

TERMS OF REFERENCE (TOR) – FOR PROVISION OF DOMESTIC FTL AND LTL CARGO TRANSPORT SERVICES WITHIN BRAZIL

UNHCR IMMUNITIES AND PRIVILEGES IN BRAZIL

As per Decree no. 52.288, the Brazilian Government recognizes UNHCR as a permanent foreign mission whilst articles 15, item IV and 161 of Decree-Law no. 37/1966 and 54, item XII of Decree no. 7,212 / 2010, clarify the tax benefits enjoyed by the Organization in Brazil.

OBJECTIVE:

The Office of the United Nations High Commissioner for Refugees (UNHCR) in Brazil is interested in establishing Frame Agreement(s) with one or more qualified companies for the provision of cargo transportation services for UNHCR operations at the national level.

The objective of this procurement action is to contract with one or more service providers that have the necessary expertise to perform, with the highest standards of quality and compliance, the required services. The contracted company(s) must be authorized by the competent authorities and must normally provide such services under Brazilian regulations with full technical, financial, managerial, and administrative autonomy.

The modality of contract resulting from this tender will be a Frame Agreement. This type of Contract does not require a financial commitment from UNHCR at the time of signing. Financial commitments will be established on a case-by-case basis, each time services are requested, through the issuance of purchase orders.

The award of a Contract does not confer upon the successful bidder any exclusivity with respect to the services provided (it is at the discretion of UNHCR and UNHCR specifically reserves the right to award more than one Frame Agreement for the provision of the services), nor does it grant the successful bidder any rights of a different or more extensive nature.

Frame Agreement(s) will have an initial duration of three (3) years, with the possibility of an extension of two (2) additional periods of one (1) year each, subject to the satisfactory performance of the Contractor(s) and UNHCR's requirement for the provision of services.

GENERAL INFORMATION ON UNHCR OPERATIONS IN BRAZIL

UNHCR's Branch Office is located in Brasilia - DF, whilst Field Offices are located in São Paulo - SP, Belem - PA, Manaus - AM, and Boa Vista – RR, including an office in Pacaraima. We also have an extended presence in Brazil through partner entities as displayed in the map below for ease reference on main locations that will be served under eventual Frame Agreement(s).

Nevertheless, UNHCR operates nationwide and might need the services described in this tender in other locations not specifically indicated in the map above.

NOTE: UNHCR may request the Contractor to have access to remote locations.

UNHCR's physical warehouse is currently located in Boa Vista, Roraima. UNHCR relies on a mixture of locally sourced and imported items centrally procured by the Organization at global level. Majority of the cargo is being distributed from Boa Vista warehouse to the refugee camps and partners located in several regions in Brazil.

Main commodities imported/exported and shipped nation-wide include, but are not limited to:

- ICT equipment, e.g. laptops, printers, telecommunication devices, etc.,
- Hygiene kits, cleaning kits, diapers and hammocks,
- Blankets, plastic sheets, buckets, tents,
- Dissembled housing units/prefabricated warehouses.



REQUIREMENTS

- **Minimum requirements for potential service providers:**

- ✓ To have at least three (3) years in business in order to be able to contract with UNHCR.
- ✓ To not be / have been involved in bankruptcy or liquidation, and there are no pending judgments or lawsuits against the Bidder that may impair its operations in the near future.
- ✓ To be authorized to perform transportation services in Brazil by the holding of valid business license(s) and permits as applicable.
- ✓ To have sufficient capacity to undertake the required services (e.g. cargo transportation expertise/experience, specific knowledge regarding local regulations and how they apply to humanitarian organizations, trained personnel, access to any required equipment).
- ✓ To be capable of operating in full truck load (FTL) as well as less truck load (LTL)
- ✓ To be fully insured in accordance with relevant local legislation.

- **Fees and Payments**

The Contractor(s) will be required to abide by the prices quoted in the Financial Offer Form for the duration of the Contract (Annex C).

All invoices submitted to UNHCR must include the corresponding UNHCR Purchase Order number, a detailed breakdown of the services rendered and their corresponding charges with any relevant supporting documents attached.

The Contractor(s) must inform UNHCR in a timely manner and obtain approval of any activity that may impose any additional financial obligations.

UNHCR will pay to the Contractor via Bank transfer upon satisfactory provision of the required services up to 30 days after receipt of invoice.

- **Affiliates/Agents of the Contractor**

UNHCR recognizes the potential need for the Service Provider to work with affiliates, agents and subcontractors in order to meet all service requirements in all areas outlined in this document. To this end, subcontracting is possible under provisions outlined in UNHCR's General Terms and Conditions for Contracts included as Annex D of this RFP.

- **Geographical coverage**

The Contractor(s) must be able to operate in the whole national territory either directly or through third party arrangements for the provision of the required services.

CARGO TRANSPORTATION SERVICES

UNHCR is looking for qualified, experienced, and capable service providers to ensure the timely transportation of humanitarian cargo within the Brazilian territory, including loading and offloading, when required, according to the routes and other conditions indicated by UNHCR in each written request.

NOTE: UNHCR does not transport commercial cargo, only of humanitarian nature and exempted from direct national taxes.

1. Overview of Required Services

The Contractor shall provide the following services on a priority basis:

- 1.1 The Contractor will receive a quote request from UNHCR, the values of which must comply with those agreed in the Long-Term Contract, and authorization from UNHCR for the Contractor to carry out the freight will be sent up to 48 hours in advance of the collection date.
- 1.2 The Contractor shall provide the equipment, facilities, qualified personnel, expertise and other means necessary to carry out the transportation in accordance with best commercial practice.
- 1.3 The Contractor shall be aware of international conventions and local laws with respect to the carriage of goods by road, air and river.
- 1.4 The Contractor shall immediately inform UNHCR of any changes in policies, rules and regulations relating to transportation of cargo by any of these transportation means.
- 1.5 Managing all the logistics from the collection to the destination point which must not necessarily coincide with a port or airport, ensuring that goods are collected and transported without delay.
- 1.6 The Contractor will provide full transportation services according to the requested mode of transportation (which could include river components) inclusive of, if and when applicable: Drivers, Fuel, Lubricants, Spare Parts, Repairs, Backup Vehicles, Staff Salaries and Allowances, Phone Communication, a Dedicated Liaison Officer for UNHCR.
- 1.7 Availing, under its own responsibility and costs, personnel, equipment and the logistics required for the loading and unloading of the cargo, including, among others, packing/unpacking, use or lease of equipment required for loading/unpacking, stuffing/unpacking of containers whilst ensuring safety of supplies to the point of delivery.
- 1.8 The Contractor will provide transport services for un-containerized and containerized loads within Brazil. In the case of containerized load, this may not be a regular need and it may be primarily limited to the route Manaus – Boa Vista.
- 1.9 In case of containerized cargo, the Contractor will be responsible for returning the container in accordance with applicable incoterm.
- 1.10 Providing the appropriate vehicles to/from the collection/destination points ensuring that vehicles and personnel comply with the transit and transportation rules established in the Brazilian legislation.
- 1.11 The Contractor shall immediately notify UNHCR if an impediment arises during the performance of any service and shall also inform of the proposed solution to enable the service in question to continue immediately. In the event that a departure is cancelled, or cargo is not loaded due to delays or other reasons, UNHCR must be informed immediately of the reasons for the cancellation, delay or non-loading and the proposed alternative or revised departure.
- 1.12 Ensuring that all shipments are made without delay and arrive at their destination within the normal time frame acceptable for the route in question. Please note that due to the nature of the humanitarian cargo, time is often of the essence.
- 1.13 Establishing, monitoring and reporting standard transit times in each active transport lane.
- 1.14 For emergency shipments, support will be required 24 hours a day, 7 days a week, to ensure immediate shipment when the goods are ready.
- 1.15 Selecting from the usual routes from the point of departure to the destination within the time limits set forth in the Contract. UNHCR must quote in advance the costs of transportation from the point of collection to the point of destination, and this must be reflected in the final invoice, unless otherwise agreed and authorized in writing.
- 1.16 In the event that the goods are loaded with damage, this shall be noted on the consignment note and UNHCR shall be notified immediately. Upon delivery of the consignments, the authorized consignee shall acknowledge receipt of the consignments:

- A. The quantity and type of goods received and the date of receipt.
 - B. The condition of the goods received, including details as to whether the packaging of the goods was damaged prior to receipt by the consignee or UNHCR.
 - C. The name and signature of the authorized representative. The service provider must include a copy of such acknowledgement with all documentation provided in support of the invoice.
- 1.17 In very exceptional cases, UNHCR may transport temperature-controlled cargo. In such cases, the special requirements for such cargo must be met and the maintenance of the cold chain must always be respected. Please confirm whether your company has the capacity to transport such cargo, noting that in case of a negative response, this is not a disqualifying criterion.
- 1.18 Exercising due diligence to detect any unusual shipments of goods, such as possible duplicate shipments, sudden increase or decrease in volume to a destination, etc. This fact shall be reported to UNHCR immediately upon detection.
- 1.19 The Contractor must have an extensive network of offices within the country, ideally in accordance with UNHCR presence, but at minimum in Brasilia.
- 1.20 The Contractor must demonstrate sound financial stability to ensure the continued development of transport activities at the national level.
- 1.21 The Contractor must ensure that all vehicles used for the provision of these services are technically worthy and in a good working order and condition, assuming full responsibility of UNHCR Cargo from the collection point to the final delivery point.
- 1.22 It is the responsibility of the transporter to notify UNHCR immediately if any loss or damage is incurred during transport. In case of theft/loss/damage the Frame Agreement holder is responsible to reimburse UNHCR in an equivalent amount to be deducted from the Contractor's invoice.
- 1.23 The Contractor must provide and maintain tracking of shipping documents and shipment progress in an online system. The system must be capable of recording all relevant data to monitor the progress of the shipment of all goods, from the date of receipt of shipping documents until the goods are delivered at the final destination for receipt by the consignee. The system must be capable of actively tracking shipments, allowing corrective action to be taken to avoid additional costs or delays in delivery. Such Tracking and Tracing System must be fully implemented within one (1) month after the contract is signed. This system must also store all documentation relating to each shipment, including, but not limited to, Waybills (WB), Goods Receiving Notes (GRN), Invoices, Packing Slips, Invoices (NFs), Proof of Delivery, etc.
- 1.24 The Contractor must state any free time for loading/unloading transport units/trucks, and the relevant detention fees per hour/day should be clearly stated too on the Offer Form. Nevertheless, the Contractor is responsible to deliver the shipment to the final destination as per the schedule of working hours set for each consignment. In the event the transporter delivers the cargo after duty hours, UNHCR will not pay for charges incurred for returning the vehicle to the loading area, overnight charges or any other applicable charges to enable next day delivery.
- 1.25 In the event that the Contractor fails to commence transport of the goods to the required destinations within a period of time agreed upon at the time of issuance of the shipping documents to the Contractor, upon receipt by the Contractor of all necessary documents from UNHCR, UNHCR, without prejudice to the foregoing, reserves the right to request appropriate services elsewhere. In this regard, any costs in excess of those normally invoiced by the Contractor shall be charged to the Contractor's account.
- 1.26 UNHCR reserves the right to require the Contractor to discontinue the provision of services through any agent who, in the opinion of UNHCR, is unfit or unable to provide the services; such agent shall be replaced promptly by the Contractor in consultation with UNHCR, and any additional costs or expenses, if any, resulting from the withdrawal or replacement of the Contractor's agent in such cases shall be borne by the Contractor.

2. UNHCR Responsibilities

UNHCR will provide all necessary shipping documents, including, but not limited to:

- I. Invoice and packing list
- II. Gift certificates, authorization Letter / or other related documents

Omission of any of the foregoing information shall not diminish the service provider's responsibilities.

For each shipment, UNHCR will initiate the transport services through a Transport Request Form (TRF) sent to the Company via email, including a description and relevant particulars of the goods, point of origin, ultimate destination, the name and address of the recipient, urgency for the delivery, preferred method of transport, special handling instructions and other pertinent details.

3. Personnel

The following key staff are required to manage the services contracted by UNHCR:

- i. Management and liaison with UNHCR. The Contractor will appoint an Account Manager for the Contract with UNHCR who should act as a "focal point" to respond to UNHCR requests.
- ii. Enough qualified and competent personnel in the disciplines of logistics, inventory control, warehousing, transportation and freight forwarding to work on the services required under this contract.

The above-mentioned minimum staff is available during regular working hours to provide services to UNHCR on a priority basis for the duration of the contract.

The Contractor must ensure that additional experienced staff is available, to a reasonable extent, to obtain, organize and manage rapid emergency response operations outside normal office hours, without additional costs to UNHCR.

The Contractor shall ensure that the management of the contract is maintained at the headquarters of the Contractor's office and reasonable representation is available in other locations deemed operationally important by UNHCR.

UNHCR reserves the right to request the assignment of additional personnel or the replacement of any personnel designated by the Contractor to deal with UNHCR or its consignments and expects the Contractor to comply with such reasonable requests promptly.

4. Insurance Coverage

To ensure adequate insurance coverage for UNHCR goods in transit, the following requirements apply to the service provider:

- a) Vehicle damage insurance;
- b) Vehicle Civil Liability Insurance (RCF-Veículos), with a limit sufficient to guarantee your responsibilities towards third parties;
- c) Road Cargo Carrier Civil Liability Insurance (RCTR-C) and Optional Civil Liability – Disappearance of Cargo (RCF-DC), with coverage limits sufficient to guarantee UNHCR goods transported under its responsibility;
- d) General Civil Liability Insurance (Operations), with coverage limits sufficient to guarantee any damage caused to third parties, within the establishments under its responsibility;
- e) Insurance with additional cargo movement coverage for UNHCR goods, with coverage limits sufficient to guarantee them while they are within warehouses/depots under its responsibility.

Notwithstanding the above, the Contractor must present mandatory insurance policies in

accordance with current legislation.

The Contractor, directly or through its subcontractors, will take out transportation insurance for the total amount of cargo at its own expense, during loading, transportation and unloading operations, including against theft and theft.

The Contractor will always take out insurance and remain covered by a reputable and financially responsible insurance company, which is accepted by UNHCR, against all responsibilities arising from this Long-Term Contract

The Contractor agrees to reimburse UNHCR for a) replacement cost or b) cleaning, repacking/re-palletizing, or refurbishment costs for any goods that were damaged during the transportation service.

The Contractor shall ensure that all personnel employed r to provide services to UNHCR are insured in accordance with Brazilian law and no liability shall be assigned to UNHCR in this regard.

In the case of claims, the Contractor shall provide all possible assistance to UNHCR and/or the insurance company designated by UNHCR in filing and handling claims for loss or damage in transit with the relevant parties. The Contractor shall protect the interests of UNHCR at all times and ensure that settlement is affected promptly, in accordance with the relevant regulations, with the delays inherent in the relevant legal systems.

5. Key Performance Indicators

UNHCR shall review and evaluate the performance under the contract monthly based on the following key performance indicators:

1. Performance of deliveries made within the agreed deadline. Target = 98%
2. Number of occurrences and deviations. Target = 98%:
 - a) Differences in quantities or volumes delivered
 - b) Damage to volumes
 - c) Failure to meet collection or delivery times
 - d) Vehicle breakdown
 - e) Documentary inconsistencies (lack of documents to accompany the cargo, failure to send GRN and/or signed Proof of Delivery, etc.).
3. Updating shipment data in the Order Monitoring System. Target = 98%

6. Reporting

The Contractor shall submit status reports for each shipment weekly and anytime required. The Contractor shall produce a monthly report with the status of all processes, in Excel spreadsheet, associated costs and timeframes. On an annual basis, the Contractor must submit a comprehensive report of the yearly activity, including any recommendations for improvement.

7. Fees and Payment

The service provider shall always apply the most economical solution for services based on the fixed tariffs.

The Contractor shall not add any additional charges for administrative and out-of-pocket expenses, such as document delivery, fax, e-mail, telephone calls, postage and other minor expenses, or for the costs of supplying, installing or maintaining computer systems. The prices of the Financial Offer shall be valid for the duration of the Contract, and prices must be provided in BRL (Brazilian Reais)

The Contractor shall invoice UNHCR monthly, until the fifth day of the following month, all

transport carried out in the previous month. All invoices submitted to UNHCR must show the UNHCR purchase order number, a detailed breakdown of the services provided with the corresponding charges in accordance with the Frame Agreement and evidence of the services provided.

UNHCR will pay the Contractor within 30 days of receipt of invoicing, via bank transfer. If there are inconsistencies or errors in billing, the deadline will start from the day the information is correctly sent by the Contractor.

8. Pricing

Fixed values must be offered per type of vehicle for dedicated transport, and also values per kg for fractional transport.

All administrative costs, issuance of CT-E, fees for difficult access, etc., must be included in the values.

Collection and delivery fees must be included.

The prices presented must be tax-free, in accordance with Tax Immunity granted by Decree no. 52,288, where the Brazilian Government recognizes UNHCR as a permanent foreign mission, while articles 15, item IV, and 161 of Decree-Law no. 37/1966, and 54, item XII, of Decree no. 7,212 / 2010, clarify the tax benefits granted to the Organization in Brazil.

The values must be filled in in the Rate Cards, and no line or column or formatting may be changed.

9. Volumetry

In 2022, around 161 transports were carried out, and 483 tons were transported.

The main origins are Boa Vista-RR, Manaus-AM and Brasília-DF, but the Contractor must have the capacity to service the entire national territory.

Annex A.2 presents the 2022 volume; however this is not a UNHCR commitment with minimum or maximum quantities and volumes for this Long-Term Contract, and should only be used as a reference for your pricing.