occurred, we commit to provide all necessary information and any remedial measures that have already been taken.

I also declare that neither our company nor any entity member of the joint venture or of the consortium is currently included /has been included on the list of financial sanctions (including in particular the fight against financing of terrorism) adopted by the United Nations, the EU financial or any national sanction³ list which is binding for any of the MRI Partners and we further undertake to immediately inform [Promoter and AFD] if this situation were to occur at a later stage.

We acknowledge that in the event our company or any entity member of the joint venture or of the consortium (i) is, after this Covenant of Integrity or the contract have been signed, added to any financial sanctions list enumerated above or (ii) is, before the contract has been signed, subject to any debarment, exclusion or otherwise sanctioning decision enumerated above or (iii) made a false statement in the Covenant of Integrity, the contract may not be eligible for funding by one or more of the Participating MRI Partners (AFD, KfW). We commit not to procure goods and services from countries which are under an embargo which is binding upon AFD and KfW.

We also acknowledge that, in any of the afore-mentioned events, [Promoter] is entitled to exclude our company/the consortium from the procurement procedure and, if the contract is awarded to our company/the consortium, we undertake to take all necessary remedial actions in a manner satisfactory to [Promoter]. Such events may lead to termination of the contract, in accordance with the terms of the contract.

¹ For KfW, please see "Guidelines for the Procurement of Consulting Services, Works, Plant, Goods and Non-Consulting Services in Financial Cooperation with Partner Countries" and FATF Recommendations ;
For AFD, please see "AFD Group's policy to prevent and combat corruption, fraud, anti-competitive practices, money laundering and terrorist financing" and Guidelines for the procurement of AFD financed contracts in foreign countries".

² For the purposes of these provisions "company" or "entity" shall include directors, employees, agents.

³ i.e. French sanction list for AFD, German sanction list for KfW.

Form TECH-2

Declaration Regarding Blacklisting/ Non-Blacklisting From Taking Part in Govt. Tender

(To be executed on Rs.20/- Stamp paper & attested by Public Notary/Executive Magistrate by the bidder)

I / We Proprietor/ Partner(s)/ Director(s) of M/s ----- hereby declare that the firm/company namely M/s----- has not been blacklisted or debarred in the past by any other Government organization from taking part in Government tenders.

Or

I / We Proprietor/ Partner(s)/ Director(s) of M/s ----- hereby declare that the firm/company namely M/s----- was blacklisted or debarred by any other Government Department from taking part in Government tenders for a period of ----- years w.e.f.----- . The period is over on -----and now the firm/company is entitled to take part in Government tenders.

In case the above information found false I/We are fully aware that the tender/ contract will be rejected/cancelled.

Dated this Day of, 2024....

Yours sincerely,

Name of the Consultant:

Signature of the Consultant:

Address:

**Form TECH-3:
Bidder Information Form**

a	Name of Bidder with full address	:	
b	Tel. No. / Mobile No.	:	
c	Email	:	
d	Year of Incorporation.	:	Proof of registration of the Bidder to be submitted
e	Name and address of the person holding the Power of Attorney.	:	
f	(i) Place of Business.	:	
	(ii) Date of Registration.	:	
g	Name of Bankers with full address.	:	
h	Regional presence (Direct office)	:	The location details to be provided
i	PAN / GST Registration Number	:	Copy to be submitted.

j	Are you presently debarred / Blacklisted by any Central/ State Government Department / Union Territory (If Yes, please furnished details)	:	
k	Name and details (Tel / Mobile / Email) of contact persons	:	

Form TECH-4:

Technical Proposal

The structure of the Technical Proposal will be as follows –

S. No.	CRITERIA
1	Understanding of the CITIIS project
i	Observations on the objectives & Comprehensiveness of the proposal (i.e. coverage of requirements in line with TOR)
ii	Detailing and relevance of tasks and expected outputs as per guiding documents including work plan.
2	Turnover Average Annual Turnover of firm for the last three FYs ending on 31st March 2024 The Audited Financial Statements, P/L account and positive net worth certificate should be submitted for FY 2020-21, 2021-22 and 2022-23.
3	Work experience Work experience of carrying similar experience in audit of similar projects for PSUs, development authorities, urban local bodies, parastatal agencies, autonomous bodies, research organisations, etc. or externally aided projects during last 7 years – <ul style="list-style-type: none"> i. Four to six assignments – 10 Marks ii. Seven to ten assignments – 15 Marks iii. More than ten assignments – 20 marks Similar projects include urban development sector, public finance projects, procurement and financial management, infrastructure projects, central / state government schemes including international grants.
4	Proposed Team Composition and quality of proposed team – 5 (five) Marks per CV for 5 positions - Position 01 – Team Leader Position 02 – Public Procurement Management Expert Position 03 – Public Finance Management Expert Position 04 – Urban Management / Governance Expert Position 05 – Environmental & Social Safeguards Expert
5	Presentation Presentation by the firm (date and time will be intimated)
	TOTAL TECHNICAL PROPOSAL SCORE

S. No.	CRITERIA
1	The Firms should have been in operation in India for at least 7 years after registration as on date of issuance of RFP.
2	Average Annual Turnover of firm for the last three FYs ending on 31st March 2023. Positive Net Worth of firm for the last three FYs ending on 31st March 2023.
3	Work experience of carrying similar experience in audit of similar projects relating to Urban Development Sector.
4	Work experience in audit of projects relating to Grants from International Agencies in the Urban Development Sector.
5	Understanding of the CITIIS project -
i	<i>Observations on the objectives & Comprehensiveness of the proposal (i.e. coverage of requirements in line with TOR)</i>
ii	<i>Detailing and relevance of tasks and expected outputs as per guiding documents including work plan.</i>
6	Composition and quality of proposed team.

Form TECH-5:

Work Experience

Previous work experience of similar assignments successfully completed with government departments and international agencies shall be preferred. The format for submission of previous SIMILAR assignments successfully completed in the **last 7 years from the date of bid submission** is given below:

Duration	Brief description of Previous Assignments	Brief description of main components / outputs	Name of Client and location of Assignment	Approx. Contract value (in INR)/ Amount paid to your firm
<i>{e.g., Jan.2009–Apr.2010}</i>	<i>{e.g., Development and/or design of Program management platform/tool, etc}</i>		<i>{e.g., Ministry of, country}</i>	

Form TECH-6:

Curriculum Vitae (CV)

(To be submitted for all Key Positions Proposed including Team Leader)

Detailed and up-to-date CV(s) of the consultant/ team shall be provided.

Position 01 – Team Leader

[at least ten years' experience in financial auditing and professional references for similar missions (i.e. audits of projects/programs financed by development partners). He/she must also be listed on the register of a recognized association of chartered accountants.]

Position Profile: Team Leader	
Name of Expert [Insert full name]	
Date of Birth	
Country of Citizenship/Residence [day/month/year]	

Education: *[List college/university or other specialized education, giving names of educational institutions, dates attended, degree(s)/diploma(s) obtained]*

Employment record relevant to the Services: [Starting with present position, list in reverse order. Please provide dates, name of employing organization, titles of positions held, types of activities performed and location of the assignment, and contact information of previous clients and employing organization(s) who can be contacted for references. Past employment that is not relevant to the Services does not need to be included.]

Period	Employing organization and your title/position. Contact information for references	Country	Summary of activities performed relevant to the Services
<i>[e.g., May 2005-present]</i>	<i>[e.g., Ministry of....., advisor/consultant to... For references: Name, Designation, Relationship (reporting officer/colleague), contact details (mobile, email, etc.)</i>		

Membership in Professional Associations and Publications:

Adequacy for the Services: (Should be part of all proposed CVs)

Mention special references of previous experience/ audits conducted which involve funding from International Grants Agencies (add emphasis if funds originate from European Union and/or Agence Française de Développement – AFD) Mention experience in handling audit assignments with respect to Government Agencies and any experiences relating to audit of Urban Development Sector.

Expert’s contact information: [e-mail, phone.....]

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience, and I am available to undertake the Services in case of an award. I understand that any misstatement or misrepresentation described herein may lead to my disqualification or dismissal by the Client.

[day/month/year]

Name of Expert	Signature	Date
----------------	-----------	------

[day/month/year]

Name of authorized Representative of the Consultant <i>[the same who signs the Proposal]</i>	Signature	Date
--	-----------	------

Position 02 – Public Procurement Management Expert

[at least five years’ experience of public procurement, as well as of procurement for projects / programs financed by development partners]

Position Profile: Public Procurement Management Expert	
Name of Expert [Insert full name]	
Date of Birth	
Country of Citizenship/Residence [day/month/year]	

*Other details including Education, Employment, Adequacy and Contact Information to be furnished in formats similar to that listed for the above position.

Position 03 – Public Finance Management Expert

[at least five years’ experience in preparing and monitoring budget implementation (budget management, accounting management and de-concentration/decentralization) and sound knowledge of Indian and International Accounting and Auditing standards]

Position Profile: Public Finance Management Expert	
Name of Expert [Insert full name]	
Date of Birth	
Country of Citizenship/Residence [day/month/year]	

*Other details including Education, Employment, Adequacy and Contact Information to be furnished in formats similar to that listed for the above position.

Position 04 – Urban Management / Governance Expert

[at least five years' experience in managing large-scale urban projects, preferably funded by international donor agencies such as AFD, ADB, World Bank etc.]

Position Profile: Urban Management / Governance Expert	
Name of Expert [Insert full name]	
Date of Birth	
Country of Citizenship/Residence [day/month/year]	

*Other details including Education, Employment, Adequacy and Contact Information to be furnished in formats similar to that listed for the above position.

Position 05 – Environmental & Social Safeguards Expert

[at least five years' experience in managing Environmental & Social safeguards, preferably funded by international donor agencies such as AFD, ADB, World Bank etc.]

Position Profile: Environmental & Social Safeguards Expert	
Name of Expert [Insert full name]	
Date of Birth	
Country of Citizenship/Residence [day/month/year]	

*Other details including Education, Employment, Adequacy and Contact Information to be furnished in formats similar to that listed for the above position.

**Form TECH-7:
Financial Information: Average Annual Turnover**

Details to be furnished duly certified by the **Chartered Accountant**.

Consultant	------(Name of Consultant)				
FY	2020-21	2021-22	2022-2023	Total	Average Annual Financial Turnover
Gross Annual Turnover					

*CA Certified Balance Certificate of last 3 Financial Years with UDIN number.

Signature of Bidder

For (Name of Accounting Firm)

Date and Place

Name and signature of Chartered Accountant

Membership Number

(with Seal and UDIN No)

* The Consultant should provide the Financial Capability based on its own financial statements. Financial Capability of the Consultant's parent company or its subsidiary or any associate company will not be considered for computation of the Financial Capability of the Consultant.

* The Audited Financial Statements for the above FY's should also be submitted.

**Form TECH-8:
Financial Information: Net worth**

Consultant	------(Name of Consultant)				
FY	2020-21	2021-22	2022-2023		
Net Worth					
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Signature of Bidder</p> <p>Date and Place</p> </div> <div style="width: 45%; text-align: right;"> <p>For (Name of Accounting Firm)</p> <p>Name and signature of Chartered Accountant Membership Number (with Seal and UDIN No)</p> </div> </div>					

Section IV – Financial Proposal – Standard forms

Form FIN-1: Financial Proposal submission form

[Location, Date]

To:

The Director,
National Institute of Urban Affairs
Core 4B, 01st Floor, India Habitat Centre
Lodhi Road, New Delhi – 110003

Dear Sirs,

We, the undersigned, offer to provide the Services for [Insert title of Services] in accordance with your Request for Proposal dated [Insert Date] and our technical Proposal.

Our attached financial Proposal is for the amount of [Indicate amount(s) in words and figures inclusive of all taxes as per Sub-Clause 16.3 of the Data Sheet.

Item	Total Fees per annum (in INR inclusive of all Taxes)	Total overall fees (in INR including all taxes)
Financial and Program Audit of the CITIIS 2.0 Program	Year 01	
	Year 02	
	Year 03	
	Year 04	
Other Professional Expenses (Expenses relating to local conveyance, stationery, refreshments, etc as per actuals and, approved by the Coordinator and substantiated by invoices/ bills. Lump Sum amount to be divided equally per annum for 4 years).		
Grand Total		

Our financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Sub-Clause 12.1 of the Data Sheet.

We understand you reserve the right to annul the process and reject all Proposals at any time prior to Contract award.

We remain,
Yours sincerely,

Signature: _____

Name: _____

Address: _____

Email: _____

Section V – Eligibility Criteria

Eligibility in AFD-Financed Procurement

1. Financing allocated by AFD to a Contracting Authority has been entirely untied since 1st January 2002. To the exception of any equipment or any sector which is subject to an embargo by the United Nations, the European Union or France, all goods, works, plants, consulting services and non-consulting services are eligible for AFD financing regardless of the country of origin of the supplier, contractor, subcontractor, consultant or subconsultant inputs or resources used in the implementation processes. The Contracting Authority means the Purchaser, the Employer, the Client, as the case may be, for the procurement of goods, works, plants, consulting services or non-consulting services.
2. A Person⁵ may not be awarded an AFD-financed Contract if, on the date of submission of its Application, Bid, Proposal or Quotation, or at any time between this date and that of the corresponding Contract award, it or any of its subcontractors, Directors⁶, employees or agents (be it declared or not):
 - 2.1 Is bankrupt, being wound up or ceasing its activities, is having its activities administered by the courts, has entered into receivership, or is in any analogous situation arising from any similar procedure;
 - 2.2 Has, within the past five years, been subject to a final administrative sanction, a final conviction issued by a competent authority, or any other non-court resolution⁷ having notably an extinctive effect on public action, either (i) in the country of constitution of the Person, (ii) in the country of performance of the Contract, (iii) in the context of the procurement or performance of an AFD-financed Contract, (iv) pronounced by a European Union institution or (v) pronounced by a competent authority in France, for:
 - a) Prohibited Practices⁸, or any other offence committed in the context of the procurement or performance of a Contract, subject to additional information, such as a compliance program, that such Person (or, respectively, their subcontractor, Director, employee or agent) may consider useful to provide in the context of the Statement of Integrity, that would give grounds to consider that this sanction, conviction or other resolution is not relevant in the context of the present Contract;
 - b) Participation in a criminal organization, terrorist offences or offences related to terrorist activities, child labor, or other offences related to human trafficking;
 - c) Having created an entity in a different jurisdiction with the intention of avoiding tax or social obligations, or any other legal obligation applicable in the jurisdiction where it has its registered office, its central administration or its principal place of business, or for being an entity created with the intention of avoiding such obligations;
 - 2.3 Has been subject to a termination fully settled against it within the past five years due to a significant or persistent breach of its contractual obligations during the performance of a Contract, unless (i) such termination was challenged and (ii) dispute resolution is still pending or has not confirmed a full settlement against it.;
 - 2.4 Has been declared ineligible by one of the multilateral development banks signatories to the Mutual Recognition Agreement of 9 April 2010.⁹ In the event of such ineligibility, the Person may attach additional information to the Statement of Integrity that would give grounds to consider that this ineligibility is not relevant in the context of this Contract;

⁵ Means any natural or legal person, as well as any association or group of several such persons

⁶ Means any natural person who is a member of the administrative, management or supervisory bodies of a legal entity, or who is vested with powers of representation, decision-making, or control over a legal entity.

⁷ Including the Judicial Public Interest Agreement (CJIP), a decision following an Appearance on Prior Admission of Guilt (CRPC), a negotiated resolution agreement, or any other similar form of transaction ending the proceedings.

⁸ As defined in Section VI – AFD Policy – Prohibited Practices – environmental and social responsibility

⁹ World Bank, Inter-American Development Bank, African Development Bank, Asian Development Bank and European Bank for Reconstruction and Development.

- 2.5 Has not fulfilled their obligations relating to the payment of their taxes or social contributions, in accordance with the legal provisions of their country of incorporation, or those of the country of the Contracting Authority;
 - 2.6 Has produced falsified documents or has been guilty of misrepresentation when providing the information requested by the Contracting Authority in the context of the procurement and award process for this Contract.
3. In addition, a Person may not be awarded an AFD-financed Contract if, on the date of submission of its Application, Bid, Proposal or Quotation, or at any time between this date and that of the corresponding Contract award, it or any of its subcontractors, Directors, employees, agents (be it declared or not), direct or indirect shareholders, or subsidiaries, acting with its knowledge or consent:
- 3.1 Is directly or indirectly subject to, controlled by a person or an entity subject to, or acting in the name or on behalf of a person or entity subject to individual sanctions measures adopted by the United Nations, the European Union and/or France;
 - 3.2 Is directly or indirectly subject to, controlled by a person or an entity subject to, or acting in the name or on behalf of a person or entity subject to sectoral sanctions measures adopted by the United Nations, the European Union and/or France;
 - 3.3 Is ineligible for the implementation of the Project by way of any other international sanctions measures pronounced by the United Nations, the European Union or France.
1. State-owned entities may compete only if they can establish that they (i) are legally and financially autonomous, and (ii) operate under commercial law. To be eligible, a state-owned entity shall establish to AFD's satisfaction, through all relevant documents, including its Charter and other information AFD may request, that it: (i) is a legal entity separate from their state (ii) does not currently receive substantial subsidies or budget support; (iii) operates like any commercial enterprise, and, *inter alia*, is not obliged to pass on its surplus to their state, can acquire rights and liabilities, borrow funds and be liable for repayment of its debts, and can be declared bankrupt.

Section VI – AFD Policy – Prohibited Practices – environmental and social responsibility

1. Prohibited Practices

The Contracting Authority and the suppliers, contractors, subcontractors, consultants or subconsultants shall respect the highest ethical principles during the procurement and performance of Contracts. The Contracting Authority means the Purchaser, the Employer, the Client, as the case may be, for the procurement of goods, works, plants, consulting services or non-consulting services.

For the purpose of this provision, AFD introduces the concept of Prohibited Practices, referring to acts as defined in the “General Policy to Prevent and Combat Prohibited Practices”¹ available on the AFD website and in the document titled “Procurement Guidelines for AFD-Financed Contracts in Foreign Countries”².

By signing the Statement of Integrity the suppliers, contractors, subcontractors, consultants or subconsultants declare that they have not engaged, nor will they engage, in any Prohibited Practices during the procurement and execution of the Contract.

A Person³ or any of its subcontractors, Directors⁴, employees or agents (be it declared or not), may not be awarded an AFD-financed Contract if on the date of submission of its Application, Bid, Proposal or Quotation, or at any time between this date and that of the corresponding Contract award, it has engaged in a Prohibited Practice, directly or by means of an agent (be it declared or not), for the purpose of being awarded this Contract.

Moreover, AFD requires including in the procurement documents and AFD-financed contracts a provision requiring that applicants, bidders, suppliers, contractors, subcontractors, consultants or subconsultants will permit AFD to investigate, including the inspection of their accounts and records relating to the procurement process and performance of the AFD-financed contract, and to have them audited by auditors appointed by AFD.

For the purpose of detecting and effectively combating Prohibited Practices, AFD has established a whistleblowing mechanism open to third parties: anyone can thereby directly report an allegation of a Prohibited Practice to AFD's Investigations Function, either:

- By e-mail, to the address investigationsGroupeAFD@tutanota.com, or
- By sending a letter to AFD's Compliance Department, 5 rue Roland Barthes, 75012 Paris.

2. Environmental, Social, Health and Safety (ESHS) Responsibility, and Security

In order to promote sustainable development, AFD seeks to ensure that internationally recognized ESHS standards are complied with in the Contracts it finances. Consequently, the applicants, bidders, consultants and their subcontractors shall undertake, by signing the Statement of Integrity, to:

- a) Comply with the environmental standards recognized by the international community, including the international conventions for the protection of the environment and, in particular, take all reasonable steps to avoid or limit negative effects on vegetation, biodiversity, soils, groundwater and surface water, and on persons and property resulting from pollution, noise, vibration, traffic and other effects resulting from our activities, in accordance with the laws and regulations applicable in the country of performance of the Contract.
- b) Implement measures to mitigate environmental and social risks when they are indicated in the environmental and social management plan provided by the Contracting Authority, and ensure that the emissions, surface discharge and effluents produced by our activities respect the limits, specifications or requirements applicable to the Contract.

¹ For more information, this Policy is available on the following link : <https://www.afd.fr/en/combating-corruption>

² For more information, the Procurement Guidelines are available on the following link : <https://www.afd.fr/en/bid-invitations-and-procurement>

³ Means any natural or legal person, as well as any association or group of several such persons.

⁴ Means any natural person who is a member of the administrative, management or supervisory bodies of a legal entity, or who is vested with powers of representation, decision-making, or control over a legal entity.

- c) Respect the rights of workers related to wages, working hours, rest periods and vacations, overtime, minimum age, regular payments, compensation and benefits, in accordance with the standards recognized by the international community, including the fundamental conventions of the International Labour Organization (ILO), in accordance with the laws and regulations applicable in the country of performance of the Contract; indicate these elements in a document annexed to the employment contracts of our employees and made available to the Contracting Authority; and respect and facilitate the rights of workers to organize themselves and set up a complaints management mechanism for direct or indirect workers.
- d) Implement practices for non-discrimination and equal opportunities, and ensure the prohibition of child labor and forced labor.
- e) Keep a record for each member of the local staff recording the hours worked by each person, the type of work, the wages paid and the training undertaken, and ensure that these records are available at all times to be inspected by the Contracting Authority and the authorized representatives of the government, in accordance with the laws and regulations applicable to the protection of personal data in the country of performance of the Contract.

Section VII – Terms of Reference

1. Background

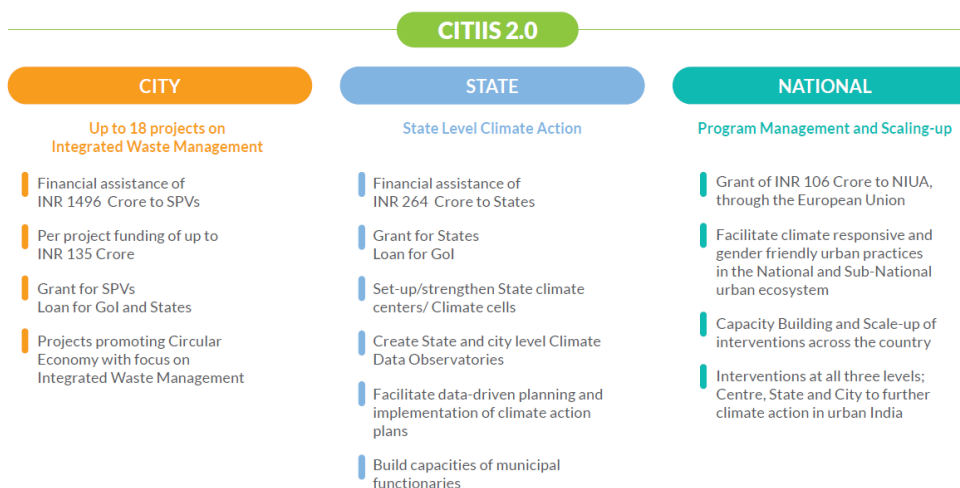
CITIIS 2.0 is a program conceived by the Ministry of Housing and Urban Affairs (MoHUA) in partnership with the French Development Agency (AFD), Kreditanstalt für Wiederaufbau (KfW), the European Union (EU), and National Institute of Urban Affairs (NIUA). The program envisages to support competitively selected projects promoting circular economy with focus on integrated waste management at the city level, climate-oriented reform actions at the State level, and institutional strengthening and knowledge dissemination at the National level. The funding for CITIIS 2.0 would include a loan of Rs.1760 crore (EUR 200 million) from AFD and KfW (EUR 100 million each) and a technical assistance grant of Rs.106 cr. (EUR 12 million) from the EU.

2. Objectives of CITIIS 2.0

- i. Foster climate-sensitive planning and action – The program will nurture climate planning and action in States and cities through evidence-driven approaches.
- ii. Drive investments into urban climate action – The program will provide financial assistance for competitively selected projects promoting circular economy with focus on integrated waste management.
- iii. Build institutional mechanisms, leverage partnerships and anchor capacity building – The program will help put into place a climate governance framework at the State and City levels as well as provide a three-tier technical assistance structure with domestic, international, and transversal experts to support capacity development for climate action in cities and States.

3. CITIIS 2.0 has 3 components

- i. **Component 1:** City Level Action on Promoting Circular Economy with Focus on Integrated Waste Management
- ii. **Component 2:** State-Level Action on Strengthening Climate Governance Mechanisms for Climate Action Through Data-Driven Planning & Capacity Building
- iii. **Component 3:** National-Level Action on Institutional Strengthening, Climate Research, Knowledge Capitalisation and Capacity Building



4. Coverage of the Program

The CITIIS grant amount for each project under Component 1 will be limited to 80% of the total project cost, up to INR 135 Crore (90% of the total project cost, in the case of North-Eastern and Hill States). The additional funds, i.e., 20% of the total project cost will be mobilised by the selected city through own source funding by the State/ Local Governments (10% of the total project cost, in case of North-Eastern and Hill States).

Following 18 cities have been selected by MoHUA under CITIIS 2.0 through challenge process – Agartala, Agra, Bareilly, Belagavi, Bilaspur, Guwahati, Jabalpur, Jaipur, Madurai, Muzaffarpur, New Town Kolkata, Panaji, Rajkot, Srinagar, Thanjavur, Thiruvananthapuram, Udaipur and Ujjain

Each project will now go through 2 phases – Maturation Phase and Implementation Phase.

5. CFA and GFA

- 5.1 Credit Financing Agreement (CFA) was signed on 06th December 2023 with the French Development Agency and with KfW on 08th December 2023 and Grant Facility Agreements (GFA) was signed with on 31st May 2024 and the Government of India to implement the “CITIIS 2.0 program”.
- 5.2 As per clause 2.2.4 of the Program Manual, the grant will be managed by the Integrated CITIIS Program Management Unit at NIUA to cover expenses related to the PMU functioning and technical assistance for the program (including Mentors, Pool of specialized experts, Technical Advisory Team, Technical Assistance at State level, etc. as per the approved budget).
- 5.3 With reference to clause 3.2.5 of the GFA, the beneficiary of the grant has agreed that the dedicated Program Account shall be audited on an annual basis. These audits shall be carried out by an independent and reputable audit firm appointed by the Beneficiary, and which selection is validated by an AFD no-objection. The audits aim to verify that all

Disbursements/Advances paid into the dedicated account have been used in accordance to the Financing Agreement on the period.

6. OBJECTIVES OF THE AUDIT

6.1 The objectives of this audit are to enable the auditor to express an independent, professional opinion about the (a) financial situation of the Program Management Unit (Financial Audit); and ensure that the grants made available by the AFD & KfW are being utilized as per the guidelines and the conditions as laid down in the GFA and the CFA (Program Audit). These would broadly include-

- The administrative, accounting and financial management of the Program Management Unit (PMU);
- Compliance with the procedures set out for project implementation in the Grant Finance Agreement, the Credit Finance Agreement, as well as in the various project documents, notably the Program Manual (the procurement procedures and respect of the financial circuit in particular); and
- The counter-part's contractual undertaking, in order to ensure that the funds made available for the project have been used in accordance with the purposes for which they have been allocated, in line with the contractual documents of the AFD and the EU.

6.2 The accounting books and documents, accounting audit reports, auditors' reports, the dedicated bank account statements of the CITIIS PMU and all the reports on the execution and control of the budget and financial years form the basis for the verification of the project Financial Statements.

6.3 They should account for the financial transactions of the project in a faithful manner, based on an exhaustive verification of the documentary evidence of transactions, with references to the accounting standards and principles and administrative manuals and procedures in effect.

7. CONTENTS OF THE MISSION

7.1 In view of the above, the mission of the auditor comprises three stages –

- An Analysis of the Financial Statements/ Financial Audit - on which the auditor gives a professional and independent opinion concerning the financial accounts of the PMU. The analysis is to be conducted in accordance with Indian Auditing Standards. In accordance with these auditing standards, the auditor shall request a confirmation letter from the counterparty, establishing the liability of directors in terms of preparing the financial statements and maintaining an adequate control system;
- In terms of clause 3.2.5 of the GFA, the Financial Audit shall also cause the auditor to verify that all Drawdowns/ Advances paid into the Project Account have been used in accordance with the terms of this agreement. This shall also include an audit of the

mechanisms for transfer and control of the funds between the Government of India and the PMU; and the PMU and the Cities' Special Purpose Vehicles (SPVs).

- An Analysis report concerning the compliance of the use of the grant / Program Audit- The auditor shall give an independent and justified opinion on the usage of grants and where appropriate, establish a detailed and objective assessment of any fraud, falsifications of financial statements, or misappropriation of assets from funds allocated to this program detected by the mission. A special attention will be paid to the compliance of the use of funds with the EU's eligibility criteria, as mentioned in the GFA and the CFA. A summary of this report shall be made setting out, in the form of summary tables, the utilization of project funds and the share of funds which are not or not sufficiently justified, according to the types of expenditure where anomalies are found etc.
- An Internal Control Letter- which shall include the following recommendations:
 - i. Comments and suggestions on the accounting, procedures and internal control system;
 - ii. The weaknesses or irregularities discovered during the audit, as well as a categorization by type of problem and proposals for regularization measures (the comments shall in particular concern the internal and external causes of the anomalies or weaknesses identified);
 - iii. The preparation of a matrix of recommendations for improvements in the administrative and financial management of the project funds (this matrix should also mention the situation in terms of the observations and the implementation of the recommendations of the previous audit reports, where appropriate);
 - iv. An indication of the problems identified during the mission which are likely to have a significant impact on the implementation and continuity of the project;
 - v. Any other question that the auditor shall deem fit to bring to the attention of the audit requesting party.

7.2 The recommendations shall be prioritized and addressed to AFD and the audit requesting party.

7.3 Pursuant to the audit, the audit requesting party shall have-

- i. A professional and independent opinion on the legitimacy, regularity, sincerity and effectiveness of the financial statements, and of all the expenditure incurred during the reference period, combined with feedback for the analysis and budget, financial and accounting reporting on the Program;
- ii. An assessment regarding the efficient use of the funds, as well as the determination of the actual commitments and expenditure included in a "Supply-Use" summary table;
- iii. A set of reasoned and evaluated recommendations – in relation to the situation in terms of the implementation of previous audits (where appropriate) –, with the aim of strengthening and permanently establishing the organization and management system implemented for the Program. If a previous recommendation has partly been achieved, the auditor shall specify the additional activities which need to be implemented in order to fully achieve the recommendation. For any new recommendations, the auditor shall specify who the recommendation is intended for (department responsible/beneficiary) and prioritize the recommendations depending on the extent of the shortcoming which has been caused. The nature of the risk involved if the difficulty is not resolved shall also be specified, as well as the timetable for the implementation of the prioritized recommendations. The recommendations may be summarized in the form of recommendation plans, indicating the degree of importance/urgency for the implementation of the recommendation, the level responsible for the implementation, as well as an implementation schedule.

- iv. Where Applicable, an appendix with a list of each relevant observation/risk identified of the signs or suspicions of fraud, corruption or conflicts of interest which may be related to them.
- v. An independent opinion on the savings planned or achieved on the financing for the Program budget, the standard costs of the reference sector and costs observed – in relation to the analysis of the action plans and budgets implemented.

8. EXPECTED DELIVERABLES

8.1 The final completed audit report, which shall be treated as the final deliverable by the consultant shall be broken down into separate chapters as follows-

- i. An annual audit report of the accounts, together with the six monthly intermediate report in the first year.
- ii. An analysis report concerning the financial health of the Program Account and the compliance of the use of funds, and including a specific evaluation of the expenses eligibility for the EU financing and as per the Agreements laid down.
- iii. A report on the Internal Control.
- iv. A specific appendix reporting on the procurement process, its performance, and the requirements which will underline any breach to the contractual conditions exposed in the CFA and the GFA. This shall include an evaluation report of the bid invitations for each procurement, with details of each stage of the bid invitation process: it will aim to highlight any event which may have been likely to go against the principles of transparency and equity in access to contracts;
- v. Where applicable, a specific appendix comprising a list referencing, for each relevant observation/risk identified, the signs or suspicions of fraud, corruption or conflict of interest which may be related to them.

8.2 Findings, (e.g. exceptions, errors, misstatements) and conclusions should be reported in Section 5 (Specific Matters) and Section 6 (Expert Work) of the audit report.

9. SCOPE OF THE AUDIT

- 9.1 The financial analysis covers the period of 4 years of the CITIIS program (FY 2024-25, 2025-26, 2026-27 and 2027-28).
- 9.2 The audit covers the account(s) [to be provided], opened in the context of the Program implementation with CITIIS PMU. It shall provide the assurances that the financial statements reliably set out the financial transactions and accounting balances related to the execution of each financial year.
- 9.3 The audit will be performed at New Delhi. The auditor should confirm the location for the audit with the Entity prior to the start of the audit fieldwork and ensure that relevant supporting documents as well as key staff will be available during the audit. The auditor should take into account that the Beneficiary may require meetings to prepare the audit and to discuss the draft report and that this way involve additional travelling.
- 9.4 The auditor will inform PMU and AFD as soon as possible about any limitations in the scope of work he/she may find prior to or during the audit. The auditor will report any

attempt by any entity to restrict the scope of the audit, or any lack of co-operation on the part of any entity.

10. NATURE OF THE OPERATION AND METHODOLOGY

10.1 The audit shall give rise to all tests, verifications and controls that the auditor shall deem necessary in the circumstances. The auditor will need to:

- i. Control the accounting and justification of expenditure (existence and authenticity of documentary evidence, filing and archiving);
- ii. Verify the eligibility of the funded activities, their compliance with the CFA, GFA as well as with the various project documents, and their materiality;
- iii. Ensure that the internal control mechanisms have been effective and, where applicable, make recommendations on how to improve them. The recommendations should be prioritized.

10.2 More specifically, the auditor shall ensure, among other things, that:

- i. With regards to the financial statements and compliance with accounting standards:
 - The counterparty's accounts have been prepared on the basis of the systematic application of Indian accounting standards, and provide a true and fair view of the financial position at the end of each financial year, as well as of the resources received and expenditure incurred during the financial year closed at this date.
 - All the files, accounts and entries required have been kept for the various program operations. There should be clearly corresponding links between the books and reports submitted to the donors. The mission should perform reconciliations between the Program Account and the accounting and financial documents of the counterparty, and carry out the necessary confirmation procedures, in particular for bank documents which may come from several entities in view of the financial structuring of the project;
 - The financial transactions made during the period audited and the account balances at the end of this period are acceptable, correct, and do not show any payable balances.
- ii. With regards to the effectiveness and conformity of the expenditure:
 - All the resources have been employed in accordance with the provisions of the CFA and the GFA, with the basic program documents, and the annual technical and budgetary programming approved by the Steering Committee, where necessary, so as to ensure economy and efficiency, and for the purposes for which they have been allocated.
 - The total expenditure does not exceed the budget lines of the financing plan, as set out in the CFA and the GFA.
 - There is documentary evidence of expenditure and it complies and is consistent with what was approved. The auditor shall assess the methods for recording and filing this evidence. It shall verify the correspondence between the cash movements and the operations recorded in the program accounting systems. It shall thereby ensure that the funds made available for the program are traceable, from their release by the paying agency to their final destination (to do so, the audit shall provide a sampling methodology). The evidence is exhaustive and reliable.
 - There is consistency between the operating expenditure (salaries and bonuses, consumables, fuel, etc.) charged against the program funds and the actual consumption of the implementing structures (coordination staff, consumable needs, vehicle fleet, distances travelled for the needs of the service...).

- Verify the compliance or non-compliance of the expenditure management, execution and control procedures applied under the project, compared to national procedures or those set out in the Procedures Manual.
- Verify and analyze the consistency and regularity of the documentary evidence, and that the circulation, control and archiving procedures for documents have been respected.
- Assess, where necessary, the amount of the ineligible, irregular, unjustified or insufficiently justified expenditure (see methodology section below). A specific evaluation is expected for quantify the amount of ineligible expenses to the EU financing. In accordance to the Financing Agreements, this evaluation will be based on the respect of:
 - EU eligible expenses definition
 - Deadlines conditioning that eligibility
 - Reporting obligations,
 - Correct application of AFD's procedures used for the Project.

iii. With regards to procurement procedures:

- The “no objection” requests have been sent to AFD in accordance with the contractual provisions, and AFD’s “no objection letters” for the eligibility of the expenditure have been issued.
- Establish the compliance or non-compliance of the procurement procedures and performance of public contracts applied under the program compared to the CFA, GFA and the national procedures (market price rules in particular) or those set out in the Program Manual and, in particular, the effectiveness and efficiency of the competitive bidding methods for suppliers, by comparing the cost of the goods and services procured by the project (consumables, equipment, intellectual services...) with relevant external references in order to assess the optimal cost of these acquisitions. The observable prices on markets could be used as one of these references. Where applicable, the auditor shall analyze factors which account for any differences observed between the acquisition cost and the optimal cost. On this basis, it shall issue practical proposals for the adjustment of procedures in order to reduce these differences, but also with regard to the 4 following criteria: the relevance of the bidding documents, transparency, in particular the equity of access to public procurement (publicity, timeframes), the legality of bid assessment methods, and the legality/legitimacy of contract approval decisions.
- The goods and services financed have been subject to contracts signed in accordance with the provisions of the Agreement and Program Manual and have been recorded in the accounts.
- Ensure that the equipment procured with project funds is actually available (vehicles, IT equipment, etc.) and that it has been allocated in accordance with the program arrangements (availability of equipment in the services and structures for which it was intended) and with the EU visibility requirements contracted in the GFA.

iv. With regards to compliance with the other procedures and undertakings,

- Special attention shall be paid to compliance with the counterparty’s internal decision-making circuits, as well as to compliance with the delegations of signing authority (signing of cheques, withdrawals from the account, signing of contracts, etc.).
- The counterparty has contributed amount to be completed to the program financing (to be included where necessary, depending on the project structuring).

- Verify that the AML/CFT (fight against money laundering and terrorist financing) due diligence has been conducted by the Contracting Authority prior to the contract award(s), in particular the verification that no beneficiary of the contract or no subcontractor figures on the three exclusion lists of the UN, European Union and France. The documents attesting to the implementation of the due diligence shall be collected and submitted to AFD;

v. In order to set up this due diligence, the auditor shall,

- Conduct the necessary cross-checking between the various books and other accounting and financial documents in order to ensure that the accounts kept and submitted are complete;
- In accordance with the ISA 240 standard (taking into account the risk of fraud or error in the auditing of accounts) (to be adapted depending on the accounting standards applicable to the country), the consultant shall identify and assess the risks of fraud, obtain or provide sufficient evidence of the analysis of these risks and, where appropriate, address the fraud identified or suspected.

For the purposes of the exercise, without the indications given being exhaustive, the table below summarizes how the expenditure with anomalies should be qualified:

Type of expenditure	Definition	Examples
Expenditure: Ineligible	Expenditure: - For which the documentary evidence provided shows anomalies or is not reliable; - Not provided for in the project budget	Renovation of a private villa (illicit nature) Undated pro forma invoices (need for a more in-depth analysis in order to determine whether or not they are fraudulent) Taxes not provided for in the financing agreement Per diems higher than the amount provided for by the project
Ineligible expenditure for EU financing	Expenses which not respect the eligibility criteria exposed in the General Conditions of the Delegation Agreement. Ineligible expenditures (see above) are automatically ineligible expenditure for EU financing insofar as the	Expenditures incurred out of the implementation period. Expenditures belonging to the EU ineligible expenses list.
	compliance with AFD's procedures is part of the EU eligibility criteria.	

Irregular expenditure	Expenditure for which the execution does not comply with a law, decree, order, etc.	Mission expenses received with no mission order attached to the set of documentary evidence Mission expenses received higher than the limits authorized by the law (per diems)
Unjustified expenditure	Expenditure incurred but for which no documentary evidence has been provided	
Insufficiently justified expenditure	Expenditure for which the documentary evidence provided is incomplete, in particular with regard to the nomenclature of the Project Operations Manual	There is no delivery note or certificate of service

- vi. The auditor shall use this terminology or, where necessary, propose a different terminology and explain the terms of it.

11. DELIVERABLES AND SCHEDULE

- 11.1 The auditor shall deliver the required deliverables on an annual basis for 4 years starting from the year of award of Contract. The Audit reports shall be made available within a maximum of Three (03) months from the end of the Financial year.
- 11.2 In addition to this, at the end of six months of award of the contract, an Intermediate Report shall be provided by the auditor during the first year in order to validate the scope and the type and level of information that shall be analyzed by the auditor.
- 11.3 The auditor shall mention explicitly in the Technical proposals as to the timelines which would be required for the on-Site, off-site works, preparation of the reports, closing and submission milestones which would be undertaken every year.
- 11.4 All documents/ reports prepared by the auditor as mentioned in point 3 of this present terms of reference, together with the Financial Statements, shall be submitted in paper and electronic form to the PMU and the AFD.
- 11.5 The documents shall be addressed to (NIUA key person) and (AFD Key Person).

12. ADDITIONAL INFORMATION

- 12.1 The auditor shall have access to all the legal, accounting and financial documentation, the correspondence, and any other information about the Program deemed necessary. The auditor shall obtain confirmation of the amounts disbursed and of the balance of accounts from the dedicated account. The information available should include copies

of: The Program evaluation document, the financing agreements, the financial management assessment report, and the supervision reports.

12.2 The auditor shall also schedule a meeting/ meetings with the PMU and AFD as may be required.

13. PERFORMANCE BANK GUARANTEE

13.1 The Consultant shall submit an irrevocable Performance Guarantee of 5% of the tendered amount for his proper performance of the contract agreement, (not withstanding and/or without prejudice to any other provisions in the contract) within period specified in from the date of issue of letter of acceptance. This period can be further extended for 15 days on written request of the Consultant stating the reason for delays in procuring the Performance Guarantee to the satisfaction of the Director, NIUA. This Guarantee shall be in the form of Bank Guarantee from any of the Commercial Banks.

13.2 The Performance Guarantee shall be initially valid up to the stipulated date of completion plus minimum 2 months beyond that. In case the time for completion of work gets enlarged, the Consultant shall get the validity of Performance Guarantee extended to cover such enlarged time for completion of work. After recording of the completion certificate for the work by the competent authority, the performance guarantee shall be returned to the Consultant, without any interest.

13.3 The Director, NIUA shall not make a claim under the performance guarantee except for amounts under the contract (not withstanding and/or without prejudice to any other provisions in the contract agreement) in the event of:

(a) Failure by the consultant to extend the validity of the Performance Guarantee as described herein above, in which event the Director, NIUA may claim the full amount of the Performance Guarantee.

(b) Failure by the consultant to pay Director, NIUA, any amount due, either as agreed by the consultant or determined under any of the Clauses/Conditions of the agreement, within 30 days of the service of notice to this effect by Director, NIUA.

13.4 In the event of the contract being determined or rescinded under provision of any of the Clause/Condition of the agreement, the performance guarantee shall stand forfeited in full and shall be absolutely at the disposal of the Director, NIUA.

14. Payment Terms

Total Fees per annum (in INR inclusive of all taxes)

Item	Deliverables	Payment Percent
Year 01	Intermediate Report (Draft Report)	10%
	Financial Audit of the CITIIS PMU	30%
	Program Audit of the CITIIS PMU	30%
	Report on Internal Control	10%
	Specific appendix on the procurement process	15%

	Deliverables as defined in Terms of Reference 8.1	5%
Year 02 - 04	Financial Audit of the CITIIS PMU	40%
	Program Audit of the CITIIS PMU	30%
	Report on Internal Control	10%
	Specific appendix on the procurement process	15%
	Deliverables as defined in Terms of Reference 8.1	5%
Other Professional expenses (Year 01 to 04)	Expenses relating to local conveyance, stationery, refreshment etc as per actuals and as approved by the Program Director-CITIIS.	

PART II – CONDITIONS OF CONTRACT AND CONTRACT FORMS

Section VIII – Conditions of Contract and Contract Forms

CONTRACT FOR CONSULTING SERVICES

Project Name: _____

Contract No.: _____

between

[Name of the Client]

and

[Name of the Consultant]

Date: _____

I – FORM OF CONTRACT

This contract (hereinafter called the "**Contract**") is made the *[number]* day of the month of *[month]*, *[year]*, between, on the one hand, National Institute of Urban Affairs, *[name of Client]* (hereinafter called the "**Client**") and, on the other hand, *[name of Consultant]* (hereinafter called the "**Consultant**").

WHEREAS:

1. The Client has requested the Consultant to provide services as defined in the Terms of Reference specified in **Appendix A** of the Contract (hereinafter called the "**Services**");
2. The Consultant, having represented to the Client that it has the required professional skills, expertise and technical resources, has agreed to provide the Services on the terms and conditions set forth in the Contract;
3. The Client has received funds from *Agence Française de Développement* ("**AFD**") toward the cost of the Services and intends to apply a portion of these funds to eligible payments under the Contract, it being understood that (i) payments by AFD will be made only at the request of the Client and upon approval by AFD; (ii) such payments will be subject, in all respects, to the terms and conditions of the agreement between the Client and AFD providing for the funds, and (iii) no party other than the Client shall derive any rights from the agreement or have any claim to the funds proceeds.

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of the Contract:
 - a) The General Conditions of Contract, including Attachment 1 (AFD Policy – Prohibited Practices – Environmental and Social Responsibility), and Attachment 2 (Eligibility Criteria).
 - b) The Special Conditions of Contract.
 - c) Appendices:
 - Appendix A: Terms of Reference;
 - Appendix B: Consultant's technical Proposal (including signed Covenant of Integrity);
 - Appendix C: Breakdown of the Contract Price(s);

In the event of any inconsistency between the documents, the following priority order shall prevail: the Special Conditions of Contract; the General Conditions of Contract, including Attachment 1, Attachment 2, Appendix A; Appendix B; Appendix C and Appendix D. Any reference to the Contract shall include, where the context permits, a reference to its Appendices.

2. The mutual rights and obligations of the Client and the Consultant shall be as set forth in the Contract, in particular:
 - a) The Consultant shall carry out the Services in accordance with the provisions of the Contract; and
 - b) The Client shall make payments to the Consultant in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused the Contract to be signed in their respective names as of the day and year first above written:

For and on behalf of

[Name of Client]

[Authorized Representative of the Client – name, title and signature]

For and on behalf of *[Name of Consultant] or Name of a Joint Venture]*

[Name and signature]

(Note – For a Joint venture, either all members shall sign or only the lead member, in which case the power of attorney to sign on behalf of all members shall be attached)

II – GENERAL CONDITIONS OF CONTRACT

A. General Provisions

- 1 **Definitions**
- 1.1 Unless the context otherwise requires, the following terms whenever used in this contract have the following meanings:
- a) "**Applicable law**" means the laws and any other instruments having the force of law in the Client's country, or in such other country as may be specified in the **Special Conditions of Contract (SCC)**, as they may be issued and in force from time to time.
 - b) "**AFD**" means *Agence Française de Développement* (AFD).
 - c) "**Client**" means the implementing agency that signs the Contract for the Services with the selected Consultant.
 - d) "**Consultant**" means a legally-established professional consulting firm or entity selected by the Client to provide the Services under the signed Contract.
 - e) "**Contract**" means the legally binding written agreement signed between the Client and the Consultant and which includes all the attached documents listed in its paragraph 1 of the Form of Contract (the General Conditions (GCC), the Special Conditions (SCC), and the Appendices).
 - f) "**Day**" means a calendar day unless indicated otherwise.
 - g) "**Effective Date**" means the date on which the Contract comes into force and effect pursuant to Clause GCC 11.
 - h) "**Experts**" means, collectively, Key Experts, Non-Key Experts, or any other personnel of the Consultant, Subconsultant or JV member(s) assigned by the Consultant to perform the Services or any part thereof under the Contract.
 - i) "**Foreign Currency**" means any currency other than the currency of the Client's country.
 - j) "**GCC**" means these General Conditions of Contract.
 - k) "**Joint Venture (JV)**" means an association with or without a legal personality distinct from that of its members, of more than one entity where one member has the authority to conduct all businesses for and on behalf of any and all the members of the JV, and where the members of the JV are jointly and severally liable to the Client for the performance of the Contract.
 - l) "**Key Expert(s)**" means an individual professional whose skills, qualifications, knowledge and experience are critical to the performance of the Services under the Contract and whose Curricula Vitae (CV) was taken into account in the technical evaluation of the Consultant's Proposal.
 - m) "**Local Currency**" means the currency of the Client's country.

- n) **"Non-Key Expert(s)"** means an individual professional provided by the Consultant or its Subconsultant to perform the Services or any part thereof under the Contract.
 - o) **"Party"** means the Client or the Consultant, as the case may be, and **"Parties"** means both of them.
 - p) **"SCC"** means the Special Conditions of Contract by which the GCC may be amended or supplemented but not over-written.
 - q) **"Services"** means the work to be performed by the Consultant pursuant to the Contract, as described in **Appendices A and B** of the Contract.
 - r) **"Subconsultants"** means an entity to whom/which the Consultant subcontracts any part of the Services while remaining solely liable for the execution of the Contract.
- 2 Relationship between the Parties** 2.1 Nothing contained herein shall be construed as establishing a relationship of master and servant or of principal and agent as between the Client and the Consultant. The Consultant, subject to the Contract, has the complete charge of the Experts and Subconsultants, if any, performing the Services and shall be fully responsible for the Services performed by them or on their behalf hereunder.
- 3 Law governing Contract** 3.1 The Contract, its meaning and interpretation, and the relation between the Parties shall be governed by the Applicable law.
- 4 Language** 4.1 The Contract has been executed in the language specified in the **SCC**, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of the Contract.
- 5 Heading** 5.1 The headings shall not limit, alter or affect the meaning of the Contract.
- 6 Communications** 6.1 Any communication required or permitted to be given or made pursuant to the Contract shall be made in writing in the language specified in Clause GCC 4. Any such notice, request or consent shall be deemed to have been given or made when delivered in person to an authorized representative of the Party to whom the communication is addressed, or when sent to such Party at the address specified in the **SCC**.
- 6.2 A Party may change its address for notice hereunder by giving the other Party any communication of such change to the address specified in the **SCC**.
- 7 Location** 7.1 The Services shall be performed at such locations as are specified in **Appendix A** hereto and, where the location of a particular task is not so specified, at such locations, whether in the Client's country or elsewhere, as the Client may approve.
- 8 Authority of member in charge** 8.1 In case the Consultant is a Joint Venture, the members hereby authorize the lead member specified in the **SCC** to act on their behalf in exercising all the Consultant's rights and obligations towards the Client under the Contract, including without limitation the receiving of instructions and payments from the Client.
- 9 Authorized representatives** 9.1 Any action required or permitted to be taken, and any document required or permitted to be executed under the Contract by the

Client or the Consultant may be taken or executed by the officials specified in the **SCC**.

- 10 **Prohibited Practices and environmental and social responsibility** 10.1 AFD requires compliance with its policy in regard to prohibited practices, environmental and social responsibility as set forth in **Attachment 1** to the GCC.

B. Commencement, Completion, Modification and Termination of Contract

- 11 **Effectiveness of Contract** 11.1 The Contract shall come into force and effect on the date (the "**Effective Date**") of the Client's notice to the Consultant instructing the Consultant to begin carrying out the Services. This notice shall confirm that the effectiveness conditions, if any, listed in the **SCC** have been met.
- 12 **Termination of Contract for failure to become effective** 12.1 If the Contract has not become effective within such time period after the date of Contract signature as specified in the SCC, either Party may, by not less than twenty two (22) days written notice to the other Party, declare the Contract to be null and void, and in the event of such a declaration by either Party, neither Party shall have any claim against the other Party with respect hereto.
- 13 **Commencement of Services** 13.1 The Consultant shall confirm availability of Key Experts and begin carrying out the Services not later than the number of days after the Effective Date specified in the **SCC**.
- 14 **Expiration of Contract** 14.1 Unless terminated earlier pursuant to Clause GCC 19 hereof, the Contract shall expire at the end of such time period after the Effective Date as specified in the **SCC**.
- 15 **Entire agreement** 15.1 The Contract contains all covenants, stipulations and provisions agreed by the Parties. No agent or representative of either Party has authority to make, and the Parties shall not be bound by or be liable for, any statement, representation, promise or agreement not set forth herein.
- 16 **Modifications or variations** 16.1 Any modification or variation of the terms and conditions of the Contract, including any modification or variation of the scope of the Services, may only be made by written agreement between the Parties. However, each Party shall give due consideration to any Proposals for modification or variation made by the other Party.
- 16.2 In cases of substantial modifications or variations, the prior written consent of AFD is required.
- 17 **Force Majeure** 17.1 Definition:
- 17.1.1 For the purposes of the Contract, "**Force Majeure**" means an event which is beyond the reasonable control of a Party, is not foreseeable, is unavoidable, and makes a Party's performance of its obligations hereunder impossible or so impractical as reasonably to be considered impossible under the circumstances, and subject to those requirements. It includes, but is not limited to, war, riots, civil disorder, earthquake, fire, explosion, storm, flood or other adverse weather

conditions, confiscation or any other action by government agencies.

17.1.2 Force Majeure shall not include (i) any event which is caused by the negligence or intentional action of a Party or such Party's Experts, Subconsultants or agents or employees, nor (ii) any event which a diligent Party could reasonably have been expected to both take into account at the time of the conclusion of the Contract, and avoid or overcome in the carrying out of its obligations hereunders.

17.1.3 Force Majeure shall not include insufficiency of funds or failure to make any payment required hereunder.

17.2 Non breach of Contract:

The failure of a Party to fulfill any of its obligations hereunder shall not be considered to be a breach of, or default under, the Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event has taken all reasonable precautions, due care and reasonable alternative measures, all with the objective of carrying out the terms and conditions of the Contract.

17.3 Measures to be taken:

17.3.1 A Party affected by an event of Force Majeure shall continue to perform its obligations under the Contract as far as is reasonably practical, and shall take all reasonable measures to minimize the consequences of any event of Force Majeure.

17.3.2 A Party affected by an event of Force Majeure shall notify the other Party of such event as soon as possible, and in any case not later than fourteen (14) calendar days following the occurrence of such event, providing evidence of the nature and cause of such event, and shall similarly give written notice of the restoration of normal conditions as soon as possible.

17.3.3 Any period within which a Party shall, pursuant to the Contract, complete any action or task, shall be extended for a period equal to the time during which such Party was unable to perform such action as a result of Force Majeure.

17.3.4 During the period of their inability to perform the Services as a result of an event of Force Majeure, the Consultant, upon instructions by the Client, shall either:

- a) Cease its activities and demobilize, in which case the Consultant shall be reimbursed for additional costs they reasonably and necessarily incurred, and, if required by the Client, the costs related to the reactivation of the Services; or
- b) Continue with the Services to the extent reasonably possible, in which case the Consultant shall continue to be paid under the terms of the Contract and be reimbursed for additional costs reasonably and necessarily incurred.

17.3.5 In the case of disagreement between the Parties as to the existence or extent of Force Majeure, the matter shall be settled according to Clauses GCC 48 and 49.

18 Suspension

18.1 The Client may, by written notice of suspension to the Consultant, suspend all payments to the Consultant hereunder if the Consultant fails to perform any of its obligations under the Contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall request the Consultant to remedy such failure within a period not exceeding thirty (30) days after receipt by the Consultant of such notice of suspension.

19 Termination

The Contract may be terminated by either Party as per provisions set up below:

19.1 By the Client:

19.1.1 The Client may terminate the Contract in case of the occurrence of any of the events specified in paragraphs (a) through (f) of this Clause. In such an occurrence the Client shall give at least thirty (30) days' written notice of termination to the Consultant in case of the events referred to in (a) through (d); at least sixty (60) days' written notice in case of the event referred to in (e); and at least five (5) days' written notice in case of the event referred to in (f):

- a) If the Consultant fails to remedy a failure in the performance of its obligations hereunder, as specified in a notice of suspension pursuant to Clause GCC 18;
- b) If the Consultant becomes (or, if the Consultant consists of a Joint Venture, if any of its members becomes) insolvent or bankrupt or enter into any agreements with their creditors for relief of debt or take advantage of any law for the benefit of debtors or go into liquidation or receivership whether compulsory or voluntary;
- c) If the Consultant fails to comply with any final decision reached as a result of arbitration proceedings pursuant to Sub-Clause GCC 49.1;
- d) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days;
- e) If the Client, in its sole discretion and for any reason whatsoever, decides to terminate the Contract;
- f) If the Consultant fails to confirm availability of Key Experts.

19.1.2 Furthermore, if the Client determines that the Consultant has engaged in corrupt or fraudulent practices, in competing for or in executing the Contract, then the Client is entitled, after giving fourteen (14) days written notice to the Consultant, to terminate the Consultant's employment under the Contract.

19.2 By the Consultant:

19.2.1 The Consultant may terminate the Contract, by not less than thirty (30) days' written notice to the Client, in case of the occurrence of any of the events specified in paragraphs (a) through (d) of this Sub-Clause:

- a) If the Client fails to pay any money due to the Consultant pursuant to the Contract and not subject to dispute pursuant to Sub-Clause GCC 49.1 within forty-five (45) days after receiving written notice from the Consultant that such payment is overdue;
- b) If, as the result of Force Majeure, the Consultant is unable to perform a material portion of the Services for a period of not less than sixty (60) days;
- c) If the Client fails to comply with any final decision reached as a result of arbitration pursuant to Clause GCC 49.1;
- d) If the Client is in material breach of its obligations pursuant to the Contract and has not remedied the same within forty-five (45) days (or such longer period as the Consultant may have subsequently approved in writing) following the receipt by the Client of the Consultant's notice specifying such breach.

19.3 Cessation of rights and obligations:

Upon termination of the Contract pursuant to Clauses GCC 12 or GCC 19 hereof, or upon expiration of the Contract pursuant to Clause GCC 14, all rights and obligations of the Parties hereunder shall cease, except (i) such rights and obligations as may have accrued on the date of termination or expiration, (ii) the obligation of confidentiality set forth in Clause GCC 22, (iii) the Consultant's obligation to permit inspection, copying and auditing of their accounts and records set forth in Clause GCC 25, and (iv) any right which a Party may have under the Applicable law.

19.4 Cessation of Services:

Upon termination of the Contract by notice of either Party to the other pursuant to Sub-Clauses GCC 19.1 or GCC 19.2, the Consultant shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With respect to the documents prepared by the Consultant and equipment and materials furnished by the Client, the Consultant shall proceed as provided, respectively, by Clauses GCC 27 or GCC 28.

19.5 Payment upon termination:

19.5.1 Upon termination of the Contract, the Client shall make the following payments to the Consultant:

- a) Remuneration for Services satisfactorily performed prior to the effective date of termination, other expenses incurred and, for unit prices (time-based), reimbursable expenditures for expenditures actually

incurred prior to the effective date of termination; and pursuant to Clause 42;

- b) In the case of termination pursuant to paragraphs (d) and (e) of Sub-Clause GCC 19.1.1, reimbursement of any reasonable cost incidental to the prompt and orderly termination of the Contract, including the cost of the return travel of the Experts.

C. Obligations of the Consultant

20 General

20.1 Standard of performance:

20.1.1 The Consultant shall perform the Services and carry out the Services with all due diligence, efficiency and economy, in accordance with generally accepted professional standards and practices, and shall observe sound management practices, and employ appropriate technology and safe and effective equipment, machinery, materials and methods. The Consultant shall always act, in respect of any matter relating to the Contract or to the Services, as a faithful adviser to the Client, and shall at all times support and safeguard the Client's legitimate interests in any dealings with third parties.

20.1.2 The Consultant shall employ and provide such qualified and experienced Experts and Subconsultants as are required to carry out the Services.

20.1.3 The Consultant may subcontract part of the Services to an extent and with such Key Experts and Subconsultants as may be approved in advance by the Client. Notwithstanding such approval, the Consultant shall retain full responsibility for the Services. The Consultant shall not subcontract the whole of the Services.

20.2 Law applicable to Services:

20.2.1 The Consultant shall perform the Services in accordance with the Contract and the Applicable law and shall take all practicable steps to ensure that any of its Experts and Subconsultants, comply with the Applicable law.

20.2.2 Throughout the execution of the Contract, the Consultant shall comply with the import of goods and services prohibitions in the Client's country.

20.2.3 The Client shall notify the Consultant in writing of relevant local customs, and the Consultant shall, after such notification, respect such customs.

21 Conflict of interests

21.1 The Consultant shall hold the Client's interests paramount, without any consideration for future work, and strictly avoid conflict with other assignments or their own corporate interests.

21.2 Consultant not to benefit from commissions, discounts, etc.:

21.2.1 The payment of the Consultant pursuant to GCC F (Clauses GCC 41 through 46) shall constitute the Consultant's only payment in connection with the Contract and, subject to Sub-Clause GCC 21.1.3, the Consultant shall not accept for its own benefit any trade commission, discount or similar payment in connection

with activities pursuant to the Contract or in the discharge of its obligations hereunder, and the Consultant shall use its best efforts to ensure that any Subconsultants, as well as Experts and agents of either of them, similarly shall not receive any such additional payment.

21.2.2 Furthermore, if the Consultant, as part of the Services, has the responsibility of advising the Client on the procurement of goods, works, plants, consulting services or non-consulting services, the Consultant shall comply with the Client's applicable regulations, and shall at all times exercise such responsibility in the best interest of the Client. Any discounts or commissions obtained by the Consultant in the exercise of such procurement responsibility shall be for the account of the Client.

21.3 Consultant and affiliates not to engage in certain activities:

Unless otherwise indicated in the **SCC**, a firm that has been engaged by the Client to provide goods, works, or non-consulting services for a project, or any of its Affiliates, shall be disqualified from providing consulting services resulting from or directly related to those goods, works, or non-consulting services.

21.4 Prohibition of conflicting activities:

The Consultant shall not engage, and shall cause its Experts as well as its Subconsultants not to engage, either directly or indirectly, in any business or professional activities that would conflict with the activities assigned to them under the Contract.

21.5 Strict duty to disclose conflicting activities:

The Consultant has an obligation and shall ensure that its Experts and Subconsultants shall have an obligation to disclose any situation of actual or potential conflict that impacts their capacity to serve the best interest of their Client, or that may reasonably be perceived as having this effect. Failure to disclose such situations may lead to the termination of its Contract.

22 Confidentiality

22.1 Except with the prior written approval of the Client, the Consultant and the Experts shall not at any time communicate to any person or entity any confidential information acquired in the course of the Services, nor shall the Consultant and the Experts make public the recommendations formulated in the course of, or as a result of, the Services.

23 Liability of the Consultant

23.1 Subject to additional provisions, if any, set forth in the **SCC**, the Consultant's liability under the Contract shall be as determined under the Applicable law.

24 Insurance to be taken out by the Consultant

24.1 The Consultant (i) shall take out and maintain, and shall cause any Subconsultants to take out and maintain, at its (or the Subconsultants', as the case may be) own cost but on terms and conditions approved by the Client, insurance against the risks, and for the coverage specified in the **SCC**, and (ii) at the Client's request, shall provide evidence to the Client showing that such insurance has been taken out and maintained and that the current premiums therefore have been paid. The Consultant shall ensure that such insurance is in place prior to commencing the Services as stated in Clause GCC 13.

- 25 Accounting, inspection and auditing**
- 25.1 The Consultant shall keep, and shall make all reasonable efforts to cause its Subconsultants to keep, accurate and systematic accounts and records in respect of the Services in such form and detail as will clearly identify relevant time changes and costs.
- 25.2 The Consultant shall permit and shall cause its Subconsultants to permit, AFD and/or persons appointed by AFD to inspect the Site and/or all accounts and records relating to the performance of the Contract and the submission of the Proposal to provide the Services, and to have such accounts and records audited by auditors appointed by AFD if requested by AFD. The Consultant's attention is drawn to Clause GCC 10 which provides, inter alia, that acts intended to materially impede the exercise of AFD's inspection and audit rights provided for under this Sub-Clause GCC 25.2 constitute a prohibited practice subject to Contract termination.
- 26 Reporting obligations**
- 26.1 The Consultant shall submit to the Client the reports and documents specified in **Appendix A**, in the form, in the numbers and within the time periods set forth in the said Appendix.
- 27 Proprietary rights of the Client in reports and records**
- 27.1 Unless otherwise indicated in the **SCC**, all reports and relevant data and information such as maps, diagrams, plans, databases, other documents and software, supporting records or material compiled or prepared by the Consultant for the Client in the course of the Services shall be confidential and become and remain the absolute property of the Client. The Consultant shall, not later than upon termination or expiration of the Contract, deliver all such documents to the Client, together with a detailed inventory thereof. The Consultant may retain a copy of such documents, data and/or software but shall not use the same for purposes unrelated to the Contract without prior written approval of the Client.
- 27.2 If license agreements are necessary or appropriate between the Consultant and third parties for purposes of development of the plans, drawings, specifications, designs, databases, other documents and software, the Consultant shall obtain the Client's prior written approval to such agreements, and the Client shall be entitled at its discretion to require recovering the expenses related to the development of the program(s) concerned. Other restrictions about the future use of these documents and software, if any, shall be specified in the **SCC**.
- 28 Equipment, vehicles and materials**
- 28.1 Equipment, vehicles and materials made available to the Consultant by the Client, or purchased by the Consultant wholly or partly with funds provided by the Client, shall be the property of the Client and shall be marked accordingly. Upon termination or expiration of the Contract, the Consultant shall make available to the Client an inventory of such equipment, vehicles and materials and shall dispose of such equipment, vehicles and materials in accordance with the Client's instructions. While in possession of such equipment, vehicles and materials, the Consultant, unless otherwise instructed by the Client in writing, shall insure them at the expense of the Client in an amount equal to their full replacement value.
- 28.2 Any equipment or materials brought by the Consultant or its Experts into the Client's country for the use either for the project or personal use shall remain the property of the Consultant or the Experts concerned, as applicable.

D. Consultant's Experts and Subconsultants

- 29 Description of Key Experts**
- 29.1 The title, agreed job description, minimum qualification and time-input estimates to carry out the Services of each of the Consultant's Key Experts are described in **Appendix B**.
- 29.2 In case of unit prices (time-based) and if required to comply with the provisions of Sub-clause GCC 20.1, adjustments with respect to the estimated time-input of Key Experts set forth in **Appendix B** may be made by the Consultant by a written notice to the Client, provided (i) that such adjustments shall not alter the original time-input estimates for any individual by more than 10% or one week, whichever is larger; and (ii) that the aggregate of such adjustments shall not cause payments under the Contract to exceed the ceilings set forth in Sub-Clause GCC 41.1.
- 29.3 In case of unit prices (time-based) and if additional work is required beyond the scope of the Services specified in **Appendix A**, the estimated time-input for the Key Experts may be increased by written agreement between the Client and the Consultant. In case where payments under the Contract exceed the ceilings set forth in Sub-Clause GCC 41.1, the Parties shall sign a Contract amendment.
- 30 Replacement of Key Experts**
- 30.1 Except as the Client may otherwise agree in writing, no changes shall be made in the Key Experts.
- 30.2 Notwithstanding the above, the substitution of Key Experts during Contract execution may be considered only based on the Consultant's written request and due to circumstances outside the reasonable control of the Consultant, including but not limited to death or medical incapacity. In such case, the Consultant shall forthwith provide as a replacement, a person of equivalent or better qualifications and experience, and at the same rate of remuneration.
- 31 Approval of additional Key Experts**
- 31.1 If during execution of the Contract, additional Key Experts are required to carry out the Services, the Consultant shall submit to the Client a copy of their Curricula Vitae (CVs) for review and approval. If the Client does not object in writing (stating the reasons for the objection) within twenty two (22) days from the date of receipt of such CVs, the additional Key Experts shall be deemed approved by the Client.
- 31.2 In case of unit price (time-based) Contract, the rate of remuneration payable to such new additional Key Experts shall be based on the rates for other Key Experts position which require similar qualifications and experience.
- 32 Removal of Experts or Subconsultants**
- 32.1 If the Client finds that any of the Experts or Subconsultant has committed serious misconduct or has been charged with having committed a criminal action, or if the Client determines that one of the Consultant's Experts or Subconsultants have engaged in corrupt or fraudulent practice while performing the Services, the Consultant shall, at the Client's written request, provide a replacement.
- 32.2 In the event that any of the Key Experts, Non-Key Experts or Subconsultants is found by the Client to be incompetent or incapable in discharging assigned duties, the Client, specifying

the grounds therefore, may request the Consultant to provide a replacement.

- 32.3 Any replacement of the removed Experts or Subconsultants shall possess better qualifications and experience and shall be acceptable to the Client.
- 33 Replacement / removal of Experts - Impact on payments**
- 33.1 In case of unit price (time-based) Contract, except as the Client may otherwise agree, (i) the Consultant shall bear all additional travel and other costs arising out of or incidental to any removal and/or replacement, and (ii) the remuneration to be paid for any of the Experts provided as a replacement shall not exceed the remuneration which would have been payable to the Experts replaced or removed.
- 33.2 In case of lump-sum Contract, the Consultant shall bear all costs arising out of or incidental to any removal and/or replacement of such Experts.
- 34 Working hours, overtime, leave, etc. (time-based Contract only)**
- 34.1 Working hours and holidays for Experts are set forth in **Appendix A**. To account for travel time to/from the Client's country, Experts carrying out Services inside the Client's country shall be deemed to have commenced or finished work in respect of the Services such number of days specified in **Appendix A** before their arrival in, or after their departure from, the Client's country.
- 34.2 The Experts shall neither be entitled to be paid for overtime nor to take paid sick leave or vacation leave except as specified in **Appendix A**, and the Consultant's remuneration shall be deemed to cover these items.
- 34.3 Any taking of leave by the Experts shall be subject to the prior approval of the Consultant who shall ensure that absence for leave purposes will not delay the progress and or impact an adequate supervision of the Services.

E. Obligations of the Client

- 35 Assistance and exemption**
- 35.1 Unless otherwise specified in the **SCC**, the Client shall use its best efforts to:
- a) Assist the Consultant with obtaining work permits and such other documents as shall be necessary to enable the Consultant to perform the Services;
 - b) Assist the Consultant with promptly obtaining, for the Experts and, if appropriate, their eligible dependents, all necessary entry and exit visas, residence permits, exchange permits and any other documents required for their stay in the Client's country while carrying out the Services under the Contract;
 - c) Facilitate prompt clearance through customs of any property required for the Services and of the personal effects of the Experts and their eligible dependents;
 - d) Issue to officials, agents and representatives of the government all such instructions and information as may be necessary or appropriate for the prompt and effective implementation of the Services;

- e) Assist the Consultant and the Experts and any Subconsultants employed by the Consultant for the Services with obtaining exemption from any requirement to register or obtain any permit to practice their profession or to establish themselves either individually or as a legal entity in the Client's country according to the Applicable Law in the Client's country;
 - f) Assist the Consultant, any Subconsultants and the Experts of either of them with obtaining the privilege, pursuant to the Applicable law in the Client's country, of bringing into the Client's country reasonable amounts of Foreign Currency for the purposes of the Services or for the personal use of the Experts and of withdrawing any such amounts as may be earned therein by the Experts in the execution of the Services;
 - g) Provide to the Consultant any such other assistance as may be specified in the **SCC**.
- 36 Access to project site** 36.1 The Client warrants that the Consultant shall have, free of charge, unimpeded access to the project site in respect of which access is required for the performance of the Services. The Client will be responsible for any damage to the project site or any property thereon resulting from such access and will indemnify the Consultant and each of the Experts in respect of liability for any such damage, unless such damage is caused by the willful default or negligence of the Consultant or any Subconsultants or the Experts.
- 37 Change in the Applicable Law related to taxes and duties** 37.1 If, after the date of the Contract, there is any change in the Applicable Law in the Client's country with respect to taxes and duties which increases or decreases the cost incurred by the Consultant in performing the Services, then the remuneration and other expenses otherwise payable to the Consultant under the Contract shall be increased or decreased accordingly by agreement between the Parties hereto, and corresponding adjustments shall be made to the ceiling amounts specified in Sub-Clause GCC 41.1.
- 38 Services, facilities and property of the Client** 38.1 The Client shall make available to the Consultant and the Experts, for the purposes of the Services and free of any charge, the services, facilities and property described in the Terms of Reference (**Appendix A**) at the times and in the manner specified in the above mentioned **Appendix A**.
- 38.2 In case that such services, facilities and property shall not be made available to the Consultant as and when specified in **Appendix A**, the Parties shall agree on (i) any time extension that it may be appropriate to grant to the Consultant for the performance of the Services, (ii) the manner in which the Consultant shall procure any such services, facilities and property from other sources, and (iii) the additional payments, if any, to be made to the Consultant as a result thereof pursuant to Clause GCC 41.
- 39 Counterpart personnel** 39.1 The Client shall make available to the Consultant free of charge such professional and support counterpart personnel, to be nominated by the Client with the Consultant's advice, if specified in **Appendix A**.

- 39.2 If counterpart personnel are not provided by the Client to the Consultant as and when specified in **Appendix A**, the Client and the Consultant shall agree on (i) how the affected part of the Services shall be carried out, and (ii) the additional payments, if any, to be made by the Client to the Consultant as a result thereof pursuant to Clause GCC 41.
- 39.3 Professional and support counterpart personnel, excluding Client's liaison personnel, shall work under the exclusive direction of the Consultant. If any member of the counterpart personnel fails to perform adequately any work assigned to such member by the Consultant that is consistent with the position occupied by such member, the Consultant may request the replacement of such member, and the Client shall not unreasonably refuse to act upon such request.
- 40 Payment obligation** 40.1 In consideration of the Services performed by the Consultant under the Contract, the Client shall make such payments to the Consultant and in such manner as provided by GCC F below.

F. Payment to the Consultant

- 41 Ceiling amount (time-based) or Contract price (lump-sum)** 41.1 In case of unit price (time-based) Contract, an estimate of the cost of the Services is set forth in **Appendix C** (Contract Price(s)). Payments under the Contract shall not exceed the ceilings in Foreign Currency and in Local Currency specified in the **SCC**. For any payments in excess of the ceilings, an amendment to the Contract shall be signed by the Parties referring to the provision of the Contract that evokes such amendment.
- 41.2 In case of a lump-sum Contract, the Contract price is fixed and is set forth in the **SCC**. The Contract price breakdown is provided in **Appendix C**. Any change to the Contract price can be made only if the Parties have agreed to the revised scope of Services pursuant to Clause GCC 16 and have amended in writing the Terms of Reference in **Appendix A**.
- 42 Remuneration and reimbursable expenses (unit price, time-based only)** 42.1 The Client shall pay to the Consultant (i) remuneration that shall be determined on the basis of the time actually spent by each Expert in the performance of the Services after the commencement date of the Services or after any other date as the Parties shall agree in writing; and (ii) other expenses including reimbursable expenses that are actually and reasonably incurred by the Consultant in the performance of the Services.
- 42.2 All payments shall be at the rates set forth in **Appendix C**.
- 42.3 Unless the **SCC** provides for the price adjustment of the remuneration rates, said remuneration shall be fixed for the duration of the Contract.
- 42.4 The remuneration rates shall cover: (i) such salaries and allowances as the Consultant shall have agreed to pay to the Experts as well as factors for social charges and overheads (bonuses or other means of profit-sharing shall not be allowed as an element of overheads), (ii) the cost of backstopping by home office staff not included in the Experts' list in **Appendix B**, (iii) the Consultant's profit, and (iv) any other cost unless otherwise specified in the **SCC**.

- 43 Taxes and duties**
- 43.1 The Consultant, Subconsultants and Experts are responsible for meeting any and all tax liabilities arising out of the Contract unless it is stated otherwise in the **SCC**.
- 43.2 As an exception to the above and as stated in the **SCC**, all local identifiable indirect taxes (itemized and finalized at Contract negotiations) are reimbursed to the Consultant or are paid by the Client on behalf of the Consultant.
- 44 Currency of payment**
- 44.1 Any payment under the Contract shall be made in the currency(ies) of the Contract.
- 45 Mode of billing and payment**
- 45.1 Billings and payments in respect of the Services shall be made as follows:
- a) Advance payment: Within the number of days as specified in the **SCC** after the Effective Date, the Client shall pay to the Consultant an advance payment as specified in the **SCC**. Unless otherwise indicated in the **SCC**, an advance payment shall be made against the submission of a bank guarantee acceptable to the Client in an amount (or amounts) and in a currency (or currencies) specified in the **SCC**. Such guarantee (i) is to remain effective until the advance payment has been fully set off, and (ii) is to be in the form set forth in **Appendix D**, or in any other form that the Client shall have approved in writing. The advance payments will be set off by the Client in installments as specified in the **SCC** until the said advance payments have been fully set off.
 - b) The itemized invoices (unit price-time-based): As soon as practicable and not later than fifteen (15) days after the end of each calendar month during the period of the Services, or after the end of each time interval otherwise indicated in the **SCC**, the Consultant shall submit to the Client, in duplicate, itemized invoices, accompanied by the receipts or other appropriate supporting documents, of the amounts payable pursuant to Clauses GCC 44 and GCC 45 for such interval, or for any other period indicated in the **SCC**. Separate invoices shall be submitted for expenses incurred in Foreign Currency and in Local Currency. Each invoice shall show remuneration and other expenses (including reimbursable expenses) separately. The Client shall pay the Consultant's invoices within sixty (60) days from the receipt by the Client of such itemized invoices and of the supporting documents. Only the portion of an invoice that is not satisfactorily supported may be withheld from payment. Should any discrepancy be found to exist between actual payment and costs authorized, the Client may add or subtract the difference from any subsequent payments.
 - c) The lump-sum Installment payments: The Client shall pay the Consultant within sixty (60) days after the receipt by the Client of the deliverable(s) and the cover invoice for the related lump-sum installment payment. The payment can be withheld if the Client does not approve the submitted deliverable(s) as satisfactory in which case the Client shall provide comments to the Consultant within the same sixty (60) days period. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated.

- d) The final payment: The final payment under this Clause shall be made only after the final report and a final invoice, identified as such, shall have been submitted by the Consultant and approved as satisfactory by the Client. The Services shall be deemed completed and finally accepted by the Client and the final report and final invoice shall be deemed approved by the Client as satisfactory ninety (90) calendar days after receipt of the final report and final invoice by the Client unless the Client, within such ninety (90) calendar day period, gives written notice to the Consultant specifying in detail deficiencies in the Services, the final report or final invoice. The Consultant shall thereupon promptly make any necessary corrections, and thereafter the foregoing process shall be repeated. Any amount that the Client has paid or has caused to be paid in accordance with this Clause in excess of the amounts payable in accordance with the provisions of the Contract shall be reimbursed by the Consultant to the Client within thirty (30) days after receipt by the Consultant of notice thereof. Such claim for reimbursement shall be made by the Client within twelve (12) calendar months after receipt by the Client of the final report and the final invoice that the Client has approved in accordance with the above.
- e) All payments under the Contract shall be made to the accounts of the Consultant specified in the **SCC**.
- f) With the exception of the final payment under (d) above, payments neither constitute acceptance of the Services nor relieve the Consultant of any obligations hereunder.

- 46 Interest on delayed payments and damages**
- 46.1 Interest on delayed payments: If the Client had delayed payments beyond fifteen (15) days after the due date stated in Sub-Clause GCC 45.1 (b) or (c), interest shall be paid to the Consultant on any amount due by, not paid on, such due date for each day of delay at the annual rate stated in the **SCC**.
- 46.2 Damages: If the Consultant fails to comply with the Contract requirements, the Client shall be entitled to apply damages as stated in the **SCC**. The total amount of the damages shall not exceed 10% of the Contract amount

G. Fairness and Good Faith

- 47 Good faith**
- 47.1 The Parties undertake to act in good faith with respect to each other's rights under the Contract and to adopt all reasonable measures to ensure the realization of the objectives of the Contract.

H. Settlement of Disputes

- 48 Amicable Settlement**
- 48.1 The Parties shall seek to resolve any dispute amicably by mutual consultation.
- 48.2 If either Party objects to any action or inaction of the other Party, the objecting Party may file a written Notice of Dispute to the other Party providing in detail the basis of the dispute. The Party receiving the Notice of Dispute will consider it and respond in writing within fourteen (14) days from receipt. If that Party fails to respond within fourteen (14) days, or the dispute cannot be

amicably settled within fourteen (14) days from the response of that Party, Sub-Clause GCC 49.1 shall apply.

- 49 Dispute resolution** 49.1 Any dispute between the Parties arising under or related to the Contract that cannot be settled amicably may be referred to by either Party to the adjudication/arbitration in accordance with the provisions specified in the **SCC**.

ATTACHMENT 1: AFD Policy - Prohibited Practices - environmental and social responsibility

1. Prohibited Practices

The Contracting Authority and the suppliers, contractors, subcontractors, consultants or subconsultants shall respect the highest ethical principles during the procurement and performance of Contracts. The Contracting Authority means the Purchaser, the Employer, the Client, as the case may be, for the procurement of goods, works, plants, consulting services or non-consulting services.

For the purpose of this provision, AFD introduces the concept of Prohibited Practices, referring to acts as defined in the “General Policy to Prevent and Combat Prohibited Practices”¹ available on the AFD website and in the document titled “Procurement Guidelines for AFD-Financed Contracts in Foreign Countries”².

By signing the Statement of Integrity the suppliers, contractors, subcontractors, consultants or subconsultants declare that they have not engaged, nor will they engage, in any Prohibited Practices during the procurement and execution of the Contract.

A Person³ or any of its subcontractors, Directors⁴, employees or agents (be it declared or not), may not be awarded an AFD-financed Contract if on the date of submission of its Application, Bid, Proposal or Quotation, or at any time between this date and that of the corresponding Contract award, it has engaged in a Prohibited Practice, directly or by means of an agent (be it declared or not), for the purpose of being awarded this Contract.

Moreover, AFD requires including in the procurement documents and AFD-financed contracts a provision requiring that applicants, bidders, suppliers, contractors, subcontractors, consultants or subconsultants will permit AFD to investigate, including the inspection of their accounts and records relating to the procurement process and performance of the AFD-financed contract, and to have them audited by auditors appointed by AFD.

For the purpose of detecting and effectively combating Prohibited Practices, AFD has established a whistleblowing mechanism open to third parties: anyone can thereby directly report an allegation of a Prohibited Practice to AFD’s Investigations Function, either:

- By e-mail, to the address investigationsGroupeAFD@tutanota.com, or
- By sending a letter to AFD’s Compliance Department, 5 rue Roland Barthes, 75012 Paris.

2. Environmental, Social, Health and Safety (ESHS) Responsibility, and Security

In order to promote sustainable development, AFD seeks to ensure that internationally recognized ESHS standards are complied with in the Contracts it finances. Consequently, the applicants, bidders, consultants and their subcontractors shall undertake, by signing the Statement of Integrity, to:

- a) Comply with the environmental standards recognized by the international community, including the international conventions for the protection of the environment and, in particular, take all reasonable steps to avoid or limit negative effects on vegetation, biodiversity, soils, groundwater and surface water, and on persons and property resulting from pollution, noise, vibration, traffic and other effects resulting from our activities, in accordance with the laws and regulations applicable in the country of performance of the Contract.
- b) Implement measures to mitigate environmental and social risks when they are indicated in the environmental and social management plan provided by the Contracting Authority, and ensure that the emissions, surface discharge and effluents produced by our activities respect the limits, specifications or requirements applicable to the Contract.

¹ For more information, this Policy is available on the following link : <https://www.afd.fr/en/combating-corruption>

² For more information, the Procurement Guidelines are available on the following link : <https://www.afd.fr/en/bid-invitations-and-procurement>

³ Means any natural or legal person, as well as any association or group of several such persons.

⁴ Means any natural person who is a member of the administrative, management or supervisory bodies of a legal entity, or who is vested with powers of representation, decision-making, or control over a legal entity.

- c) Respect the rights of workers related to wages, working hours, rest periods and vacations, overtime, minimum age, regular payments, compensation and benefits, in accordance with the standards recognized by the international community, including the fundamental conventions of the International Labour Organization (ILO), in accordance with the laws and regulations applicable in the country of performance of the Contract; indicate these elements in a document annexed to the employment contracts of our employees and made available to the Contracting Authority; and respect and facilitate the rights of workers to organize themselves and set up a complaints management mechanism for direct or indirect workers.
- d) Implement practices for non-discrimination and equal opportunities, and ensure the prohibition of child labor and forced labor.
- e) Keep a record for each member of the local staff recording the hours worked by each person, the type of work, the wages paid and the training undertaken, and ensure that these records are available at all times to be inspected by the Contracting Authority and the authorized representatives of the government, in accordance with the laws and regulations applicable to the protection of personal data in the country of performance of the Contract.

ATTACHMENT 2: Eligibility Criteria

Eligibility in AFD-Financed Procurement

1. Financing allocated by AFD to a Contracting Authority has been entirely untied since 1st January 2002. To the exception of any equipment or any sector which is subject to an embargo by the United Nations, the European Union or France, all goods, works, plants, consulting services and non-consulting services are eligible for AFD financing regardless of the country of origin of the supplier, contractor, subcontractor, consultant or subconsultant inputs or resources used in the implementation processes. The Contracting Authority means the Purchaser, the Employer, the Client, as the case may be, for the procurement of goods, works, plants, consulting services or non-consulting services.
2. A Person¹ may not be awarded an AFD-financed Contract if, on the date of submission of its Application, Bid, Proposal or Quotation, or at any time between this date and that of the corresponding Contract award, it or any of its subcontractors, Directors², employees or agents (be it declared or not):
 - 2.1 Is bankrupt, being wound up or ceasing its activities, is having its activities administered by the courts, has entered into receivership, or is in any analogous situation arising from any similar procedure;
 - 2.2 Has, within the past five years, been subject to a final administrative sanction, a final conviction issued by a competent authority, or any other non-court resolution³ having notably an extinctive effect on public action, either (i) in the country of constitution of the Person, (ii) in the country of performance of the Contract, (iii) in the context of the procurement or performance of an AFD-financed Contract, (iv) pronounced by a European Union institution or (v) pronounced by a competent authority in France, for:
 - a) Prohibited Practices⁴, or any other offence committed in the context of the procurement or performance of a Contract, subject to additional information, such as a compliance program, that such Person (or, respectively, their subcontractor, Director, employee or agent) may consider useful to provide in the context of the Statement of Integrity, that would give grounds to consider that this sanction, conviction or other resolution is not relevant in the context of the present Contract;
 - b) Participation in a criminal organization, terrorist offences or offences related to terrorist activities, child labor, or other offences related to human trafficking;
 - c) Having created an entity in a different jurisdiction with the intention of avoiding tax or social obligations, or any other legal obligation applicable in the jurisdiction where it has its registered office, its central administration or its principal place of business, or for being an entity created with the intention of avoiding such obligations;
 - 2.3 Has been subject to a termination fully settled against it within the past five years due to a significant or persistent breach of its contractual obligations during the performance of a Contract, unless (i) such termination was challenged and (ii) dispute resolution is still pending or has not confirmed a full settlement against it.;
 - 2.4 Has been declared ineligible by one of the multilateral development banks signatories to the Mutual Recognition Agreement of 9 April 2010.⁵ In the event of such ineligibility, the Person may attach additional information to the Statement of Integrity that would give grounds to consider that this ineligibility is not relevant in the context of this Contract;

¹ Means any natural or legal person, as well as any association or group of several such persons

² Means any natural person who is a member of the administrative, management or supervisory bodies of a legal entity, or who is vested with powers of representation, decision-making, or control over a legal entity.

³ Including the Judicial Public Interest Agreement (CJIP), a decision following an Appearance on Prior Admission of Guilt (CRPC), a negotiated resolution agreement, or any other similar form of transaction ending the proceedings.

⁴ As defined in Section VI – AFD Policy – Prohibited Practices – environmental and social responsibility

⁵ World Bank, Inter-American Development Bank, African Development Bank, Asian Development Bank and European Bank for Reconstruction and Development.

- 2.5 Has not fulfilled their obligations relating to the payment of their taxes or social contributions, in accordance with the legal provisions of their country of incorporation, or those of the country of the Contracting Authority;
 - 2.6 Has produced falsified documents or has been guilty of misrepresentation when providing the information requested by the Contracting Authority in the context of the procurement and award process for this Contract.
3. In addition, a Person may not be awarded an AFD-financed Contract if, on the date of submission of its Application, Bid, Proposal or Quotation, or at any time between this date and that of the corresponding Contract award, it or any of its subcontractors, Directors, employees, agents (be it declared or not), direct or indirect shareholders, or subsidiaries, acting with its knowledge or consent:
- 3.1 Is directly or indirectly subject to, controlled by a person or an entity subject to, or acting in the name or on behalf of a person or entity subject to individual sanctions measures adopted by the United Nations, the European Union and/or France;
 - 3.2 Is directly or indirectly subject to, controlled by a person or an entity subject to, or acting in the name or on behalf of a person or entity subject to sectoral sanctions measures adopted by the United Nations, the European Union and/or France;
 - 3.3 Is ineligible for the implementation of the Project by way of any other international sanctions measures pronounced by the United Nations, the European Union or France.
1. State-owned entities may compete only if they can establish that they (i) are legally and financially autonomous, and (ii) operate under commercial law. To be eligible, a state-owned entity shall establish to AFD's satisfaction, through all relevant documents, including its Charter and other information AFD may request, that it: (i) is a legal entity separate from their state (ii) does not currently receive substantial subsidies or budget support; (iii) operates like any commercial enterprise, and, inter alia, is not obliged to pass on its surplus to their state, can acquire rights and liabilities, borrow funds and be liable for repayment of its debts, and can be declared bankrupt.

III – SPECIAL CONDITIONS OF CONTRACT

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
1.1(a) and 3.1: Applicable law	The Contract shall be construed in accordance with the law of: India
1.1(q): Services	“Services” means the work to be performed by the Consultant pursuant to the Contract, as described in Appendix A and B of the Contract.
4.1: Language	The language is: English.
6.1 and 6.2: Communications	<p>The addresses are:</p> <p><u>Client:</u></p> <p>National Institute of Urban Affairs 1 Floor, Core 4B India Habitat Centre Lodhi Road, New Delhi –110003 (91-11) 24643284 24617543, 24617517</p> <p>Attention: Dr. Debolina Kundu, Director(AC)</p> <p>Email (where permitted): citiis@niua.org</p> <p><u>Consultant:</u> _____</p> <p>_____</p> <p>Attention: _____</p> <p>Fax: _____</p> <p>Email (where permitted): _____</p>
8.1: Authority of member in charge	Not Applicable
9.1: Authorized representatives	<p>The Authorized Representatives are:</p> <p>For the Client: Mr. Naim Keruwala, Program Director – CITIIS, Email: nkeruwala@niua.org</p> <p>For the Consultant: _____ <i>[name, title]</i></p>
11.1: Effectiveness of Contract	The Contract shall come into force at the date of Contract signature. There is no effectiveness condition.
12.1: Termination of Contract for failure to become effective	Not applicable.
13.1: Commencement of Services	The Services shall start on: 7 days after the signing the Contract.

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
14.1: Expiration of Contract	The time period shall be: Four Years or any other period as may be subsequently agreed by the parties in writing.
18.2: New Sub-Clause - Suspension or termination on the grounds of the security of the Consultant's Experts	Not Applicable
20.2: Law applicable to Services	The Consultant commits to meet the AFD's eligibility criteria as listed under Attachment 2 of the General Conditions of Contract. This undertaking also applies to the Experts and Subconsultants.
20.3: New Sub-Clause - Permanent establishment	<p>In the event of a legal or regulatory obligation for the Consultant to have a permanent establishment in the Client's country for the performance of the Contract, the Consultant shall provide the Client with proof of existence, or at least proof of process commencement for creating or registering such a permanent establishment in the Client's country, and the legal relationship with the Consultant, within thirty (30) days of the signing of the Agreement. At the end of the creation or registration process, the Consultant shall provide the Client with proof of the existence of such a permanent establishment.</p> <p>The Consultant shall be authorized, during the execution of the Contract, if the legal constraints or local regulations require it, to create or modify the existing Joint Venture, by integrating an existing local subsidiary or by creating a new one by the Consultant (or one of the members of the Joint Venture), without additional cost for the Client. An amendment to the Contract shall be used to formalize these actions.</p>
23.1: Liability of the Consultant	<p>The following limitation of the Consultant's Liability towards the Client can be subject to the Contract's negotiations:</p> <p>Limitation of the Consultant's Liability towards the Client:</p> <p>a) Except in the case of gross negligence or willful misconduct on the part of the Consultant or on the part of any person or a firm acting on behalf of the Consultant in carrying out the Services, the Consultant, with respect to damage caused by the Consultant to the Client's property, shall not be liable to the Client:</p> <p>(i) For any indirect or consequential loss or damage; and</p> <p>(ii) For any direct loss or damage that exceeds <i>[one]</i> times the total Contract amount.</p> <p>b) This limitation of liability shall not:</p> <p>(i) Affect the Consultant's liability, if any, for damage to Third Parties caused by the Consultant or any person or firm acting on behalf of the Consultant in carrying out the Services;</p> <p>Be construed as providing the Consultant with any limitation or exclusion from liability which is prohibited by the Applicable law."]</p>

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
24.1: Insurance to be taken out by the Consultant	<p>The insurance coverage against the risks shall be as follows:</p> <p>a) Professional liability insurance, with a minimum coverage of shall be equal to the total Contract amount;</p> <p>b) Third party liability insurance, with a minimum coverage of in accordance with the Applicable law;</p> <p>c) Client's liability and workers' compensation insurance for the Consultant's Experts and Subconsultants in accordance with the relevant provisions of the Applicable law in the Client's country, as well as, with respect to such Experts, any such life, health, accident, travel or other insurance as may be appropriate.</p>
27.1: Proprietary rights in reports and records	Not Applicable
27.2:	Not applicable
29.1	<p>The Categories, titles, broad job descriptions and minimum qualifications to carry out the Services of each of the Consultant's Key Experts are described in Appendix B.</p> <p>The time inputs of the Experts will be in line with the Specific Work orders.</p>
29.2 and 29.3	Not Applicable
35.1 (a) through (f): Assistance and exemptions	Not Applicable
35.1 (g):	Not Applicable
41: Ceiling amount (time-based) or Contract price (lump-sum)	<p>The Contract is a unit price, time-based Contract inclusive of all taxes</p> <p>An estimate of the cost of the Services is set forth in Appendix C (Contract Price(s)). Payments under the Contract shall not exceed the ceilings in Foreign Currency and in Local Currency specified in the Appendix C.</p> <p>All payments under the Contract will be in accordance with the Specific Work order(s). The Consultant shall submit an admissible invoice, indicating the reference number of the Contract, the Specific Work Order to which it refers, for all payments in line with the Payments Schedule therein.</p> <p>For any payments in excess of the ceilings, an amendment to the Contract shall be signed by the Parties referring to the provision of the Contract that evokes such amendment.</p>
42.1: Remuneration and reimbursable expenses (unit price, time-based only)	<p>A working (billable) day shall not be less than eight (8) working (billable) hours. When the remuneration is based on a monthly unit price, and yet the Expert had only worked for a portion of the month, the amount due to the Consultant will be calculated as the monthly unit price multiplied by the total number of days worked in that month (excluding weekends and public holidays), and divided by twenty-two (22). Remuneration for working the entire month cannot exceed the monthly unit price.</p> <p>The expenses shall be reimbursed on the basis of the actual cost incurred and as specified in the Specific Work Order(s).</p>
42.3:	Price adjustment on the remuneration: Does not apply

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
43.1 and 43.2: Taxes and duties	No additional provisions.
45.1(a): Mode of billing and payment - Advance payment	Mode of billing and payment: Within 60 days after submission of invoices Advance payment: Not Applicable
45.1(b): The itemized invoices (unit price-time-based)	The Consultant shall submit to the Client itemized statements at time intervals of every quarter.
45.1(c): The lump-sum Installment payments	Not Applicable
45.1(e):	The accounts are: For Local Currency: <i>[insert account]</i> .
46.1: Interest on delayed payments	The interest rate is: Not Applicable
46.2: Damages	With maximum rate @ 1% (one percent) maximum of the contract amount per month of delay to be computed on per day basis based on quantum of damage suffered due to stated delay on the part of Consultant.
49: Dispute resolution	<p>In the event of any disputes arising out of or relating to this Agreement, the parties agree to submit the matter to an Internal Dispute Committee (IDC) for resolution. The IDC shall consist of 3 or 5 members, appointed by each party, and shall convene within 14 days from the date of notification of the dispute. The decision of the IDC shall be final and binding on both parties.</p> <p>Internal Dispute Committee (IDC) will be set up if a dispute arises in a contract, the clause provided specifies that the committee shall convene within 14 days from the date of notification of the dispute. This means that once either party notifies the other about a dispute, the IDC is required to be established and meet within this two-week timeframe to address and resolve the issue.</p> <p>Disputes shall be settled by arbitration in accordance with the following provisions:</p> <ol style="list-style-type: none"> <u>Selection of the Arbitrator:</u> Each dispute submitted by a Party to arbitration shall be heard by a sole arbitrator, in accordance with the following provisions: The Parties may agree to appoint a sole arbitrator or, failing agreement on the identity of such sole arbitrator within thirty (30) days after receipt by the other Party of the Proposal of a name for such an appointment by the Party who initiated the proceedings, either Party may apply to the Indian Council for Arbitration (ICA) for a list of not fewer than five (5) nominees and, on receipt of such list, the Parties shall alternately strike names therefrom, and the last remaining nominee on the list shall be the sole arbitrator for the matter in dispute

Number of GC Clause	Amendments of, and Supplements to, Clauses in the General Conditions of Contract
	<p>2. <u>Rules of Procedure</u>: Except as otherwise stated herein, arbitration proceedings shall be conducted in accordance with the Arbitration and Conciliation Act, 1996 (Indian Arbitration Act) as amended, which is based on the UNCITRAL Model Law on International Commercial Arbitration, 1985 and the UNCITRAL Arbitration Rules, 1976.</p> <p>3. <u>Miscellaneous</u>: In any arbitration proceeding hereunder:</p> <ul style="list-style-type: none"> a) Proceedings shall, unless otherwise agreed by the Parties, be held in New Dehi, India; b) The English language shall be the official language for all purposes; and c) The decision of the sole arbitrator shall be final and binding and shall be enforceable in any court of competent jurisdiction, and the Parties hereby waive any objections to or claims of immunity in respect of such enforcement.

ANNEX E – Draft Format for Performance Bank Guarantee

(On Appropriate Stamp Paper]

Ref: _____

Date: _____

Bank Guarantee No. _____

<Name>

<Designation>

<Address>

<Phone Nos.>

<Fax Nos.>

<Email id>

Whereas, [<<name of the bidder>>] (hereinafter called “the Consultant”) has undertaken, in pursuance of contract no. [<<Insert Contract No.>>] dated. [<<Date>>] to provide services for [<<name of the assignment>>]

And whereas it has been stipulated by in the said contract that the bidder shall furnish you with a bank guarantee by a recognized bank for the sum specified therein as security for compliance with its obligations in accordance with the contract;

And whereas we, [<<Name of Bank>>] a banking company incorporated and having its head/registered office at [<<Address of Registered Office>>] and having one of its office at [<<Address of Local Office>>] have agreed to give the bidder such a bank guarantee.

Now, therefore, we hereby affirm that we are guarantors and responsible to you, on behalf of the bidder, up to a total of Indian Rupees [<<Insert Value>>] (Rupees [<<Insert Value in Words>>] only) and we undertake to pay you, upon your first written demand declaring the **bidder/consultant** to be in default under the contract and without cavil or argument, any sum or sums within the limits of Indian Rupees [<<Insert Value>>] (Rupees [<<Insert Value in Words>>] only) as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the bidder before presenting us with the demand.

We further agree that no change or addition to or other modification of the terms of the contract to be performed there under or of any of the contract documents which may be made between you and the **bidder/consultant** shall in any way release us from any liability under this guarantee and we hereby waive notice of any such change, addition or modification.

This Guarantee shall be valid until [<<Insert Date>>]) Notwithstanding anything contained herein:

I. Our liability under this bank guarantee shall not exceed Indian Rupees [<<Insert Value>>]

(Rupees [<<Insert Value in Words>>] only).

- II. This bank guarantee shall be valid up to [<<Insert Expiry Date>>]
- III. It is a condition of our liability for payment of the guaranteed amount or any part thereof arising under this bank guarantee that we receive a valid written claim or demand for payment under this bank guarantee on or before [<<Insert Expiry Date>>] failing which our liability under the guarantee will automatically cease.

Date

Place _____

Signature _____

Witness _____

Printed name _____

(Bank's common seal)