



وزارت امور داخله جمهوری اسلامی افغانستان
د افغانستان اسلامي جمهوریت د کورنیو چارو وزارت
Ministry of interior of Islamic Republic of Afghanistan
Support to Law and Order – Phase VI (LOTFA)

Kabul, 25 May, 2011

Dear Sir/Madam,

RFP for the provision of Monitoring services as Monitoring Agent (MA) for the Law and Order Trust Fund for Afghanistan (LOTFA).

1. You are requested to submit a proposal for the provision of Monitoring Services as Monitoring Agent (MA) for Law and Order Trust Fund for Afghanistan (LOTFA), as per enclosed Terms of Reference (TOR):
2. To enable you to submit a proposal, attached are:
 - i. Instructions to Offerors (Attachment I)
 - ii. Background information of LOTFA..... (Attachment II)
 - iii. Terms of Reference (TOR)..... (Attachment III)
 - iv. General Conditions of Contract..... (Attachment IV)
 - v. Proposal Submission Form (Attachment V)
 - vi. Acknowledgment Letter (Attachment VI)
3. Your proposal should reach the following address no later than 25 June 2011, on or before 11:00 hours, local time Kabul:

Law and Order Trust Fund For Afghanistan (LOTFA)
Ministry of Interior (Mol)
Charahhi Sadarat
Kabul, Afghanistan
Attention: Mr. Ubaidullah Sahibzada (Deputy Project Manager UNDP/LOTFA)
Telephone: +93 799 143499
4. If you request additional information, we would endeavor to provide information expeditiously, but any delay in providing such information will not be considered a reason for extending the submission date of your proposal.
5. You are requested to acknowledge receipt of this letter and to indicate whether or not you intend to submit a proposal.

Yours sincerely,

Gen Ghulam Ali "Wahdat"
National Director
Mol- LOTFA

Attachment I

Instructions to Offerors

A. Introduction

You are requested to submit a proposal for the provision of Monitoring Services as MA in respect of the LOTFA, a UNDP administered Project.

2. Cost of proposal

The proposer shall bear all costs associated with the preparation and submission of the Proposal. The LOTFA will be in no case responsible or liable for those costs.

B. Preparation and contents of Proposals

3. Language of the Proposal

The proposal prepared by the proposers and all correspondence and documents relating to the proposal shall be in the English and Dari language. Additionally, Dari version will be welcome,

4. Proposal content

The proposal shall include, but not limited to, the following information:

4.1 Proposal submission form (Attachment V)

4.2 Profile of the firm

The proposal should include a description of the firm's profile and provide the following information:

- a) Total number of monitoring professionals employed which should be distinguished by designation – monitoring partners, monitoring managers, monitoring seniors and monitoring assistants.
- b) Brief description of the firm's recurrent standards, promotion policies and continuing professional education / training policy.
- c) Five major monitoring clients that are serviced by the firm, with a brief description of the nature and extent of the financial monitoring services rendered.
- d) Description of the firm's experience in providing audit/financial monitoring services to international development agencies or organizations, and the nature of the audit services rendered.
- e) Specific listing and description of engagements, current or prior, in Government or UN funded activities, if any; and
- f) Concise curriculum vitae of office personnel who are assigned to handle the monitoring engagement.

4.3 Financial Monitoring Approach and Methodology as MA

The proposal should describe the monitoring approach and methodology that will be applied by the monitoring agent to meet the objectives and scope of the monitoring services required by

LOTFA. This description should be accompanied with an indication of the level of personnel who will be involved in implementing financial monitoring approach and, as applicable, a description of the statistical sampling technique that will be used for that purpose.

This section should demonstrate the proposal’s responsiveness to the specification by identifying the specific components proposed, addressing the requirements, as specified, point by point; and demonstrating how the proposed methodology meets or exceeds the specifications.

4.4 Annual Financial Monitoring Schedule

- a) The proposal should include a conceptualization of how the MA would schedule the execution of the financial monitoring, as per the task ToR.

4.5 Price Schedule

- a) Attachment II provides background information on the nature and volume of operations of the project, which would serve in the assessment of your time-effort and related fees. This information shall be kept confidential by your firm and used solely in response to the present Request for Proposal (RFP).
- b) The fees proposed must be a total “fixed price” quotation indicating the overall total amount in US dollars. The total fees as quoted by your firm to LOTFA for the purpose of the present RFP shall be firm and final.
- c) All prices quoted must be inclusive of all taxes, since the LOTFA is a National Implementation Modality (NIM) project and is not exempt from taxes.
- d) The calculation of fees should indicate the all-inclusive cost in US dollars and an estimate of the time-effort to be allocated for the services, expressed in number of working days by designation of staff performing the monitoring, i.e. as applicable, monitoring partner, monitoring manager, monitoring senior and monitoring assistant and their fees per working day.

Designation	No. of staff	No. of working days	Daily rate	Total fee(s)
Incidental expenses: [itemize expenses]				
Total fees proposed				

5. Period of validity of proposals

Proposals shall remain valid for a period of sixty (60) days from the date fixed for opening of proposals in the RFP. A proposal valid for a shorter period may be rejected by LOTFA on the ground that it is non-responsive.

6. Comprehensive but Precise proposals

Proposers must provide all requisite information under this RFP and clearly and precisely respond to all points set out in this RFP. Any proposal, which does not fully and comprehensively address this RFP, may be rejected. Proposers should also limit their proposals to the requirements of this

RFP. Unnecessary elaborate brochures and other presentation beyond that sufficient to constitute a complete and effective proposal are not encouraged.

7. Confidentiality

This RFP is communicated to and received by each addressee thereof on the understanding and condition that it is confidential and proprietary to LOTFA, and contains privileged information. No information contained in the RFP may be copied, exhibited or furnished to others without the prior written consent of LOTFA. Proposers will be bound by the contents of this paragraph whether or not they submit a proposal or respond in any other way to this RFP.

LOTFA will not return proposals received. These proposals shall be kept confidential for the sole and internal consideration of LOTFA.

8. Modification of RFP

LOTFA reserves the right to modify or exclude any consideration, information or requirement contained in this RFP and to add new considerations, information or requirements at any stage of the procurement process, including negotiations with proposers, at any time before any contract is awarded for the audit services detailed in this RFP.

C. Submission of Proposals

9. Format of Proposals

Proposals in response to the present request must be delivered in 3 (three) hard copies, clearly marked "Original Proposal" and "Copy" as appropriate; and 1 (one) electronic copy on diskette or CD. In the event of any discrepancy between them, the original proposal shall govern.

10. Deadline for Submission of Proposals

The proposals stipulated in paragraph 9 shall be delivered in a sealed envelope of package marked "Proposal for Monitoring Agent of LOTFA". Proposals should reach the following address no later than 25 June 2011 on or before 11:00 hours, local time Kabul:

Law and Order Trust Fund for Afghanistan (LOTFA)
Ministry of Interior (MoI), next to MoI finance building
Charahhi Sadarat
Kabul, Afghanistan
Attention: Mr. Ubaidullah Sahibzada, Deputy Project Manager/LOTFA
Telephone: +93 799 143499
Email: ubaidullah.sahibzada@undp.org

It is the exclusive responsibility of the proposers to ensure that their proposal reaches the above address before the stipulated deadline. Proposals received after the deadline will be rejected.

11. Clarifications of RFP

Questions on any part of this RFP should be submitted, in writing, to Mr. Ubaidullah Sahibzada, Deputy Project Manager or Salimshah Mushfiq Senior Finance officer LOTFA. Responses, as appropriate, will be copied to all other firms invited to submit a proposal. Questions may be sent via email at ubaidullah.sahibzada@undp.org or Salimshah.mushfiq@undp.org

D. Opening and Evaluation of Proposals

12. Opening of Proposals

Opening and registration of proposals will commence at 11:00 hours local time Kabul, on 30 June 2011 at the address stated in paragraph 10. Each proposer may send one authorized representative to attend the opening and registration of proposals.

13. Evaluation and Comparison of Proposals

A two-stage procedure will be utilized in evaluating the proposals. In Stage One, the technical proposal will be evaluated prior to any price proposal being opened and compared. The price proposal of the proposals will be opened only for submissions that have passed the minimum technical score of 70% of the obtainable score of 1000 points in the evaluation of the technical proposals.

The technical proposal will be evaluated on the basis of its responsiveness to the TOR.

In the Stage Two, the price proposal of all contractors, who have attained minimum 70% score in the technical evaluation, will be compared. The contract will be awarded to the Contractor offering the lowest price.

Technical Evaluation Criteria

Summary of Technical Proposal Evaluation Forms		Score Weight	Points Obtainable	Company / Other Entity				
				A	B	C	D	E
1.	Expertise of Firm / Organization submitting Proposal	30%	300					
2.	Proposed Work Plan and Approach	30%	300					
3.	Personnel	40%	400					
Total			1,000					

Evaluation forms for technical proposals follow on the next two pages. The obtainable number of points specified for each evaluation criterion indicates the relative significance or weight of the item in the overall evaluation process. The Technical Proposal Evaluation Forms are:

Form 1: Expertise of Firm / Organization Submitting Proposal

Form 2: Proposed Work Plan and Approach

Form 3: Personnel

Technical Proposal Evaluation Form 1		Points obtainable	Company / Other Entity				
			A	B	C	D	E
Expertise of firm / organization submitting proposal							
1.1	Reputation of Organization and Staff (Competence / Reliability)	30					
1.2	Litigation and Arbitration history	30					
1.3	General Organizational Capability which is likely to affect implementation (i.e. loose consortium, holding company or one firm, size of the firm / organization, strength of project management support e.g. project financing capacity and project management controls)	40					
1.4	Extent to which any work would be subcontracted (subcontracting carries additional risks which may affect project implementation, but properly done it offers a chance to access specialized skills.	20					
1.5	Quality assurance procedures, warranty	40					
1.6	Relevance of: Specialized Knowledge Experience on Similar Programme / Projects Experience on Projects in the Region Work for Government/UN/ major multilateral/ or bilateral programmes	140					
TOTAL:		300					

Technical Proposal Evaluation Form 2		Points Obtainable	Company / Other Entity				
			A	B	C	D	E
Proposed Work Plan and Approach							
2.1	To what degree does the Offer or understand the task/complexity of the large scale trust fund operation in a post conflict situation and under tight timelines?	20					
2.2	Have the important aspects of the task been addressed in sufficient detail?	20					
2.3	Are the different components of the project adequately weighted relative to one another?	20					
2.4	Is the proposal based on a survey of the project environment and was this data input properly used in the preparation of the proposal?	10					
2.5	Is the conceptual framework adopted appropriate for the task?	70					
2.6	Is the scope of task well defined and does it correspond to the TOR?	80					
2.7	Is the presentation clear and is the sequence of activities and the planning logical, realistic and promise efficient implementation to the project?	80					
TOTAL:		300					

Technical Proposal Evaluation		Points obtainable	Company / Other Entity				
Form 3			A	B	C	D	E
Personnel							
3.1	Task Manager (ONE)		Sub-Score	100			
	General Qualification		90				
	Suitability for the Project						
	- International Experience	15					
	- Training Experience	10					
	- Professional Experience in the area of specialization	45					
	- Knowledge of the region	20					
	- Language Qualifications		10				
3.2	Senior Audit Expert (ONE)		Sub-Score	150			
	General Qualification		140				
	Suitability for the Project						
	- International Experience	50					
	- Training Experience	20					
	- Professional Experience in the area of specialization	50					
	- Knowledge of the region	20					
	- Language Qualifications		10				
3.3	Audit Experts (TWO)		Sub-Score	150			
	General Qualification		140				
	Suitability for the Project						
	- International Experience	20					
	- Training Experience	20					
	- Professional Experience in the area of specialization	80					
	- Knowledge of the region - Knowledge of projects in post-conflict situations - Knowledge of large scale operations	20					
	- Language Qualification (English, Dari an asset)		10				
	Total Part 3			400			

E. Contracting Arrangements

14. Award of contract

LOTFA reserves the right to accept or reject any proposal received in response to this RFP and to negotiate with any of the proposers or other firms in any manner deemed to be in the best interest of LOTFA. Prior to expiration of the period of proposal validity, the procuring LOTFA entity will make its best efforts to select the qualified proposer whose proposal is evaluated to be the most responsive to the needs of the organization and activity concerned, and award the contract.

15. Signing of Contract

Any contract awarded for the services described in this RFP will be signed between the selected firm and MoI -LOTFA. The duration of the contract shall expire upon the completion of the required services.

16. Purchaser's Right to Terminate the Contract

Should LOTFA deem unsatisfactory the services provided by the selected firm, LOTFA shall reserve the right to terminate the contract of audit services with the selected firm.

17. Confidentiality

The selected firm and its staff shall hold confidential the information obtained in connection with the monitoring services undertaken on behalf of LOTFA.

18. Ownership of Monitoring Work Papers

The monitoring work papers and related documentation shall be the property of LOTFA and maybe kept in the custody of the selected firm. The eventual transfer, disposal or destruction of the work papers will be subject to the instruction of LOTFA.

The monitoring work papers and related documentation shall be subject to submission and review by LOTFA solely as per its discretion.

19. Payment

The payment for the monitoring services provided by the MA shall be made to the selected firm on quarterly basis:

The payments shall be effected by UNDP-LOTFA Office in Afghanistan following the clearance of the quarterly reports and certification of satisfactory completion of service by the LOTFA management.

20. General conditions of contract

The contract for the provision of the monitoring services shall be subject to the Government of Afghanistan (GoA) General Conditions of Contract for Professional Services.




Please note that the terms set forth in this RFP and other terms of your proposal shall be included in any contract entered into between your firm and the GoA, should LOTFA accept your proposal. The contract will also require compliance with all statements and representations made in your proposal as to the performance of the monitoring and audit services.

Attachment II

Background Information on the LOTFA

Project: LOTFA Description: Law and Order Trust Fund for Afghanistan Atlas Award: <u>00061140</u> Project ID: 000077273	
No	CONCEPTS
1	<p><u>General Background:</u></p> <p>The Law and Order Trust Fund for Afghanistan (LOTFA) was initially set up as a mechanism for the international community to mobilize additional resources for the establishment, payment, equipment, gender empowerment and capacity development of the police force in Afghanistan.</p> <p>LOTFA has completed V phases and is currently in Phase VI (01 January, 2011 to 31 March 2013). Under this, the project has evolved into a more substantive programme, clustered around three distinct components i.e. Pillar I: police and prisons staff remuneration, as well as police infrastructure; Pillar II: capacity development /institutional reform of the Ministry of Interior (Mol) at the policy, organizational and individual level; and linked to this, gender orientation and mainstreaming in Mol; and Pillar III: community policing (police-e-mardumi) for more effective and accountable police service delivery through police-community partnerships at the district level.</p> <p>In view of the important decisions taken at the June 2010 Kabul Conference relating to the substantial growth of the ANP tashkil over the next two years, which will largely be implemented during the current period of the project, there is corresponding increase in the complexity, size and scale of LOTFA. This entails strengthened commitments and benchmarks for the LOTFA management, the Government of Afghanistan (GoA) and the IC members.</p> <p>Under Pillar 1, the issue of fiscal sustainability of LOTFA expenditures and processes, as well as reinforcement of the accountability and transparency of LOTFA expenditure mechanisms receives added impetus during this phase. In particular, special attention is given to advancement of new-age salary disbursement initiatives like M-paisa mobile salary transfer for inaccessible regions and web-based Electronic Payroll System (EPS) linking the Mol and provincial data, with real potential of enhancing the efficiency and effectiveness of police remunerations. Facilitation is being advanced to Mol towards establishment of institutional provincial human resource structures for more precise determination of the police personnel head count. The focus continues on provision of</p>

	<p>non-lethal equipment and police facilities, particularly relating to police training infrastructure and its maintenance, as contribution towards enhanced police capacity, mobility and responsiveness. Additionally, the remuneration of the uniformed staff of the CPD is continued based on ongoing reform of the corrections services, marking a vital link between the police and justice sectors. Under Pillar 2, capacity development and institutional reform of Mol and the police receive expanded thrust, based on comprehensive capacity assessment. The longer-term focus is on building Mol national capacity for strategic planning and policy implementation; strengthening of the Mol administrative and service institutions /administrative enablers (identified as the sixth police force pillar in the National Police Strategy, NPS); and police development at the individual level. The gender activities are boosted with respect to female recruitment, gender training and awareness, in alignment with Mol gender mainstreaming priorities. Under Pillar 3, building effective police and community partnerships, based on best democratic policing practices, particularly in relation to the Afghan Uniform Police, is a new initiative.</p> <p>The project Steering Committee (SC) is the highest level body responsible for making executive management decisions for the project, approving the operational strategy and procedures and overseeing the project implementation. There is a mechanism to present fiscal incentive proposals to this body in a structured and prioritized way on periodic basis, aligned with the key priorities set out in the document, and drawn from key Mol policy documents. Any case for fiscal incentives needs to be based on comprehensive assessment of the ground impact of past incentives, with parallel consideration of the systemic operational issues.</p> <p>The detailed project document is available at http://www.undp.org.af/WhoWeAre/UNDPinAfghanistan/Projects/ProDocs/LOTFA%20-%20Phase%20V%20Prodoc%20(Colour).pdf</p>
2	<p>Project Duration (start and end dates):</p> <p>01 January, 2011 –31 March, 2013</p>

3	<p>Activities</p> <p>As mentioned above, LOTFA-VI supports the GoA and the police sector within the framework of a 3 Pillar structure covering the following priorities:</p> <p> <u>Pillar 1: Support to the police remunerations and police infrastructure</u></p> <ul style="list-style-type: none"> • Payment of the police force remuneration; • Payment of remuneration of uniformed personnel employed by the Central Prisons Department (CPD) through specially earmarked contributions; • Procurement, maintenance and operations of non-lethal police equipment and supplies; and • Construction, rehabilitation, maintenance and operations of police facilities. <p> <u>Pillar 2: Consolidated capacity development and institutional reform</u></p> <ul style="list-style-type: none"> • Capacity development (CD) and institutional reform of the Ministry of Interior (MoI) at the policy, institution and individual level; • Linked to the CD component above, gender orientation (recruitment, training and gender mainstreaming of female police). <p> <u>Pillar 3: Community Policing: Building of effective police-community partnerships under police-e-mardumi project</u></p> <ul style="list-style-type: none"> • Building of service delivery oriented police-community partnerships under the police-e-mardumi project, based on best democratic policing principles.
4	<p>Where are the activities and field offices located; where do they keep their books and records:</p> <p>Activities of LOTFA are conducted in all 34 provinces of Afghanistan. However, there are no field offices of the project. The financial documents, books and records are at the provincial police headquarters and district police headquarters.</p>
5	<p>Project status – Phase VI of project has been commenced on 1 January 2011.</p>
6	<p>Project Management Structure – i.e who are the stake holders, who are the members of the steering committee ; provide an organization chart and the total number of staff handling the project, by location:</p> <p>The current stake holders (donors) of the project are European Union, , United States of America, Canada, United Kingdom, the Netherlands, Switzerland, Italy, Japan, and Germany. There could be an addition to the list of donors as the project progresses. The Ministry of Interior is the implementing entity of the project. In addition, Ministry of Finance is the other Governmental responsible partner in the project. The project office is located in the Ministry of Interior and the whole project team is located in the project office with around 40 staff. There are no regional or field offices of the project.</p>
7	<p>A description of the project monitoring and evaluation system, such as quarterly/ annual work plan, quarterly/annual work progress reports, evaluation reports, e.t.c:</p> <p>LOTFA prepares annual work plan, quarterly work progress reports and annual work progress report. In addition, monthly field monitoring missions are undertaken by the LOTFA and UNDP staff in collaboration with the Government counterparts.</p>
8	<p>Total estimated expenditure – Total budget and expenditure broken down by activities (or</p>

	<p>meaningful categories) for the project:</p> <p>Total Budget of the project for two years is estimated USD 1,400,000,000. The detailed breakdown of the budget is in the project document that could be visited at http://www.undp.org.af/WhoWeAre/UNDPinAfghanistan/Projects/ProDocs/LOTFA%20-%20Phase%20V%20Prodoc%20(Colour).pdf</p>
9	<p>Financial accounting system</p> <p>The financial system that will be monitored by the monitoring agent is in accordance with the Government of Afghanistan's Ministry of Finance's financial accounting system. All documentation and reporting will also be done accordingly.</p>
10	<p>Financial Management System</p> <p>The financial system that will be monitored by the monitoring agent is in accordance with the Government of Afghanistan's Ministry of Finance's financial management system. All documentation and reporting is also done accordingly.</p>

Attachment III

Terms of Reference

Monitoring Agent for the Law and Order Trust Fund for Afghanistan (LOTFA)-VI

Background

It is evident that despite the considerable progress of the past several years, Afghanistan still needs substantial rehabilitation and reconstruction support. But to accomplish this, a secure environment continues to be a challenge as well as a prerequisite. In recognition of this, a strengthened national police force remains an essential element for ensuring security and rule of law in Afghanistan.

Strengthening the national police force, both in quantitative and qualitative terms, for national security and recovery, represents one of the highest priorities for the Government of Afghanistan (GoA). The MoI's 5- year police reform priorities have been developed in the National Police Strategy (NPS) which provides strategic guidance for continued development and operational capability of MoI to meet the challenge of stabilization, civil order, law enforcement and security of Afghanistan. At the Kabul Conference of 20 July, 2010 there was reaffirmation of continued implementation of the NPS and its underpinning NPP to build a strong, professional police force, with focus on institutional and administrative reforms of the MoI including the implementation of the Anti-Corruption Action Plan and leadership development.

Since the Afghan Interim Authority first took office in 2002, UNDP has played an important role in enabling MoI to begin the process of rebuilding the civilian police by working jointly with all stakeholders. Donor resources covered the salaries of police in Kabul for the first six months of 2002 through the UNDP managed Afghanistan Interim Authority Fund (AIAF). In May 2002, at the request of the Government and United Nations Assistance Mission in Afghanistan (UNAMA), UNDP established the LOTFA to enable the police to return to operation throughout the country. LOTFA is administered by UNDP and nationally managed through the MoI. It is governed by UNDP's financial rules and regulations.

In Phase-VI of LOTFA, in accordance with the scope and mandate laid out in the document, the Fund will receive financial contributions from the international community (IC) members under 3 consolidated Pillars (“windows”) to cover the following prioritized components, over the period 01 January 2011 to 31 March 2013:

Pillar 1: Support to the police remunerations and police infrastructure

- Payment of the police force remuneration;
- Payment of remuneration of the uniformed personnel employed by the Central Prisons Department (CPD) through specially earmarked contributions;
- Procurement, maintenance and operations of non-lethal police equipment and supplies; and
- Construction, rehabilitation, maintenance and operations of police facilities.

Pillar 2: Consolidated capacity development and institutional reform

- Capacity development (CD) and institutional reform of the Ministry of Interior (MoI) at the policy, institution and individual Afghan National Police (ANP) level;
- Linked to the CD component above, gender orientation (recruitment, training and gender mainstreaming of female police).

Pillar 3: Community Policing: Building of effective police-community partnerships under police-e-mardumi project

- Building of service delivery oriented police-community partnerships under police-e-mardumi project, based on best democratic policing principles.

The LOTFA Steering Committee has agreed to the continuous engagement of a monitoring agent by the Trust Fund. This is in recognition that special attention is continuously needed to monitor and support financial management and accountability practices as well as HR systems until capacity of the MoI is built in these areas. A qualified and independent Monitoring Agent (MA) will be contracted by MOI/LOTFA after the expiry of the contract of the current MA on 10 August, 2011 for a period of one year initially to continue to monitor and review disbursements, payments, accounting, HR headcounts and reporting for LOTFA activities. The MA will carry out physical verification of the personnel on pay roll. The MA will also provide pre and post auditing services and report on disbursement claims by the Ministry of Finance (MoF).

Thus, MA is assigned tasks that are similar to those of a Financial and HR Controller and pre-and post-audit service. The role of MA will be limited to monitoring activities under the Remuneration and payment of police component. The MA will be working primarily at the MoI and will liaise closely with MoF and the LOTFA project office. .

Assignment Objectives

The overall goal of this MA assignment is to monitor, support, and report on the efficient and effective implementation of the remuneration and payment of all Afghan National Police and small component of uniformed personnel of Central Prisons Department (CPD) component of LOTFA as well as verify and maintain the HR data base. Specific objectives are to:

- Review, monitor and audit payments of salaries, food allowances and other remunerations of the police, remunerations of CPD uniformed personnel, as well as reimbursement transactions from LOTFA to the Ministry of Finance for eligible expenditures;
- Support continuous improvement of fiduciary standards;
- Improve capacity of the central, provincial, and district Mol staff in financial management and accountability of recurrent expenditures related to police payroll and food allowance;
- Assist in maintaining the police headcount database; and
- Bring critical issues to the early attention of MOI/LOTFA and the Government as identified.

Detailed Scope of Services/Roles and Responsibilities

- The MA will screen police payroll reports and food allowance related expenditure as well as monitor disbursement of police salaries in provinces to ensure that funds are disbursed only to policemen physically serving. The MA will prepare a monitoring plan including physical verification on a scientific sampling basis which will assure a reasonable level of confidence that salaries are paid only to serving policemen. The plan will be approved by the SC. More specifically, the MA is expected to:
 - Provide timely reviews and transmission of reimbursement applications to Mol from MoF. It will also provide required support to MoF in preparing reimbursement applications.
 - Screen Mol provincial financial reports relating to police payroll to ensure reconciliation of these reports with data from the Afghanistan Financial Management Information System (AFMIS), police headcount database and police ID card project.
 - Verify that amounts reported as expended both by MoF and Mol are properly accounted for, and provide MOI/LOTFA with a timely opinion and recommendation for completing the requested reimbursement.

Review documentation and procurement procedures utilized for food items purchased as part of the police food allowance eligible for reimbursement from LOTFA, to ensure that the procurement and expenditure follow the correct procedures of the Government of Afghanistan.

- Monitor payroll expenditures of Mol to ensure that funds are disbursed to policemen in all provinces. Verify transactions through site visits to provinces and districts and sampling of disbursement of police salaries by checking Electronic Payroll System (EPS) listing. Conduct physical verification of delivery of contracted quantities of food under LOTFA funded procurement and general adherence to contractual terms. Report on exceptions immediately, including suspected cases of misuse of funds, as well as suggest preventive and corrective measures.
- Work closely with the Mol and MoF to ensure that the rules for eligibility of expenditures are widely understood. Meet weekly with Mol officials to address issues of concern to LOTFA and discuss solutions. Provide technical assistance to Mol/LOTFA to conduct workshops and training seminars for provincial police to improve their ability to submit correct documentation, including Reports generated by EPS. Assist in maintaining police headcount database at the Mol, supervise data entry, perform consistency checks with other sources of information, and ensure production of timely reports to satisfy the fiduciary standards.

- Provide structural inputs for physical verification, updating the police headcount database of the MOI and provincial/district HQ, and improving existing payroll records.

Reporting by the LOTFA MA

The LOTFA MA will report to the MOI/LOTFA project office on a monthly and quarterly basis, or as required. The quarterly reports will be submitted to the Steering Committee by LOTFA management..

- The monthly reports should be issue-focused and provide both aggregated and detailed financial information in order to support month to month analysis. The reports should address, in detail, expenditures issues, with an emphasis on reconciliation of MoI payroll and food allowance expenditure, eligible and ineligible claims, project contracts in execution, HR data and other relevant information.
- The quarterly reports should provide detailed analysis of trends and recurring challenges, identify problems in relation to execution of expenditure and HR data maintenance under LOTFA and recommend appropriate actions, and describe positive feedback and lessons learned.
- The MA should meet on a regular basis with MoI and MoF (and stakeholders, if merited) to discuss issues, findings and other information addressed in the monthly and quarterly reports.

Monitoring Agent Team

- The team should be ideally composed of mix of internationals and national staff in Kabul as well as all regional/provincial zones.
- The team should include staff with advanced university degrees or equivalent in finance/accounting or business administration;
- Team leader should have at least seven years of relevant work experience and expertise in public financial management, financial controlling, accounting, and/or auditing;
- The team should have collective expertise in financial management, payroll systems, auditing and procurement as well as HR systems;
- Collective experience in project appraisal with reference to financial management, preferably with international exposure through Governmental institutions, NGOs, UN agencies and/or other organizations;
- Knowledge of the Afghanistan's financial system and financial management standards would be an asset;
- The team should have proven management capacity, excellent IT skills and command of MS Office applications and financial software applications;
- Fluency in English is a must; fluency in Dari and/or Pashto would be an advantage;
- Proven written and oral communication skills, reporting skills and project appraisal experiences.

General conditions of Contract for Professional Services

1. LEGAL STATUS

The Contractor shall be considered as having the legal status of an independent contractor vis-à-vis LOTFA. The Contractor's personnel and sub-contractors shall not be considered in any respect as being the employees or agents of LOTFA.

2. SOURCE OF INSTRUCTIONS

The Contractor shall neither seek nor accept instructions from any authority external to LOTFA in connection with the performance of its services under this Contract. The Contractor shall refrain from any action which may adversely affect LOTFA and shall fulfill its commitments with the fullest regard to the interests of LOTFA.

3. CONTRACTOR'S RESPONSIBILITY FOR EMPLOYEES

The Contractor shall be responsible for the professional and technical competence of its employees and will select, for work under this Contract, reliable individuals who will perform effectively in the implementation of this Contract, respect the local customs, and conform to a high standard of moral and ethical conduct.

4. ASSIGNMENT

The Contractor shall not assign, transfer, pledge or make other disposition of this Contract or any part thereof, or any of the Contractor's rights, claims or obligations under this Contract except with the prior written consent of LOTFA.

5. SUB-CONTRACTING

In the event the Contractor requires the services of sub-contractors, the Contractor shall obtain the prior written approval and clearance of LOTFA for all sub-contractors. The approval of LOTFA of a sub-contractor shall not relieve the Contractor of any of its obligations under this Contract. The terms of any sub-contract shall be subject to and conform to the provisions of this Contract.

6. OFFICIALS NOT TO BENEFIT

The Contractor warrants that no official of LOTFA or GoA has received or will be offered by the Contractor any direct or indirect benefit arising from this Contract or the award thereof. The Contractor agrees that breach of this provision is a breach of an essential term of this Contract.

7. INDEMNIFICATION

The Contractor shall indemnify, hold and save harmless, and defend, at its own expense, LOTFA, its officials, agents, servants and employees from and against all suits, claims, demands, and liability of any nature or kind, including their costs and expenses, arising out of acts or omissions of the Contractor, or the Contractor's employees, officers, agents or sub-contractors, in the performance of this Contract. This provision shall extend, inter alia, to claims and liability in the nature of workmen's compensation, products liability and liability arising out of the use of patented

inventions or devices, copyrighted material or other intellectual property by the Contractor, its employees, officers, agents, servants or sub-contractors. The obligations under this Article do not lapse upon termination of this Contract.

8. INSURANCE AND LIABILITIES TO THIRD PARTIES

- 8.1 The Contractor shall provide and thereafter maintain insurance against all risks in respect of its property and any equipment used for the execution of this Contract.
- 8.2 The Contractor shall provide and thereafter maintain all appropriate workmen's compensation insurance, or its equivalent, with respect to its employees to cover claims for personal injury or death in connection with this Contract.
- 8.3 The Contractor shall also provide and thereafter maintain liability insurance in an adequate amount to cover third party claims for death or bodily injury, or loss of or damage to property, arising from or in connection with the provision of services under this Contract or the operation of any vehicles, boats, airplanes or other equipment owned or leased by the Contractor or its agents, servants, employees or sub-contractors performing work or services in connection with this Contract.
- 8.4 Except for the workmen's compensation insurance, the insurance policies under this Article shall:
- (i) Name LOTFA as additional insured;
 - (ii) Include a waiver of subrogation of the Contractor's rights to the insurance carrier against LOTFA;
 - (iii) Provide that LOTFA shall receive thirty (30) days written notice from the insurers prior to any cancellation or change of coverage.
- 8.5 The Contractor shall, upon request, provide LOTFA with satisfactory evidence of the insurance required under this Article.

9. ENCUMBRANCES/LIENS

The Contractor shall not cause or permit any lien, attachment or other encumbrance by any person to be placed on file or to remain on file in any public office or on file with GoA against any monies due or to become due for any work done or materials furnished under this Contract, or by reason of any other claim or demand against the Contractor.

10. TITLE TO EQUIPMENT

Title to any equipment and supplies that may be furnished by LOTFA shall rest with LOTFA and any such equipment shall be returned to LOTFA at the conclusion of this Contract or when no longer needed by the Contractor. Such equipment, when returned to LOTFA, shall be in the same condition as when delivered to the Contractor, subject to normal wear and tear. The Contractor shall be liable to compensate LOTFA for equipment determined to be damaged or degraded beyond normal wear and tear.

11. COPYRIGHT, PATENTS AND OTHER PROPRIETARY RIGHTS

LOTFA shall be entitled to all intellectual property and other proprietary rights including but not limited to patents, copyrights, and trademarks, with regard to products, or documents and other

materials which bear a direct relation to or are produced or prepared or collected in consequence of or in the course of the execution of this Contract. At the LOTFA's request, the Contractor shall take all necessary steps, execute all necessary documents and generally assist in securing such proprietary rights and transferring them to LOTFA in compliance with the requirements of the applicable law.

12. USE OF NAME, EMBLEM OR OFFICIAL SEAL OF LOTFA OR THE GOVERNMENT OF AFGHANISTAN

The Contractor shall not advertise or otherwise make public the fact that it is a Contractor with LOTFA, nor shall the Contractor, in any manner whatsoever use the name, emblem or official seal of LOTFA or the Government of Afghanistan (GoA), or any abbreviation of the name of LOTFA or the GoA in connection with its business or otherwise.

13. CONFIDENTIAL NATURE OF DOCUMENTS AND INFORMATION

- 13.1 All maps, drawings, photographs, mosaics, plans, reports, recommendations, estimates, documents and all other data compiled by or received by the Contractor under this Contract shall be the property of LOTFA, shall be treated as confidential and shall be delivered only to LOTFA authorized officials on completion of work under this Contract.
- 13.2 The Contractor may not communicate at any time to any other person, Government or authority external to LOTFA, any information known to it by reason of its association with LOTFA which has not been made public except with the authorization of LOTFA; nor shall the Contractor at any time use such information to private advantage. These obligations do not lapse upon termination of this Contract.

14. FORCE MAJEURE; OTHER CHANGES IN CONDITIONS

- 14.1 Force majeure, as used in this Article, means acts of God, war (whether declared or not), invasion, revolution, insurrection, or other acts of a similar nature or force which are beyond the control of the Parties.
- 14.2 In the event of and as soon as possible after the occurrence of any cause constituting force majeure, the Contractor shall give notice and full particulars in writing to LOTFA, of such occurrence or change if the Contractor is thereby rendered unable, wholly or in part, to perform its obligations and meet its responsibilities under this Contract. The Contractor shall also notify LOTFA of any other changes in conditions or the occurrence of any event which interferes or threatens to interfere with its performance of this Contract. The notice shall include steps proposed by the Contractor to be taken including any reasonable alternative means for performance that is not prevented by force majeure. On receipt of the notice required under this Article, LOTFA shall take such action as, in its sole discretion, it considers to be appropriate or necessary in the circumstances, including the granting to the Contractor of a reasonable extension of time in which to perform its obligations under this Contract.
- 14.3 If the Contractor is rendered permanently unable, wholly, or in part, by reason of force majeure to perform its obligations and meet its responsibilities under this Contract, LOTFA shall have the right to suspend or terminate this Contract on the same terms and conditions as are provided for in Article 15, "Termination", except that the period of notice shall be seven (7) days instead of thirty (30) days.

15. TERMINATION

- 15.1 Either party may terminate this Contract for cause, in whole or in part, upon thirty days notice, in writing, to the other party. The initiation of arbitral proceedings in accordance with Article 16 "Settlement of Disputes" below shall not be deemed a termination of this Contract.
- 15.2 LOTFA reserves the right to terminate without cause this Contract at any time upon 15 days prior written notice to the Contractor, in which case LOTFA shall reimburse the Contractor for all reasonable costs incurred by the Contractor prior to receipt of the notice of termination.
- 15.3 In the event of any termination by LOTFA under this Article, no payment shall be due from LOTFA to the Contractor except for work and services satisfactorily performed in conformity with the express terms of this Contract. The Contractor shall take immediate steps to terminate the work and services in a prompt and orderly manner and to minimize losses and further expenditures.
- 15.4 Should the Contractor be adjudged bankrupt, or be liquidated or become insolvent, or should the Contractor make an assignment for the benefit of its creditors, or should a Receiver be appointed on account of the insolvency of the Contractor, LOTFA may, without prejudice to any other right or remedy it may have, terminate this Contract forthwith. The Contractor shall immediately inform LOTFA of the occurrence of any of the above events.

16. SETTLEMENT OF DISPUTES

16.1. Amicable Settlement

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

16.2. Arbitration

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

17. PRIVILEGES AND IMMUNITIES

Nothing in or relating to this Contract shall be deemed a waiver, express or implied, of any of the privileges and immunities of the GoA, including its subsidiary organs.

18. TAX EXEMPTION

- 18.1 LOTFA as UNDP National Implementation Modality (NIM), is not exempt from all GoA taxes, charges for public utility services, and is not exempt from customs duties and charges of a similar nature.

OBSERVANCE OF THE LAW

The Contractor shall comply with all laws, ordinances, rules, and regulations bearing upon the performance of its obligations under the terms of this Contract.

AUTHORITY TO MODIFY

No modification or change in this Contract, no waiver of any of its provisions or any additional contractual relationship of any kind with the Contractor shall be valid and enforceable against LOTFA, unless provided by an amendment to this Contract signed by the authorized official of LOTFA.

Attachment V

Proposal Submission Form

Dear Sir / Madam,

Having examined the Request for Proposal (RFP), we, the under- signed, offer to provide Monitoring Agent (MA) services to the Law and Order Trust Fund For Afghanistan (LOTFA) for the period of one year starting from the date of signing the contract agreement for the sum of US\$ XXXXXXXX.XX as ascertained in the project schedule in the proposal.

We undertake, if our Proposal is accepted, to commence and complete delivery of all services specified in the contract within the time frame stipulated.

We agree to abide by this Proposal for a period of 60 days from the date fixed for opening of proposals in the RFP, and it shall remain binding upon us and may be accepted at any time before the expiration of that period.

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

Dated this day /month/year

Signature
(In the capacity of)

Duly authorised to sign Proposal for and on behalf of

Attachment VI

Acknowledgement Letter

PLEASE TYPE OR PRINT ELEGIBLY & RETURN BY DD-MM-2011 VIA mail. info@lotfa.org.af

Date

Dear Mr.

Subject: Request for Proposal (RFP) for Monitoring Agent (MA) Services for the LOTFA project

We the undersigned acknowledge receipt of your RFP dated XXXXX for the 2011- 2012 (1-year) MA services of the above mentioned project and hereby confirm that

a) We intend

b) We do not intend

to submit a proposal to the LOTFA by the deadline of XXXXXXXX.

Name of our representative (s) designated for this engagement		1..... , and			
		2.....			
Firm/Company's name (Proposer)					
Address:					
City		State		Zip	
Signature of Authorized Representative:					
Name		Title			
Telephone No.		Ext.		Fax No.	
Email address					