



## **Terms of Reference *(Annex A)***

# **Least Cost Routing**

**Division of Information Systems and  
Telecommunications (DIST)**  
Customer Support Services/HQ, Site Support

*Geneva, 13August 2018*

Date:

Reference: ITB/2018/1134

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## 1 Introduction

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### 1.1 *Who we are*

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The Office of the United Nations High Commissioner for Refugees (UNHCR) was established by the United Nations General Assembly in 1950 to provide protection and assistance to refugees, Internally Displaced People (IDPs), and Stateless persons.

UNHCR is today one of the world's principal humanitarian agencies, its staff of more than 11,500 personnel helping more than 65 million people in more than 130 countries. Staff members work in a diversity of locations and conditions including three Headquarters (HQ), in Geneva, Budapest, and Copenhagen.

Further information on UNHCR, its mandate, and operations can be found on its official website: <http://www.unhcr.org>

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### 1.2 *Role of DIST*

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The Division of Information Systems and Telecommunications (DIST) provides Information and Communication Technology (ICT) playing a vital role in supporting UNHCR's mission. DIST is responsible for the maintenance, evolution, and support of UNHCR's ICT systems, whilst planning ahead to meet the organization's new and increasing reliance on information technology through new ICT project initiatives.

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### 1.3 *Objective of this ITB*

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Over the past 12 months UNHCR staff in Headquarters locations made over 135,000 outbound calls to over 180 countries for a total duration of over 17,500 hours (Annex G). The PBX in Geneva Headquarters provides a "Least Cost Routing" facility whereby the outbound call can be routed via different providers based on the per-unit rate for each destination.

UNHCR is soliciting offers from qualified bidders and intends to establish multiple contracts to minimise its overall costs for national and international telephony charges by selecting the most economic route per destination.

## 2 BACKGROUND & SCOPE OF REQUIREMENTS

### 2.1 Current Environment

UNHCR Geneva operates two Avaya CS1K PBXs located in Geneva, 94 Rue de Montbrillant, as well as an interconnected Cisco CUBE. The outbound links with the current service providers are composed of an array of PRAs and SIP trunks depending on the service provider. All digital technology (H.320) is being phased out.

### 2.2 Overview of Requirements

UNHCR requires a Least Cost Routing (LCR) service to minimize cost of outbound domestic and international calls. The interface to the HQ PBX platform will need to use SIP trunking technology. UNHCR will choose a minimum of two and a maximum of four suppliers that will constitute the LCR platform.

#### Mandatory Technical requirements:

- **SIP trunk compatibility** with UNHCR Avaya/Nortel CS1000 PBX, providing basic functionality such as call transfer and Caller Line Identification (CLI). A proof of concept to confirm the functionality will be performed.
- **Supporting Number Porting** – Service provider must have bi-lateral porting agreements with all major PSTN providers in Switzerland, with possibility to move DID numbers between vendors, in case of contract termination.
- **Fax Support** – even though this service declines, UNHCR is still using fax services to send and receive faxes. Supplier must be compliant with the ITU T.38 standard to provide good quality fax services.
- **NAT traversal** – Supplier must comply with best security standards to provide secure IP connectivity between PSTN IP network and UNHCR internal network, over SIP aware gateways/firewalls.
- **Emergency Services** – Supplier must provide access to the emergency services numbers (i.e. 112) to the Public Access Telephony (PAT) service.
- **Voice quality** – To ensure ISDN voice quality experience, supplier must provide G.711 codec for all VoIP calls traffic and ensure jitter below 20ms and packet loss below 1%.
- **Call Data Records** - Provide electronic format of monthly Call Data Records (CDR) for UNHCR internal call billing management system.
- **Fraud detection and monitoring** – Supplier must provide description of internal tools and processes for detecting fraudulent calls and notifying UNHCR with detailed information on the source of the calls and how to block the abusers.

#### Optional Technical requirements:

- **SIP connectivity** – Supplier is requested to provide a dedicated Ethernet MAN to UNHCR from supplier PTT exchange point, to provide guaranteed and dedicated end-to-end managed connectivity and SIP trunk services.

#### Mandatory Financial Requirement:

- Suppliers should specify the unit cost per destination (by dial prefix) using the “LCR rates” table supplied in Annex B to this ITB. All costs will be per second in any convertible currency (e.g. CHF, USD) and may be specified with up to five (5) decimal places.

**Optional Financial Requirement:**

- The UNHCR least cost route is selected based on the dial prefix (e.g. 41 for Switzerland, 1 for the USA or Canada). Where the bidder can provide additional granularity and lower per-unit costs (e.g. 1212 for USA, New York), these may be specified using the “Additional rates” tab of the Excel spreadsheet provided as Annex B. Additional lines may be added to the table if required.
- Any “one-time” costs required to establish the Least Cost Routing service can be specified in the “One-time costs” tab of the Excel file provided as Annex B.

**Additional Requirements:**

- **Years of experience:** the selected suppliers should have a minimum of five consecutive years providing telephony services;
- **Electronic Invoices:** the selected suppliers must submit monthly invoices in electronic format;
- **Billing errors:** Any billing errors detected must not be more than two percent (2%) of the annual invoice and all errors must be resolved within 60 days;
- **Service Desk, minimum time to respond:** the selected suppliers must provide a 24/7 service desk that can respond to emails or telephone calls within 30 minutes;
- **English language on-line support:** Service Desk support is to be available in English;
- **Level 3 technical support:** the selected suppliers must be able to provide level 3 technical support from 08:00 to 18:00 during UNHCR working days (usually Monday to Friday, excluding UN official holidays);
- **System availability:** selected suppliers must provide a network service that is available 24/7 at a 99.95% level.

**Additional Information**

- **Price Reviews:** Suppliers awarded a contract following this ITB will have the right to review the per-unit and destination pricing every six months – either up or down - and shall communicate any eventual changes to UNHCR one month in advance of the rates taking effect. UNHCR is responsible for the configuration of the LCR in the PBX setup. Billing is an integral part of the services required under this ITB.
- **Usage Profile:** Annex G to this ITB shows indicative PSTN calling patterns from UNHCR HQs by country (number of calls and total duration) for the last 12 months. Suppliers may use this information in preparing their financial offer but this should not be construed as a contractual obligation for UNHCR in terms of traffic volume or total contract value.
- **Satisfactory performance:** At all times, e.g. when the call quality to a specific destination is deemed unsatisfactory, UNHCR reserves the right, without prior notice, to re-route all calls to that destination via another route until an acceptable quality is restored.

## 3 ITB TECHNICAL RESPONSE

### 3.1 Bidder Profile

The Bidder's careful attention is required throughout this section to understand UNHCR's expectations from the company. UNHCR will carefully assess the Bidder's Profile to determine the extent of compliance with UNHCR's expectations, along the following headlines:

#### General

UNHCR expects the Bidder to provide the following information and documents:

- Brief company history (one page);
- Financial statements covering the last three years;
- Main Office and Sub-Offices (if any).

#### Key Personnel Proposed

UNHCR expects to receive the name of the designated Bidder's staff involved with the project, including but not limited to:

- Key Account Manager;
- Backup Account Manager;
- Billing manager;
- Other key personnel.

UNHCR reserves the right to ask for more information on some or all of the listed staff.

### 3.2 Technical Documentation Required

The bidder is requested to submit the following documentation in order for UNHCR to evaluate like for like:

- How to provision and assist UNHCR in connecting PRA/E1 if applicable;
- How to provision and assist UNHCR in connecting SIP trunk;
- How to assist UNHCR in PBX configuration for incoming calls;
- CDR handling, billing format and billing management web portal;
- The supplier service level assurance;
- The supplier quality management process;
- Customer service focal point, telephone and/or email and/or portal;
- Any other information necessary to show that the supplier can meet the requirements outlined in Section 2.2 – in particular, the Compliance Matrix (provided as Annex C).

## 4 ITB PRICE QUOTATION

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### 4.1 General

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This section outlines how we would like you to structure your commercial response to this ITB. As explained in the covering letter for this ITB, it is essential that your commercial response be provided separately. The technical response must not contain any commercial information and to do so will be grounds for disqualifying your submission.

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### 4.2 Financial Offer Form

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As part of this ITB you will have received an Excel spreadsheet (Annex B) that must be used to submit the details of your price quotation. This spreadsheet requires you to quote a unit price in any convertible currency (e.g. CHF, USD) per second call duration for each of the dial prefixes listed. The completed rate table(s) must be submitted in PDF and Excel formats. The format of the Excel file must not be changed.

The “**LCR rates**” tab should be used to provide per-unit rates for all destinations already part of UNHCR’s existing least cost routing tables. Do not add or remove lines to this table.

The “**Additional rates**” tab should be used to provide per-unit rates for any destinations (dial prefixes) that are not included in the “LCR rates” table. Where a dial prefix is at a more granular level than in the “LCR rates” tabs, the per-unit cost should be lower than that quoted in the “LCR rates” table.

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### 4.3 One Time Costs

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Use the “**One-time costs**” tab to identify any one-time setup costs that are required to setup Least Cost Routing or establish connectivity to the UNHCR PBX. These costs will be factored into the estimated total cost over the duration of the contract.

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### 4.4 Additional Financial Information

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Please use separate files, (submitted as PDF and original format) for any additional information that cannot be included in Annex B and which you feel will be necessary to fully evaluate your financial offer.

## 5 ITB CONTRACTUAL REQUIREMENTS

### 5.1 *UNHCR General Terms and Conditions for the Provision of Services*

Any contract that results from this ITB will be underpinned by the January 2010 edition of the “UNHCR General Terms and Conditions for the Provision of Services”, which are in turn, based on the General Terms & Conditions common to all UN agencies. Acceptance of, and compliance with, these General Terms and Conditions is considered a prerequisite for establishing any contract with UNHCR. As a general rule, UNHCR does not accept any changes or amendments to the UNHCR General Terms and Conditions for the Provision of Services, but also recognizes that the nature of the contract in question may require the inclusion of certain clauses not found in the standard document. If there are any articles in the UNHCR General Terms and Conditions for the Provision of Services that you feel you will be unable to accept in their current form, please identify them stating your reasons and providing an alternative wording that you feel would be acceptable to UNHCR. UNHCR Legal Affairs Section (LAS) will review these comments and determine if they are, indeed, acceptable to the organization. Review of the legal component of the ITB response will be carried out in parallel to the technical evaluation.

### 5.2 *Contract Duration*

UNHCR plans on awarding a three plus one plus one year contract to the successful bidders as a result of the evaluation of the responses to this ITB. Based on satisfactory performance during the initial three year period, the contract may be renewed annually for a further period of two years for a total of five years (3+1+1). After five years the selected bidders should expect a new market survey to be conducted and a new ITB issued.

### 5.3 *Contract Terms*

The bidders should outline their key contractual terms, in particular the “make or break” issues that are envisaged and may become a stumbling block in establishing a contract with UNHCR. Topics to consider are:

- Warranties and Liabilities expected by UNHCR;
- Immunities and Privileges of UNHCR as a UN organization;
- Jurisdiction under International law rather than any national law.

### 5.4 *Contract Execution*

#### *List of Providers*

Following this ITB, UNHCR would like to assign frame agreements to several providers as stated in section 2.2 above.

#### *Review of Prices*

UNHCR will review the PBX destination list every six months, following the updated pricing received for the suppliers. It is anticipated that the prices will actually decrease over time and UNHCR would like to benefit from these changes in market rates. The selected suppliers are encouraged, but not obliged, to review their price list. In order to avoid cumbersome configuration for slight price changes, the selected service providers shall have the option to suggest a bulk volume discount at least equal to the cumulative statistical decrease for all concerned destinations, over the last six months. The updated price list shall be communicated on the first working day of March, and on the first working day of September each year. UNHCR will re-program the PBX with the published rates



as soon as technically possible. Revised prices may result in a different supplier being chosen as the Least Cost Route for some destinations.

### Billing Mechanism

The supplier shall send the CDR and invoice to UNHCR on a monthly basis, and provide a web portal with detailed information on the traffic and pricing.

### Performance Review

UNHCR will review the performance on an annual basis – or more frequently if the level of service warrants. If the performance of the service as defined in the “Technical Evaluation Criteria” section of this ITB decreases below an acceptable level, UNHCR may remove the supplier from the PBX least cost routing tables and allocate those destinations to an alternative supplier.

## 6 EVALUATION PROCESS

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### 6.1 *Submission of Bids*

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The procedures to be followed in preparing and submitting your proposal are defined in the covering letter for this ITB. You should carefully follow the instructions and guidelines in the covering letter in preparing your response and adhere to the established deadlines. The ITB process is governed by UNHCR's Financial and Procurement rules and these will be strictly adhered to throughout the whole ITB process. The ITB process is managed by the UNHCR Procurement Service (PS) and any contact with UNHCR in relation to this ITB must be through the designated focal point within PS.

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### 6.2 *Technical and Financial Evaluation*

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All formally valid bids will be evaluated based on:

- Compliance with the established UNHCR Evaluation Criteria/Service Levels,
- Offered Tariffs per Locations

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### 6.3 *Financial Evaluation*

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Only bids that are considered technically compliant following the technical evaluation will be evaluated on the basis of the most competitive tariffs per destination.

Financial assessment will be made based on the least expensive provider per destination (calling prefix) combined with an overall evaluation based on one or more calling scenarios.

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### 6.4 *Contract award*

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UNHCR will establish contracts with two or more (maximum four) suppliers that quoted the lowest unit rate per destination. When drawing up the contract, the full rate table (including for destinations to which the supplier did not provide the lowest rate) will be included. This will allow the supplier to revise rates for any destination over the duration of the contract.

UNHCR reserves the right not to award a contract to a supplier even if they quoted the most favourable rates for some destinations but for which the total likely volume of telephony traffic would not warrant establishing the service – in particular if the cost comparison with the next cheapest provider would be less than the one-time setup costs.