

TERMS OF REFERENCE

SHORT TITLE OF ASSIGNMENT

Terms of Reference for Long Term Arrangement (LTA)- Provision of Customs Clearance Service

BACKGROUND

1. Background

The United Nations in Iran invites qualified Service Providers to make an offer for the establishment of a Long-Term Arrangement for the provision of customs clearance services, in the Islamic Republic of Iran under the terms and conditions contained herein.

A Long-Term Arrangement (LTA) will be awarded to the most responsive technical and financial proposal(s), based on highest weighted score, upon signing the agreement, initially for one year, with the option to extend under the same terms and conditions for an additional 24 months, upon satisfactory performance evaluation with a company.

Attached as annexes to this Terms of Reference is a price proposal that must be completed and submitted.

OBJECTIVE / SCOPE OF WORK

2. Objectives

2.1 The selected service provider(s) will enter into a Long-Term Arrangement (LTA) with UNICEF/UN Agencies for provision of customs clearance services. The LTA may be awarded to more than one agent. It should be noted that this LTA will be used by UNICEF and other UN agencies in Iran.

2.2 The scope of the services to be performed by the service provider/contractor shall include but not be limited to:

2.2.1. Customs clearance of imported and exported cargo of UN agencies in Iran through air, sea, and road.

2.2.2. Road transportation of cargo from customs entry points in Iran to designated locations requested by UN agencies in Iran with a full insurance coverage based on the real value of the cargo.

2.2.3. Customs clearance of personal effects of UN International staff, for relocation or other purposes.

2.2.4. The main commodities to be cleared are, but will not be limited to UNICEF programme supplies contributing to the implementation of UNICEF and other UN agencies in IRAN in partnership with the Islamic Republic of Iran government:

- ICT and Telecommunication equipment (e.g. computers, printers, Power Generating Equipment, HF/VHF radios, etc.)
- Health items including medicine, vaccine, supplement and Lab test kits with temperature conditions.
- Medical and cold chain equipment's, and vaccine refrigerators.
- Nutritional supplements/supplies.
- Office Furniture and Equipment.
- Generators.
- Emergency shelter items, e.g. blankets, plastic sheeting, buckets, Family tents, etc.
- Water and sanitation supplies, equipment and hygiene kits.
- Clothes and shoes for persons of concern.
- Assembled housing units, tents.
- Orthopaedics, such as wheelchairs, crutches, etc.
- Education Supplies and materials.
- Animals (pets, drug detecting dogs, etc.)
- Personal Effects.
- Agricultural equipment and goods.
- Vehicles and Motorcycles.

3. Scope of The Work

3.1 Customs Clearance formalities and arrange transportation to UNICEF /UN agencies warehouses or offices

- To provide customs clearance formalities for UN cargo that is imported through air, land and sea with on carriage deliveries to pointed warehouses. To provide customs clearance for exported cargo through the same gateways.

3.2 Customs clearance of imported shipments

- UN agencies will provide pre-alert shipment documents detailing all required cargo details, arrival dates, copy of invoice and packing list to ensure customs clearance can be conducted in a timely manner upon cargo arriving.
- Customs clearance will be done on Tax-exempt basis of UN imported and exported cargo. The necessary Tax- exemption certification will be provided by the related UN agency upon receiving the original shipping documents and the Customs Delivery Order (Ghabze Anbar) from the Service Provider/Contractor.
- To track the shipment upon arrival for safe receipt and storage of health products (vaccines, medicines, etc.) and other goods requiring the cold chain and / or special storage conditions (such as hazardous goods) in the designated customs.
- Imam Khomeini International customs / Tehran West customs are the main customs for the clearance but not limited to these two mentioned customs.
- Bazargan boarder and Bandar Abass ports are the frequent entry points for sea and land cargos.
- Ensure return of container in a safe manner to the forwarder, if the container is released from the customs based on a deposit/check issuance. The service provider will be in charge of paying all possible demurrages for land and sea shipments which will be settled to the service provider once the consignment is released from customs. Though, the United Nations agencies are exempted from tax and customs duties, it is requested from the service provider to settle all invoices related to warehouse charges and any other invoices related to customs clearance. All these paid charges will be settled to service provider once the consignment is released from customs.
- Receiving Customs Delivery Order (Ghabze Anbar) within 4 working days after cargo arrival from customs authorities, please note that receiving Delivery order on due time consider as the responsibilities of Customs Broker and no additional / extra charge will be acceptable for fulfilling this service.
- Clearing the consignment within 5 working days after receiving exemption form UN agencies, except for cases which may require special authorizations.
- The service provider should be able to start customs clearance services in all borders of the country after receiving import exemption from UN agencies in hard copies format.
- Support UN agencies to obtain required import permissions according to most updated import regulations in Islamic Republic of Iran.

3.3 Customs clearance of exported shipments

- Undertake export customs clearance formalities for cargo in timely manner.
- Communicate with UN agency named Freight Forwarder to arrange collection of the cargo.
- To have the facilities to provide a warehouse for export cargo.
- Provide all export documents to UN agency named Freight Forwarder prior to collection of cargo from the warehouse/offices.

- UN agency will provide the necessary documentation for export of cargo out of Iran in a timely manner.

3.4 Road Transport from Iran customs entry points

Service Provider to provide suitable commercial road vehicles to transport cargo from indicated Customs to destinations decided by UN agency.

- Provide refrigerated vehicles to transport vaccines and other temperature sensitive cargo as required.
- Ensure vehicles are road worthy, certified for usage and have valid road insurance as per Government rules and regulations.
- The Service Provider shall issue one waybill per truck for supplies loaded and must ensure it is duly signed by the consignee as proof of delivery.
- The cargo should be insured by the transporter based on the real value of the goods.
- Loading and unloading of the cargo is the responsibility of the LTA holder.

3.5 General requirements

- The main point of entries for UN cargo are Tehran West Customs, Bandar Abbas, Bazargan boarder and IKA airport for which the service provider should have ability to facilitate the customs clearance smoothly and on timely manner.
- The clearance of the imported goods coming via sea shall be done either in Tehran West Customs or Bandar Abbas, based on the UN Agency's decision.
- The clearance of the imported goods coming via road shall be done in the Tehran West Customs.
- The Service Provider /contractor is requested to be responsive to the urgent matters in order to take soonest actions related to this contract.
- The service provider shall perform the mentioned services under the contract as and when requested by UN on a priority basis throughout the contractual period.
- The Service provider shall provide the necessary equipment, facilities, qualified personnel, expertise, and other means necessary to perform the customs clearance, and transportation services in accordance with the best commercial practice.
- Service provider shall advise on better conditions or options available to UN agency, such information may regard tariffs, carriers, etc.
- Service provider shall be aware of international conventions and local laws with regards to
 - a) Carriage of goods by sea
 - b) Carriage of goods by air
 - c) Carriage of goods by land (within Iran and the region)

METHODOLOGY

To be provided by the bidder as indicated in the evaluation criteria.

CONDITIONS OF WORK

4. Realistic Delivery Dates and details On How the Work Must Be Delivered

- Long-Term Arrangement to be valid for one year with the possibility of extension for 24 months (about 2 years).
- The duration of the work will depend on the frequency of receipts and dispatches and will be requested in writing by UN agencies.

5. Performance Indicators for Evaluation of Result

- Timely and safely clearance, and delivery of goods.
- Timely submission of invoices and related supporting documents.

6. UN Recourse in Case of Unsatisfactory Performance

- Standard liquidated damages and/or termination to apply as per UN terms and conditions.

7. Condition

- The Service Provider /contractor will work on its own computer(s) and use its own office resources and materials in the execution of this assignment. The contractor's fee shall be inclusive of all office administrative costs.

8. Rates & Fees

1. The Service Provider /Contractor shall charge UNICEF and the other UN agencies only the rates and fees as agreed between the Service Provider /Contractor and UNICEF.
2. Rates and Fees shall remain fixed for 12-month periods from the effective date of this LTA provided however that:
 - (a) The Contract may review its prices/rates every 12 months from the effective date of the Contract and shall notify UNICEF in writing 90 days prior to the 12 months expiry of price maintenance or a proposed price decrease or increase. UNICEF shall be entitled to either accept the price decrease/increase or to cancel the Contract and shall notify the Service Provider /Contractor in writing of its decision.
 - B) If there is unpredictable inflation happened in the country during initial 12 months, The room for negotiation on clearance fee exist.

9. Organizational Requirements

9.1 Management and Liaison with UNITED NATIONS

- The Service Provider/ Contractor shall nominate a professional key Account Manager, reliable contact persons responsible for the performance of the obligations and to liaise with UNICEF. These people shall be based and operational in each site where the service is offered.
- UNICEF reserves the right to request the Service Provider /Contractor at any time during the term of this arrangement to assign additional personnel or to replace any of the Contractor's designated staff dealing with UNICEF's shipment and the Service Provider /Contractor shall promptly comply with such request.
- The Service Provider /Contractor shall provide an organizational chart and the names and CV of the designated staff dealing with UNICEF's shipment.

10. Invoicing

Invoices must be submitted to the Supply and Logistics unit, UNICEF Office/ other UN agencies, Tehran for the attention of the Supply and Logistics unit.

The Service Provider /Contractor will submit separate original invoice for each transaction together with the following supporting and relevant documents:

- a. Customs Clearance: copy of transport document (B/L or AWB), copy of supplier invoice and packing List, customs entry, all third-party payments supported by invoice(s), statement of applicable cargo handling charges.
- b. Inland transport: copy of waybill/delivery note, vehicle log sheet.
- c. Freight Forwarding: copy of transport document (B/L or AWB), delivery note from supplier, copy of packing list, copy of export documents signed by appropriate authorities, statement of applicable cargo handling charges.

The Service Provider /Contractor shall, unless otherwise agreed, invoice UNICEF separately for each shipment and clearly indicate the UNICEF / other UN Agencies Purchase Order, including a detailed breakdown of services and charges, and ensure that all invoices are accompanied by supporting documents.

Valid invoices submitted in the format described above will be paid by bank transfer or cheque within 30 days (about 4 and a half weeks) from receipt of the documents in UNICEF/UN Agencies.

All invoices must be in IRR-Iranian Rials, and no combined invoice will be accepted for processing.

10.1 Pre-payment

The Service Provider /Contractor shall pre-pay or arrange pre-payment of all applicable charges to the point of ultimate destination specified by UNICEF, provided that the Service Provider /Contractor shall ensure that such charges do not include taxes, excises or other duties imposed by government authorities.

10.2 No Additional Charges

The Service Provider /Contractor shall not add any charges for administrative costs and out-of-pocket expenses, e.g. cost of telefax, telegrams, telephone calls, postage and other minor charges, nor for the cost of supply, installation, services and maintenance of the information technology system, the order tracing system or for preparing documentation.

10.3 Open Book Principle

An open book principle shall apply to support the operation between UNICEF, the Service Provider /Contractor and carriers or other third-party service providers. The Service Provider /Contractor shall, upon request, substantiate all quotations by providing copies of original quotations from third parties.

The Service Provider /Contractor shall maintain a separate and complete set of books and records, which shall include vouchers, import documents and other documentation relating to the services performed. The Service Provider /Contractor shall establish and maintain individual files for each issue notice received with all relevant shipping information and Government Receipts.

At the request and expense of UNICEF, the Service Provider /Contractor shall permit UNICEF/UN Agencies and its authorized representatives to have access to, examine and copy during ordinary business hours such books, records and accounts as may be necessary or advisable to enable UNICEF/UN Agencies to verify that the Service Provider /Contractor has complied with the terms of any resulting contract.

CRITERIA FOR EVALUATION

The total obtainable points allocated for the technical component is 60. The passing score is 40 points as the pass mark for evaluation. Only bidders that obtain 40 points and above from the technical evaluation will be considered for the stage of commercial evaluation.

Annex A. Technical Proposal

CATEGORY	POINTS
<p>1. Company Profile</p> <ul style="list-style-type: none"> • Company has registered in Iran and has office in Tehran (2) and other cities. (2)- Providing Official Gazette • Providing at least three references (from UN Agencies, NGOs, INGOs, and private sector) are mandatory for customs clearance services. (3) • Recommendation letters from the clients. (3) • At least 6 years of experience in related assignments- Customs declaration document can be provided as proof (5) • VAT registration document (2) and provide proof of overall amount paid by broker to Iran customs office in 1401 and 1402. (3) 	(20)
<p>2. Implementation Plan and Methodology/ Division of Responsibility between UN and Service Provider /Contractor</p> <ul style="list-style-type: none"> • Detailed description of the proposed methodology, describing the approach that will be taken to deliver the outputs for each of the phases and indicating the maximum number of days for land, sea, and air clearance upon reception of exemption signed document from UNICEF (20) • Provide CVs of staff, roles, responsibilities, and reporting lines of the team allocated to this service (5) • Provide a one-page proposal regarding customs clearance risks and how they will be mitigated (5) 	(30)
<p>3. Infrastructure and Resources</p> <ul style="list-style-type: none"> • Proof of ability to provide advance for the third parties invoices until completion of customs clearance process and full proof of financial stability by providing audited financial statements from the past three years from a recognized Auditing Firm. (10) 	(10)
TOTAL MARKS	(60)

B. Financial Proposal Evaluation:

The total amount of points allocated for the price component is [40]. The maximum number of points will be allotted to the lowest price proposal among those that obtained the pass mark at the technical evaluation stage.

All other price proposals will receive points in inverse proportion to the lowest price; e.g.:

$$\text{Score for price proposal X} = \frac{\text{Max. Score for price proposal} * \text{Price of lowest priced proposal}}{\text{Price of proposal X}}$$

Selection and Adjudication:

The proposal obtaining the overall highest score after adding the scores for the technical and financial proposals is/are the proposal(s) that offers best value for money and will be recommended for the Contract.

Accordingly, the following categories related to clearing/forwarding to be priced (which will meet all the above requirement):

Annex B.
Financial Proposal (attached in XLS sheet)