



Technical Specifications
for establishment of Long-Term Agreement (LTA)
for the
Supply of Refrigeration and Air-conditioning (RAC) Equipment
required for various Montreal Protocol projects in over eighty (80)
different countries

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1. BACKGROUND AND PURPOSE

UNIDO's Division of Climate Innovation and Montreal Protocol (TCS/CMP) assists Member States in the emergence, deployment, and large-scale up-take of solutions for low carbon and climate resilient industrialization. The division promotes innovative approaches to achieve transformational change in climate change by innovating across key levers of change including technology, finance, policy, and regulation.

The Division is responsible for the dual mandate of accelerating innovation and building climate innovation ecosystems to promote low-carbon and climate-resilient industrialization; and planning, developing and implementing interventions to facilitate compliance with the Montreal Protocol and its Kigali Amendment and to support countries in achieving their NDCs.

The Montreal Protocol Unit (TCS/CMP/MPU) is responsible for the planning, development and implementation of activities in Member States to facilitate compliance with the Montreal Protocol and, in particular, its Kigali Amendment and to support countries to achieve their NDCs. In addition, the Unit is responsible, in close collaboration with other relevant entities in the Organization, to facilitate the transfer of and establish markets for low-carbon technologies, ensuring their widespread use by industry and local communities, thereby contributing to climate mitigation and adaptation in recipient countries. Through capacity building and policy support, the Unit's services promote manufacturing transformation in refrigeration, air conditioning and insulation technologies, resulting in the reduction and substitution of fluids and chemicals, and ultimately reduction in overall greenhouse gas emissions and promote climate-resilient economies.

2. LONG-TERM AGREEMENT (LTA)

UNIDO intends to enter into a Long-Term Agreements (LTAs) with one or more successful bidders for the purchase of Refrigeration and Air-conditioning (RAC) Equipment required for various Montreal Protocol projects.

In the event that UNIDO will sign a LTA with selected service provider(s), the following shall apply:

- The LTA shall be valid for initially three (3) years from the date when both parties have signed the agreement with an option for further extension of additional two (2) years subject to satisfactory performance of the service providers and at UNIDO's discretion;
- UNIDO will not commit to purchase any minimum quantity of the services, and purchases will be made only if and when there is an actual requirement. UNIDO will not be liable for any cost in the event that no purchases are made under any resulting LTA;
- The LTA will be signed on a non-exclusive basis. UNIDO shall have no limitation on its right to enter, concurrently, into additional contract(s) with other companies for same and/or similar services.

Under the established LTA, call-off contract(s)/Purchase Order(s) will be issued by UNIDO's Project Managers at UNIDO Headquarters (HQs) at Vienna and/or Field Offices.

In case UNIDO opts to establish a LTA with more than one service provider call-offs can be awarded directly to one selected supplier or, at the discretion of the Project Manager, an additional competition exercise might be carried out among the selected suppliers. Please refer to the section below 'LTA call-off procedure'.

The average annual Not to Exceed (NTE) amount is estimated up to three (3) million. The indicated amount is only an estimate based on previous years and future possible requirements. However, UNIDO will not commit to order any minimum volume or minimum amount as indicated above.

2.1 LTA call-off procedure

In general, subject to the specific project requirement(s), a call-off contract/purchase order under a LTA should follow the processes described below:

- Selected supplier(s) receive a 'request for offer' based on list of required items, country of delivery, possible training etc. for specific project requirements from the Project Manager/project team .
- Within a requested time period (to be specified in the LTA, but generally no more than 1 to 2 weeks), supplier(s) shall submit an offer to the UNIDO Project Manager/Project team, based on the established terms and conditions of the LTA, followed by clarification Q&A whenever necessary.
- Upon receipt of the proposal(s) the Project Manager/project team conducts a review of the proposal(s) and determines if it meets the specific project needs (technical, timeline, delivery modality, training capacity, commercial etc.). In case more than one supplier was requested a proposal, the technically acceptable lowest cost one will be awarded the call-off Purchase Order.

Once a technically acceptable lowest cost bid has been identified, the Project Manager will send a call-off purchase order/contract to the supplier for its countersignature. Equipment and related services are to be provided in line with the offer for the specific call-off as well as the overall terms and conditions of the LTA.

3. REQUIRED SCOPE OF SUPPLY AND TECHNICAL REQUIREMENTS

In the context of executing the Montreal Protocol Unit mandate, UNIDO requests interested companies to submit a proposal for the supply of Refrigeration and Air-conditioning (RAC) Equipment in multiple countries in line with the specifications and requirements outlined in tender documents.

→ **Please refer to the detailed list (Appendix 3a - Technical Proposal bid sheet and Appendix 3b – Commercial Proposal bid sheet) required for the supply and delivery of equipment.**

Scope of supply of the individual call-offs under the LTA(s) may vary, depending on the needs of a specific project, in terms special equipment and related spare parts, training (if required), delivery modality etc..

Spare Parts

The bidder shall guarantee the availability of spare parts and equipment for a minimum period of three (3) years, where applicable.

Delivery terms/Transportation costs/Insurance

The Supplier shall undertake all efforts to minimize the transportation costs from the company site to each relevant UNIDO project site. The Supplier shall ensure that each equipment is properly insured by the Supplier from the despatch from the company site or manufacturer location to final delivery at each relevant Delivery at Place (DAP) named UNIDO Project Site and acceptance by UNIDO of the equipment, whichever occurs later.

Notwithstanding the above, when determining the freight costs for delivery of the equipment to the relevant UNIDO project site, UNIDO may request the selected Supplier in writing to submit a non-binding quotation for its consideration. UNIDO may at its sole discretion engage another freight forwarder for the delivery of the Equipment from the company or manufacturer site to the relevant DAP named UNIDO Project Site (INCOTERMS 2020).

Warranty Terms

The bidder shall provide a warranty for 12 months on all goods supplied, ensuring that goods supplied under the contract shall be free from defects. The supplier shall repair or replace at his own expense and as soon as practicable any defective goods within the warranty period.

Technical Documentation for the equipment delivered to the project site(s)

The bidder must provide all relevant technical documentation/instructions/operations manuals in English language and, any other languages well as French and/or Spanish, if and as required. In addition, where possible, an electronic version should be provided.

Geographical coverage

The bidder shall include detailed information relating to its geographic or regional coverage including information about its own offices, network offices etc.

The bidder shall clearly indicate country(ies) which cannot be supplied.

Payment terms **WITHOUT training**

Progress Payments	Deliverables	Payment Plans
1 st payment	Upon receipt and acceptance by UNIDO of the complete set of shipping documents	60%
2 nd payment	Upon receipt of equipment at end-user place (DAP) including confirmation by UNIDO that goods have been received in line with the requirements	40%
TOTAL		100%

Payment terms **WITH training**

Progress Payments	Deliverables	Payment Plans
1 st payment	Upon receipt and acceptance by UNIDO of the complete set of shipping documents	40%
2 nd payment	Upon receipt and acceptance of the equipment at the final destination including confirmation by UNIDO that goods have been received in line with the requirements	40%
3 rd payment	Upon receipt and acceptance by UNIDO of the Certificate of Acceptance (CoA) signed by supplier, end user and UNIDO representative that training has been provided in accordance with requirements,	20%
TOTAL		100%

The above-mentioned proposed payment plan shall be automatically applied throughout the duration of the LTA. Suppliers are required to adhere to this schedule unless stated otherwise in specific POs, based on strong justification from suppliers or project teams responding to evolving supply chain developments.

4. PROPOSAL

For the purpose of comparing submitted offers, the present Technical Specifications requests tender participants to submit a proposal covering the following dimensions:

4.1. Technical:

- Covering the scope of supply and technical requirements outlined in this Technical Specifications as well as in Appendix 3a – Technical Proposal bid sheet including but not limited to:
 - spare parts
 - delivery terms/transportation costs and insurance
 - warranty terms
 - technical documentation for equipment to be delivered to the project site(s)
 - geographical coverage

- Reference projects/Experience fulfilling contracts with similar requirement
The Bidder shall list references (within the past five years) of projects and contracts/LTAs and previous experiences in successfully fulfilling contracts of a similar nature / size to the subject ITB.
- **PARTIAL BIDS ARE ACCEPTABLE, however, at least 2/3rd of the total items (i.e. 140 out of 209) must be quoted (quotations with less items will be rejected).**

4.2 Commercial:

- Commercial proposal must be submitted in line with the Appendix 3b – Commercial Proposal bid sheet.
- Quoted prices must be valid for at least one year and must be quoted in United States Dollar.
- **Price indexation:** After this period of at least one year, there is the possibility of yearly price index adjustments as set by the European Union Statistical Office (EuroStat) – any price adjustment must be documented and is to be reviewed and accepted by UNIDO.