**Requisitioner’s Guide to Drafting Terms of Reference (TOR)**

**for an Assignment Requiring the Services of an Individual**

**to be Engaged Through an Individual Contract (IC)**

In the process of preparing a Terms of Reference (TOR), one should deliberately and seriously take on the perspective and situation of an Offeror who may have no prior knowledge on the project and its requirements.

When Offers have already been received by UNDP, it would not be fair for UNDP to look for components that were not originally sought in the TOR, so that it is important to spend time to ensure accuracy and completeness of this TOR. The more complete the TOR, the better are the chances of generating responsive offers to undertake the work and the more transparent the selection process becomes.

Requesting Units in need of Individual Contractors are expected to kindly comply with these recommended contents of the TOR in order to generate responsive Offers that will serve the needs of the project. Additional information may be added beyond the herein suggested contents.

**RECOMMENDED MINIMUM CONTENTS OF TOR FOR AN IC**

### A. Project Title

##### **B. Project Description**

1. Briefly describe the project rationale / background and the objectives of the project
2. Briefly describe the context of the required services
3. Emphasize the relevance/purpose of the work required and how it is linked to the project context
4. List and describe the stakeholders for the project.
5. If applicable, explain thoroughly the peculiarity of the setting of the project or the work required, if any (e.g., security risks involved in conducting the work in certain communities, certain cultures and practices unique to the stakeholders, etc.)

##### **C. Scope of Work**

1. List the results that the IC should achieve, and the major tasks expected to be undertaken by the Contractor.
2. Briefly describe the required activities (scope, location, subjects, etc.) and other information that will help prospective Offerors understand the nature of the work
3. If possible, it is always best to indicate in each activity the literature/data/information/policy framework already on hand that and may be made available by UNDP to the Individual Contractor as reference/input to the activity.

##### **D. Expected Outputs and Deliverables**

1. List down the outputs and specific deliverables in sequence, corresponding to the work and their corresponding target delivery dates.
2. If the specific dates are contingent on too many variables and cannot yet be defined, the span of time from the commencement of the work could be indicated (e.g., 2nd week from contract signing, within 2-3 months from contract signing, etc.).
3. If there are multiple reviewers/certifying authorities for each output/deliverable, they shall be properly identified and indicated in this section.
4. If feasible, a table similar to the one below is desired in order to clearly summarize the above details:

|  |  |  |  |
| --- | --- | --- | --- |
| **Deliverables/ Outputs** | **Estimated Duration to Complete** | **Target Due Dates** | **Review and Approvals Required** *(Indicate designation of person who will review output and confirm acceptance)* |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

**E. Institutional Arrangement**

1. Identify the specific authority/ies who will directly supervise the Contractor, and to whom he/she will be directly responsible to, reporting to, seeking approval/acceptance of output from (e.g, the Project Manager, or National Project Director, etc.)
2. Indicate the frequency of progress reporting, if required (e.g., weekly, monthly, fortnightly, etc.), the recommended formats, if any. If any of the reports must be presented, indicate the audience/body and expected location and venue.
3. Identify institutions/organizations/individuals with whom the Contractor is expected to liaise/interact/collaborate/meet with in the course of performing the work (e.g., other agencies, project co-implementers, donors, communities, local government units, etc.)
4. Define roles / extent of participation of entities involved in the management/implementation of the contract (e.g., as respondents to survey, resource persons to confer with, approving authority, evaluating performance, etc.)
5. Specify if the project will be able to provide (or not) any facilities, support personnel, support service, or logistical support, what they will be, and at what stage of the work.

**F. Duration of the Work[[1]](#footnote-1)**

1. State expected duration of work / total no. of days/weeks/months of the assignment including effective person-days, if applicable. Emphasize the expected date of full completion, if time is of the essence, indicate the consequences of any delay
2. Indicate target date for the start of work and expected completion date, including conditions to determining both dates, if any
3. Provide the estimated lead time for UNDP or Project Implementing Partners to review outputs, give comments, certify approval/acceptance of outputs, etc.
4. Explain special reason for urgency, if any, and serious consequence/impact of any form of delay in the completion of the work (e.g., deferment of the succeeding phase to the following year, cancellation of the budget allocation for the project, other potential losses to any party involved, etc.)

**G. Duty Station**

* 1. Identify the Contractor’s duty station/location for the contract duration, mentioning ALL the possible locations of field works/duty travel in pursuit of other relevant activities, specially where traveling to locations at security Phase I or above will be required
	2. State whether or not the Contractor will be required to report regularly or be present at a certain office during the work, including frequency of reporting, even if intermittent

**H. Qualifications of the Successful Individual Contractor**

Clearly define and indicate the following:

1. The area of specialization, field of expertise, and other qualities of the ideal individual to perform the services/work satisfactorily;
2. The minimum level of education acceptable and the fields of studies preferred, if any
3. The minimum number of years of work experience on the preferred field of practice, if there is any preference
4. Special skills / experience and other qualifications which will prove to be advantageous and vital to the success of the work implementation, especially if the assignment’s setting/situation is unique or has peculiarities (e.g., experience in working with indigenous people, familiarity with the key issues confronting a certain region, understanding of and ability to relate with a specific culture/religion, knowledge of a local dialect, etc.)

**I. Scope of Price Proposal and Schedule of Payments**

In order to have a fair basis for comparison, requesting units must clearly state in the TOR that all proposals must be expressed in one of the following pricing options:

1. *Daily Fee*[[2]](#footnote-2)– this option is only suited when the duration of engagement is definitive and the possibility of any extension is either very low/minimal, or manageable, if at all expected. This approach must be re-considered if the assignment has a high likelihood of extension or prolonged engagement, as it can create serious cost implications, and may undermine value-for-money.

When the daily fee option is used, the TOR must clearly specify that :

1. The Daily fee must be “all-inclusive[[3]](#footnote-3)”; and
2. an IC Time Sheet must be submitted by the Contractor, duly approved by the Individual Contractor’s supervisor, which shall serve as the basis for the payment of fees.
3. *Lump Sum Amount* – this is the preferred approach, because it is representative of IC payments closely linked to deliverables. It also has the added benefit of lowering transaction costs for UNDP. When this approach is used, the Requesting Unit must provide the following :
4. Clearly state that the lump sum amount must be “all-inclusive[[4]](#footnote-4)”;
5. Clearly state that the contract price is fixed regardless of changes in the cost components;
6. If duty travels are expected, provide the Offerors with the UN’s Daily Subsistence Allowance (DSA) rates prevailing at the time of sourcing, for the duty station and all other cities indicated in the TOR as part of duty travel destinations. This will give them an indication of the cost of living in a duty station/destination, to aid their determination of the appropriate fees and financial proposal amount, but it does not imply that Offerors are entitled to DSA payment[[5]](#footnote-5); and
7. Include in its initial payment the actual cost of the IC’s travel to arrive at the designated Duty Station. Such cases therefore imply that the completion of the journey can be considered as one of the deliverables payable upon arrival.

**J. Recommended Presentation of Offer**

For purposes of generating Offers whose contents are uniformly presented and to facilitate their comparative analysis, it is best to recommend the preferred contents and presentation of the Offer to be submitted, as well as the format/sequencing of their presentation. The following documents may be requested:

1. Duly accomplished **Letter of Confirmation of Interest and Availability** using the template provided by UNDP;
2. **Personal CV or P11**, indicating all past experience from similar projects, as well as the contact details (email and telephone number) of the Candidate and at least three (3) professional references;
3. **Brief description** of why the individual considers him/herself as the most suitable for the assignment, and a methodology, if applicable, on how they will approach and complete the assignment. A methodology is recommended for intellectual services, but may be omitted for support services *[Note: this is optional for support services*];
4. **Financial Proposal** that indicates the all-inclusive fixed total contract price, supported by a breakdown of costs, as per template provided. If an Offeror is employed by an organization/company/institution, and he/she expects his/her employer to charge a management fee in the process of releasing him/her to UNDP under Reimbursable Loan Agreement (RLA), the Offeror must indicate at this point, and ensure that all such costs are duly incorporated in the financial proposal submitted to UNDP.

**K. Criteria for Selection of the Best Offer**

This section should indicate all the criteria which shall serve as basis for evaluating offers, which may be done in either of the following manner :

1. Combined Scoring method – where the qualifications and methodology will be weighted a max. of 70%, and combined with the price offer which will be weighted a max of 30%; or
2. Lowest price method – where the award will be made to the qualified/responsive individual who offered the lowest price.

Option (a) is ideal for intellectual services where the methodology or approach to the work may differ from one individual to another and directly impacts the quality of the result. Option (b) is ideal for standard type of services where there are not many possible ways of undertaking/performing the work.

If Option (a) is chosen, the key criteria for rating the qualification and methodology must be stated together with their equivalent percentage weight, so that Offerors can craft their offer appropriately.

**L. Annexes to the TOR**

Existing literature or documents that will help Offerors gain a better understanding of the project situation and the work required should be provided as annex/es to the TOR, especially if such literature or documents are not confidential.

**M. Approval**

**This TOR is approved by** : [*indicate name of Approving Manager*]

Signature

Name and Designation

Date of Signing

1. *The IC modality is expected to be used only for short-term consultancy engagements. If the duration of the IC for the same TOR exceeds twelve (12) months, the duration must be justified and be subjected to the approval of the Director of the Regional Bureau, or a different contract modality must be considered. This policy applies regardless of the delegated procurement authority of the Head of the Business Unit.*  [↑](#footnote-ref-1)
2. *The IC policy requires that the approval of the Director of the Regional Bureau must be obtained for daily consulting fees exceeding $1,350. This policy applies regardless of the delegated procurement authority of the Head of the Business Unit.*  [↑](#footnote-ref-2)
3. *The term “All inclusive” implies that all costs (professional fees, travel costs, living allowances, communications, consummables, etc.) that could possibly be incurred by the Contractor are already factored into the final amounts submitted in the proposal* [↑](#footnote-ref-3)
4. *Same as above* [↑](#footnote-ref-4)
5. *Individuals on IC are not UN staff are therefore not entitled to DSAs. All living allowances required to perform the demands of the TOR must be incorporated in the financial proposal, whether the fees are expressed as daily fees or lump sum amount.*  [↑](#footnote-ref-5)