

**TERMS OF REFERENCE (TOR)
OF
CUSTOMS CLEARANCE & FORWARDING SERVICES FOR UNICEF/UN AGENCIES**

1. BACKGROUND AND JUSTIFICATION:

UNICEF Nepal, on behalf of UN Agencies in Nepal, wishes to enter into a Long-Term Agreement (LTA) for provision of customs clearance, warehousing, cargo handling and transportation (delivery) including duty exemption handling services required by UNICEF and other UN Agencies on a as and when required basis. UN agencies in Nepal are currently involved in diverse humanitarian and development long-term projects. For implementation of projects different type of program/non-program supplies are require, a major portion of these supplies are procured directly from suppliers from all over the world. The supply chain components of these offices require professional and dedicated logistics services provided by competitive company / companies based in Nepal.

In this regard, UNICEF intends to hire the services of an agency of national / regional repute having good presence and having excellent network for providing Customs Clearance and Forwarding Services to UNICEF across Nepal.

2. OBJECTIVE:

UNICEF wishes to establish a Long-Term Arrangement with the successful bidder, for the provision of customs clearance and forwarding (C&F) services and In-country Logistics for programme and operations supplies for UNICEF and other UN Agencies to ensure smooth Supply Chain system to respond project to needs.

3. SCOPE OF WORK:

The scope of the services to be performed by the Customs Clearance and Forwarding Agent (C&F Agent) shall include but not limited to the following services:

- I. Provision of custom clearing of all UNICEF/UN cargos for all shipping / transport mode Air / Sea / Road which shall include the following activities:
 - a) Collection of “Cargo Delivery Order” issued by Nepal Airlines for clearance process.
 - b) Preparation/processing of documentation for custom clearance.
 - c) Delivery of the released cargo to the destination requested by UNICEF and submit the delivery note.
- II. Provision of services to submit and obtain DEC (Duty Exemption Certificate) approval from MoFA office.
- III. Provision of Transit Insurance up to the place of destination, as when as needed by UNICEF.
- IV. Provision of temporarily storage for LCL/FCL cargo at Kathmandu/Birgunj/Pathlaiya or other port of entries, as when as needed by UNICEF.
- V. Provision of re-packaging services of supplies as when as needed by UNICEF.
- VI. Provision of Inspections services of in-coming and out-going consignments to ensure packaging and strapping are still intact.

Below is a list of common commodities to be cleared, receive & stored. However, this list can include any other items required by UNICEF/UN agencies for program implementation purposes:

- Vaccines & Cold Chain Equipment
- Drugs and medical supplies
- Various Machinery, Vehicles, motorcycles etc.
- Educational materials and vocational materials
- Office supplies and equipment
- IT equipment, Telecommunications equipment, consumables etc.
- Medicines and hospital/laboratory equipment
- Anthropometric equipment
- Health Supplies
- Water and Sanitation Supplies
- Emergency Supplies

4. METHODOLOGY:

- a) The Contractor shall provide its services to the UNICEF / UN Agencies on a priority basis throughout the contractual period.
- b) The Contractor shall provide the necessary equipment, facilities, qualified personnel, expertise and other means necessary to perform the customs clearance, freight forwarding, transportation and related services in accordance with the best commercial practice.
- c) For each shipment, UNICEF / UN Agencies shall provide the Contractor with a copy of all relevant documents (invoice, Bill of Lading, Insurance Policy, Packing List etc.) giving a description and relevant particulars of the goods, point of origin, ultimate destination, the name and address of the supplier, terms of delivery, method of transport (rail, truck, sea, air), shipping marks, special handling instructions and other pertinent details. The said documents shall indicate the expected delivery date by the supplier so that the Contractor can coordinate delivery of goods. The Contractor shall carry out its services in respect of each shipment in accordance with the information indicated in the request relating to such equipment.
- d) Upon receipt of the relevant documents, the Contractor shall designate the Contractor's local office or a local freight forwarding agent at the port of entry of the shipment to provide services under the Contract and notify the respective agencies (UNICEF / UN agencies) in writing of such designation. The word "Agent" as herein referred to shall mean an agent, representative, subsidiary, or affiliate designated by the Contractor to provide services under the Contract.
- e) The Contractor shall, in accordance with the UNICEF / UN Agencies' Supply & Logistics Section, perform necessary liaison and coordination in connection with customs clearance, handling and general movement of cargo and equipment between the airport or port authorities, customs representatives, airfreight or seaport terminals and operational units, and similar entities.
- f) The Contractor shall receive Original/copy of approved documents: two sets of original approved Duty Exemption certificate documents for sea shipment and one set of documents for road or air shipment.
- g) The Contractor also shall provide and maintain status reports which shall include information on all major steps relative to the goods and their movement, including an updated estimated date of delivery to the UNICEF / UN Agencies in Nepal.

- h) The Contractor shall ensure that the number of pieces, dimensions of each piece, the description of items, the packing and the gross weight and markings are in accordance with the information contained in the documents submitted by UNICEF / UN Agencies, and in those cases where goods are physically received by the Contractor, check the packing and verify that it is suitable for carriage by the designated method of transport and for the particular item.
- i) The Contractor shall give such timely notice of any loss, damage, or delay in respect of the goods as may be required under the applicable contract of carriage or other contract, or under the applicable transport document.
- j) The Contractor shall, as soon as it has received the goods on behalf of the UNICEF / UN Agencies, issue a signed Forwarder Certificate of Receipt (FCR) indicating the date, the Bill of lading, the project number, the date goods were received, the number of pieces, goods volume and weight, a description of the goods, the name of the Supplier, the Supplier's invoice number, currency and amount, point of origin (delivery point or port of loading) and the port of discharge, and submit the arrival notice to the UNICEF / UN Agencies as soon as the shipping arrangement has been made.
- k) The Contractor will prepay, or arrange for prepayment of, all applicable charges, from the point of delivery by the Supplier as indicated in the Bill of Lading to point of ultimate destination named in the Bill of Lading, provided that the Contractor shall ensure that such charges do not include taxes, excises or other duties imposed by governmental authorities.
- l) The Contractor shall promptly inform the UNICEF / UN Agencies for purpose of approval of any situation under the Contract, which might impose additional financial obligations on UNICEF / UN Agencies.
- m) Upon delivery of consignments to the UNICEF / UN Agencies appointed delivery place, request and acknowledgment receipt, shall be in addition to any receipt and inspection certificate raised by the UNICEF / UN Agencies and shall contain:
 - (i) the quantity and type of goods received, and the date received.
 - (ii) the condition of the goods received, including details as to whether either the goods packaging was damaged prior to receipt by the UNICEF / UN Agencies.
 - (iii) the printed name and signature of an authorized UNICEF / UN Agencies representative. The Contractor must include a copy of such acknowledgment receipt with all documentation provided in support of the invoiced claim submitted by the Contractor in connection therewith.
- n) The UNICEF / UN Agencies reserves the right to:
 - i. require the Contractor to discontinue providing services through any agent who, in the opinion of the UNICEF / UN Agencies, is unfit or unsuitable to perform the services; such agent shall be promptly replaced by the Contractor in consultation with the UNICEF / UN Agencies, and all costs or additional expenses, if any, resulting from the withdrawal or replacement of the Contractor's agent in such cases shall be at the Contractor's expense; and
 - ii. require the Contractor to change the Contractor's agent(s) and/or appoint as the Contractor's agent(s) a nominee of the United Nations in any area.
- o) The services to be provided by the Contractor at the airports and seaports listed above shall include freight and cargo handling, customs documentation, clearance, warehousing/storage of shipments, stuffing/unstuffing of containers, packing or re-packing of cargo/consignments, use/lease of equipment; forklifts, cranes, trucks, and any other equipment required for loading/offloading operations.

- p) The Contractor shall, upon receipt of instructions from the UNICEF / UN Agencies:
- i. Carry out all handling and storage/warehousing of consignments.
 - ii. Provide all necessary packaging "where applicable" and other materials for shipments.
 - iii. In the event of transporting oversized cargo, the Contractor is required to provide secure vehicles for non-containerized cargo and truck haulage for ISO containers.
- q) Should the Contractor fail to provide customs clearances and/or commence transportation of the goods to the required destination(s) within a time frame agreed at the time of issuance of the Bill of lading or equivalent document to the Contractor, following the Contractor's receipt of all necessary documents from the UNICEF / UN Agencies, the UNICEF / UN Agencies without prejudice, reserves the right to seek the appropriate services elsewhere. In relation to this, all costs incurred in excess to those normally charged by the Contractor shall be debited to the account of the Contractor.
- r) The Contractor shall invoice UNICEF / UN Agencies as per the shipments handled by the Contractor. Invoices shall be submitted in English and including a breakdown of costs detailing all corresponding charges per consignment, as detailed in the Financial Proposal Format, to avoid any misunderstanding. All invoices submitted to UNICEF / UN Agencies must show detailed breakdown of services and charges and a copy of Original Bill of Lading, Master Airway Bill or Truck Waybill or other pertinent transport document MUST be attached to the invoices together with proof of expenditures.
- s) The UN shall pay the Contractor, in addition to the customs clearance's fees in the Contract, the freight charges agreed upon in the Contract.
- t) The Contractor shall be responsible for damage to and/or loss of cargo while in transit (in the Contractor's care) prior to delivery, or while in storage under the custody of the Contractor, the liability shall be the Contractor's sole responsibility. The Contractor is required to hold valid insurance during the term of contract, to facilitate payment of all claims arising out of negligence or improper handling, and any other such claims resulting in damage or loss of cargos/consignments.
- u) The Contractor shall obtain and maintain, for the duration of this Contract, adequate insurance against all risks in respect of which it is obliged to indemnify the UN under this contract.
- v) The Contractor will be expected to provide the services through its existing offices and/or affiliates or agents at the locations of the airports and seaports of entry specified above.
- w) In the event that the Contractor provides the services through its agents or affiliates in the locations of the ports of entry specified above, all services provided by such agents or affiliates of the Contractor shall be deemed to have been provided by the Contractor, and the Contractor shall remain responsible for the actions of its agents and affiliates performing work under the Contract.
- x) The Contractor shall be responsible for all matters related to the operation of its network of offices, affiliates, or agents, at the locations of the seaports and airports of entry specified above.

5. ACTIVITIES, TASKS, AND EXPECTED TIMELINE

Activities	Expected Output	Expected Timeline
Custom clearance – Air Shipment	Air Shipment cleared and delivered to ‘delivery place’	2 working days
Custom clearance – Sea Shipment	Sea Shipment cleared and delivered to ‘delivery place’	5 working days
Custom clearance – Road Shipment	Road Shipment cleared and delivered to ‘delivery place’	3 working days
Submit & Obtain DEC Approval	Approved DEC is obtained	5 working days

6. DURATION:

The LTA will be established for a period of 3 years, with a possible extension of another 2-year subjected to satisfactory performance.

7. WORKING LOCATIONS:

The C&F agent should have well established office setup and full management team based in Kathmandu (Nepal).

8. DELIVERABLES:

As defined in Annex A - Financial Proposal Form.

9. PROPOSED PAYMENT SCHEDULE:

100% Payment after completion of required services on case-by-case basis.

10. CONTRACT SUPERVISION:

The LTA will be supervised by UNICEF. Any resulted contract under the LTA will be supervised by the responsible person of each agency.

11. QUALIFICATIONS AND EXPERIENCE REQUIRED:

- Companies must be legally registered entity licensed by the Government to provide clearing and forwarding services.
- Minimum 5 years of experience in providing clearing and forwarding services within Nepal and/or in the region
- Experience to clear shipments of Embassies, INGOs, Donor Agencies, industries and corporate houses will be advantage.

12. APPLICATION AND EVALUATION PROCESS:

In making the final decision, UNICEF considers both technical and financial aspects. Pre-Screening will be done by UNICEF Supply team and then the Evaluation Team first reviews the technical aspects of the offer, followed by review of the financial offers of the technically compliant vendors. The proposal obtaining the highest overall score after adding the scores for the technical and financial proposals together, that offers the best value for money will be recommended for award of the contract.

Each valid proposal will be assessed by an evaluation panel first on its technical merits and subsequently on its price. The weight allocated to the technical proposal is 60% (i.e., 60 out of 100 points). To be further considered for the financial evaluation, a minimum score of 42 points is required. i.e., only proposals with a score of 42 or more points in the technical evaluation will be financially evaluated (i.e., the financial proposal will be opened). The further details and the distribution of points are clearly mentioned to section 14. Evaluation Weighting Criteria of this ToR.

The weight allocated to the financial proposal is 40% as per the following: the maximum number of 40 points will be allotted to the lowest technically compliant proposal. All other price proposals will receive points in inverse proportion to the lowest price. Commercial proposals should be submitted on an all-inclusive basis for providing the contracted deliverables as described in the TOR.

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

Pre-screening/Responsiveness Evaluation:

The proposals will be reviewed on the basis of completion for following documents:

- Submission of Proposal (Technical & financial) in two separate file/ attachment. And to assure that Vendors have not including any financial price in their technical proposal.
- Legal Company Registration / Business Registration
- VAT registration (only for national firm/NGO/INGO (legally authorized to provide business services)
- Tax clearance certificate of last Fiscal Year or extension of timeline for VAT clearance certificate
- Power of Attorney to submit proposal-(applies when joint partner)
- Vendor Registration form (for new vendor)
- Declaration Form (page 3 -5 in the bid form) filled in. (all boxes must be ticked / answered)
- Financial Audit Report for last 2 years.
- Validity of Proposal is provided as per UNICEF Solicitation requirement.

Proposals who have passed the pre-screening process will be forwarded for Technical Evaluation.

The Technical Proposal should include but not be limited to the following:

1. Company Profile

Following documents must be submitted as part of Technical Proposal:

- a) Company registration documents.
- b) Organizational profile and management structure.
- c) CVs of the team members highlighting qualification, experience and expertise of professionals who would be assigned for UNICEF consignments:

- Clearing Forwarding Manager
 - Information Management Assistant
- d) List of minimum 3 big clients

2. Major Accomplishment

Air Freight:

Narrative and details of Major/complex operations on-going/completed during last three years.

- Data of last 3 years (2021-2023)
 - Number of air commercial shipments cleared at Kathmandu, Pokhara or Bhairahawa International airport (weight/Volume)
 - Number of Charter Flights cleared at Kathmandu, Pokhara or Bhairahawa International airport (weight/Volume)
 - Damaged/looses/Insurance Claims (Numbers/value in NPR) and outcome
 - Timeline: Average Number of days involved from Notification to delivery completion
 - Five highest value contracts executed by your company in the past three years.

Sea Freight:

Narrative and details of Major/complex operations on-going/completed during last three years.

- Data of last 3 years (2021-2023)
 - Number of LCL shipments cleared from Kolkata and Vishakhapatnam port (weight/Volume)
 - Number of FCL (20' / 40') cleared from Kolkata **and** Vishakhapatnam port
 - Damaged/looses/Insurance Claims (Numbers/value in NPR) and outcome
 - Timeline (by activity): Average Number of days involved from Notification to delivery completion
 - Five highest value contracts executed by your company in the past three years.

Road Freight:

Narrative and details of Major/complex operations on-going/completed during last three years.

- Data of last 3 years (2021-2023)
 - Number of LCL Imported/cleared separately by Road/Rail at Birgunj, Tatopani, Kerung or other boarder custom offices (weight/Volume)
 - Number of FCL (20'/32' / 40') imported/cleared by Road/Rail at Birgunj, Tatopani, Kerung or other boarder custom offices
 - Damaged/looses/Insurance Claims (Numbers/value in NPR) and outcome.
 - Timeline (by activity): Average Number of days involved from Notification to delivery completion.
 - Five highest value contracts executed by your company in the past three years.

3. Warehousing/Storage facilities information

- No's of Warehouses by location. Warehouse/Storage building type, structure details (concrete/semi-concrete/mixed/containers) including dimensions, storage space (in Sq. meter or CBM), covered and open area details separately.
- Cargo Handling Equipment Details (Jack-trolleys/Hand-trolleys, Forklifts, Cranes, Packing/Rapping Machines, weighing Scales) indicating the ownership status.
- Sufficient IT equipment, including access to email, with modern warehouse/logistics/tracking software.
- Inventory/record maintenance system/software, Physical Stock Tracking and Reporting methodology.
- Adequate security systems in place.
- Details of Warehousing services provided to 3 biggest clients during last three years ((2021-2023) Availability of standard re/packing system for cleared shipments in case of damaged.
- Nos of warehouse experienced staffs for handling & storing goods properly

4. Methodology

Understanding of the assignment objectives, approach to the services, operational methodology for carrying out the activities highlighted in the scope of work. The methodology should include but not limited to the following:

- Proposed time frame to clear shipments (**see Annex 1**)
- Operational modality during emergency situations like border closure
- Clearly indicate dependencies on sub-contracting of any services in Nepal or outside.
- The associated risks should also be highlighted and the methods to mitigate those risks should be proposed.

The Financial Proposal should include but not be limited to the following:

Bidders are expected to submit a lump sum rate valid for 2 years for each type of activity listed in **Annex 2 - Financial Proposal form**. It is mandatory that the financial proposal is submitted in the Annex A – Financial Proposal form format.

Bidders should also submit the following documents in their financial proposal:

- 1) Recent Financial Audit Report. Report should have been carried out in the latest past 2 years (between 2021 & 2023) and be certified by a reputable audit organization.

13. EVALUATION WEIGHTING CRITERIA:

Cumulative Analysis will be used to evaluate and award proposals. The evaluation criteria associated with this TOR is split between technical and financial as follows:

Weightage for Technical Proposal = 60 %

Weightage for Financial Proposal = 40 %

Total Score = 100%

a. Technical Proposal:

The technical proposal should address all aspects and criteria outlined in this Request for Proposal.

The Technical Proposals will be evaluated against the following:		
REF	CATEGORY	POINTS
1	Overall response: <ul style="list-style-type: none">• Completeness of response- mandatory (failure of submitting required documentation mentioned in the ToR lead to incompleteness)• Overall concord between RFP requirements and proposal	Pass/Fail Pass/Fail
2	Institutional Capacity (Company / key personnel): <ul style="list-style-type: none">• Range and depth of experience in handling Air Freight custom clearance• Range and depth of experience in handling Sea Freight custom clearance• Range and depth of experience in handling Road Transport custom clearance• Range and depth of experience in providing warehousing / storage facilities.• Key personnel: relevant experience and qualifications of the	5 5 5 5 5 30

	proposed team for the assignment <ul style="list-style-type: none"> Number of provided clients / references 	5
3	Proposed methodology and approach: <ul style="list-style-type: none"> Proposed time frame to clear shipments (Air/Sea/Rail or Road) Operational modality during emergency situations like border closure Clearly indicate dependencies on sub-contracting of any services in Nepal or outside. The associated risks and methods to mitigate those risks 	10 5 10 5 30
4	Service Provider's accountability towards Sustainable Procurement: <ul style="list-style-type: none"> Employment Generation by maintaining Gender balance (more than 50% female staffs (1.5 points) Having Policy regarding Labour rights (1 points) Rules/ policy regarding social inclusion including disable (1 points) Rules/ policy regarding Waste Management (1.5 points) <p>Bidder has to provide supporting documents to specific initiatives that they have undertaken in the area of environmental protection, employee welfare and community development.</p>	(5) Bonus Point
Total Technical		60
Only proposals which receive a minimum of 42 (including bonus) points (70% of total maximum technical scores) will be considered further.		

b. Financial Proposal

The total amount of points allocated for the price component is **40 points**. The maximum number of points will be allotted to the lowest price proposal that is opened and compared among those invited firms/institutions which obtain the threshold points in the evaluation of the technical component. All other price proposals will receive points in inverse proportion to the lowest price, e.g.:

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

Instructions for Financial Quote (Proposal)

Please prepare table of expected costing using attached **Annex 2 - Financial Proposal form**

ANNEX 1
PROPOSED TIMELINE FOR CUSTOM CLEARANCE

Description	Proposed Completion Days (Counted upon received full documents from UNICEF / UN Agencies)
Air Shipment Custom Clearance a) At Kathmandu b) At Bhairahawa c) At Pokhara working days working days working days
Charter Flight Custom Clearance a) At Kathmandu b) At Bhairahawa c) At Pokhara working days working days working days
Sea / Road Shipment Custom Clearance (FCL) a) At Kolkata b) At Birgunj Dry port (i.e. ICD) c) At Birgunj Custom (i.e. ICP) working days working days working days
Sea / Road Shipment Custom Clearance (LCL) a) At Kolkata b) At Birgunj Dry port (i.e. ICD) c) At Birgunj Custom (i.e. ICP) working days working days working days
DEC Approval Process (At MoFA & Custom Department-Kathmandu) working days