

ANNEX – A

TERMS OF REFERENCE (TOR)

TO UNHCR UKRAINE RFP 2023-17 FOR THE ESTABLISHMENT OF A FRAME AGREEMENT FOR THE PROVISION OF WAREHOUSE SERVICES IN VINNYTSIA

1. Background

The Office of the United Nations High Commissioner for Refugees (UNHCR) in Ukraine wants to enter into a Frame Agreement(s) with qualified and dedicated service providers for the provision of warehousing services in Vinnytsia.

The required services include space rental per square meter; stock management and reporting; and handling of incoming and outgoing goods (loading, off-loading, stacking and record keeping and provision of additional labor for ad-hoc tasks). The said warehouse will be used to store all in-coming UNHCR shipments into the country for the different programs, securely under appropriate conditions and professionally. This shall include proper planning, recording, controlling and monitoring of inventories and the implementation of appropriate measures safe handling of the goods.

Ukraine has a well-developed infrastructure thus the envisaged warehouse will serve as the consignee and holding station for UNHCR operation and transit shipments whereby goods are stored, and forward deliveries arranged in smaller targeted quantities to coincide with planned distributions.

Items to be stored may include, but not be limited to: Blankets; Plastic Sheeting; Kitchen sets; Jerrycans; Sleeping Mats; Mattresses; Solar Lamps; Hygiene kits; Carpets; Tents; Clothes and Boots; Furniture; Electrical appliances; IT equipment; generators and various other UNHCR assets inventories and equipment. As well as construction materials like Timber; Roofing sheets; Plywood; Plastic windows; OSB; Bricks; Nails; Pipes; Plumbing; Doors etc.

UNHCR Ukraine Operation will procure such relief items locally as well as from international suppliers.

The objective of this request for proposal (RFP) is to hire the services of professional and dedicated supplier of warehousing services for UNHCR Operation in Ukraine. Any resulting contract (hereinafter called “the Contract”) shall be non-exclusive. The Frame Agreements (FA) are for an initial duration of one (1) year, potentially extendable for the period of two (2) additional years, at the discretion of UNHCR, subject to satisfactory performance of the Contractor and UNHCR requirement for the provision of the Services.

The Service Provider shall provide warehouse facilities at the required location. A warehouse

arrangement shall include, but not be limited to: handling in, inventory control & management, handling out, a quality check of goods (checkup for visible damages), where damages found, preparation of required documentation like survey report or only indicating such damages on the receiving documents in consultation with UNHCR focal point, storage in controlled environment, shelf life monitoring, packing of loose cargo on pallets and stacking properly, packaging, re-packaging of stored goods, and timely reporting.

The modality of the provision of the services is full outsourcing. The supplier is to provide a full range of required services solely by its means.

The Service provider will be requested to deliver qualified warehouse and inventory management to meet the following objectives:

- i. Ensure satisfactory receipt of goods
- ii. Be ready to dispatch goods under the UNHCR request rapidly
- iii. Keep an accurate accounting of the inventory movements and stock balance
- iv. Maintain adequate storage conditions to maintain the usability of indicated items.
- v. Implement appropriate measures to guarantee the safety and security of the goods.
- vi. UNHCR relief items are to be stored separately than the items from other customers if any.

2. Qualifications of the service provider

The Supplier/Service provider is required to meet the following requirements:

- a) Has sufficient capacity and geographical coverage to provide the required services, e.g., the required Warehouse Infrastructure and Warehouse Management capacity in Vinnytsia.
- b) Should demonstrate sound financial stability.
- c) Has to be registered in a relevant national authority as a Warehouse rental and management provider, if/as required by the applicable government legislation.
- d) In possession of a valid business certification (commercial registration) as required.
- e) Must assign one or more focal points of contact with which to initiate urgent requests to remain on call at any time required and provide on a 24hrs/7days basis.
- f) Preferably able to provide evidence of managing a comparable account of an international organization/non-governmental organization and/or a United Nations Agency, including a description of the services rendered and the management plan implemented.
- g) Shall confirm that the mentioned services will be performed when requested by UNHCR on a priority basis throughout the contractual period.
- h) Shall confirm and document that they can provide the necessary equipment, facilities, qualified personnel, expertise and other means necessary to perform the Warehouse Rental and Management services in accordance with the best commercial practices.
- i) Is responsible to possess all necessary permission in accordance with national regulation to own or rent and operate WHs.

- j) UNHCR maintains inventory insurance arrangements with a global insurance provider however the local service provider for warehousing service has to maintain its local regulations for the provision of insurance for the inventory/stock stored in the warehouse.
- k) Insured facility with a valid insurance covering all potential losses that may arise at the warehouse. This insurance should cover civil liability and goods against risks including fire, theft with breaking and entry, damage due to natural causes and burst pipes. Service provider as building owner should arrange and submit building insurance coverage such as: third party liability, fire, water damage and broken windows. Political Violence/War on Land Risk Insurance Coverage is also an addition which will be considered by UNHCR. As for Stock/Storage Risk Insurance Coverage, UNHCR arranges its own insurance coverage of stored goods inside warehouse. Service provider is to ensure that all staff employed by the service provider to fulfill services on behalf of UNHCR is to be insured in accordance with laws of Ukraine and no liability will be attached to UNHCR in this respect.

3. Warehousing Facilities requirements

- a) The warehouse area shall be accessible by the most common trucks used in the area and must have sufficient truck maneuvering space outside the warehouse.
- b) The Supplier/Service provider is responsible for ensuring the required utilities (water, sewage connection, electricity supply, internet, etc.) are available at the WH facilities and the Contractor/Lessor shall be responsible for all utility costs (electricity, water, gas, landline phone).
- c) The warehouse shall be equipped with sufficient lighting, firefighting, and staff safety equipment (e.g., First aid kit, flashlights, fire extinguishers) to ensure protection from the risks of accidents, injuries, fire, loss, breakage, damage and theft.
- d) The Supplier/Service provider shall ensure the cleanliness of the office building, warehouse, and their surroundings and guarantee that fumigation and pest control activities are effectively undertaken in the right intervals and proof of their completion are timely shared with UNHCR Ukraine Supply Unit.
- e) The warehouse shall be access control and provide for adequate security arrangements to ensure the security of UNHCR's inventory.
- f) Storage facility could be a shared facility (multi-client), but UNHCR-owned goods must be consolidated in one area and segregated from any other goods within the storage location.
- g) The Service provider is responsible for appropriate and careful stacking to ensure the stability of stacks, maximize the use of space, facilitate stocktaking and prevent damage or loss to goods being stored.
- h) Inventory management includes, but is not limited to, an incoming and outgoing inspection of packaging. The goods stored at the service provider's storage facility are property of UNHCR and will be released against authorized requisition issued by the concerned UNHCR office.
- i) All staff should be trained to perform their functions, and regular staff meetings are held, specifically on safety and quality assurance matters.

- j) The Warehouse Manager is responsible for the physical receipt of goods, confirming that the quantity and quality of the goods received are according to the specifications. In addition, s/he needs to verify if the shipping documents received are in order and inform the UNHCR office after completion of receipt.
 - k) UNHCR orders are to be processed no longer than 24 hours.
 - l) Upon receiving a release order from UNHCR, the service provider promptly provides essential information regarding the cargo composition. This information includes the number of pallets, weight, the volume of the goods to be transported, and the appropriate truck capacity required for the delivery.
 - m) Authorized UNHCR personnel should have access to the storage area.
 - n) Service provider has to provide an office/cabin space with tables and chairs and internet for 02 UNHCR staff to sit and work during their regular or ad-hoc visits of the warehouses.
 - o) Conducting physical inventory along with authorized UNHCR staff – quarterly and ad-hoc as per UNHCR request.
 - p) Documentation on Stocks balances, UNHCR goods receipt and release are maintained in the format of documents provided by UNHCR.
 - q) Ability to provide stock balances electronically under the request of UNHCR.
 - r) Ability to process UNHCR orders during non-working days and times (subject to the application of increased coefficient to the standard tariffication).
 - s) Ability to work during emergency with an increase in staff capacity.
- t) Additional warehouse infrastructural and other requirements related to sustainability and energy saving:**
- i) Installing ‘green box’ to monitor the energy consumption
 - ii) waste management and storage configuration to reduce CO2
 - iii) If any renewable energy sources are available (such as solar) if not possibility of installing solar energy panels for some electronic devices
 - iv) Upgrading the electric forklifts, cooling system, and lighting
 - v) Using translucent corrugated sheets to allow more light into a warehouse
 - vi) Availability Rainwater collection system for toilets and cleaning
 - vii) Availability hydraulic ramps to facilitate loading and unloading when there is no dock and do not need combustion engine forklifts
 - viii) Availability of dust management

The required location:

| | |
|--|--|
| Vinnytsia city and Vinnytsia Rayon area | Indoor (palletized and non-palletized) |
|--|--|

Minimal warehouse capacity:

| | | | |
|---|-------|--|------|
| Vinnitsia city and the Vinnitsia Rayon area | 2,500 | | 2000 |
|---|-------|--|------|

The list of required services:

| # | SERVICE | MEASURE |
|----|--|-------------------------------------|
| 1 | Storage on a Pallet 1200 x 800 mm | pallet per day |
| 2 | Storage on a Pallet 1200 x 1000 mm | pallet per day |
| 3 | Storage on a non-standard Pallet 1200 x 1600 mm | pallet per day |
| 4 | Storage on a non-standard Pallet 1200 x 2400 mm | pallet per day |
| 5 | Floor-standing storage of non-palletized goods | cubic meters (m3) per day |
| 6 | | square meters (m2) per day |
| 7 | Mechanical unloading/loading, including inspection of packaging integrity and transfer to storage/loading area | pallet |
| 8 | Manual unloading/loading, including inspection of packaging integrity and transfer to storage/loading area | box, bag, bale up to 5 kg |
| 9 | | box, bag, bale of 6 kg up to 10 kg |
| 10 | | box, bag, bale of 11 kg up to 20 kg |
| 11 | | box, bag, bale of 21 kg up to 32 kg |
| 12 | Picking (compiling) | mono-pallet |
| 13 | | box, bag, bale up to 5 kg |
| 14 | | box, bag, bale of 6 kg up to 10 kg |
| 15 | | box, bag, bale of 11 kg up to 20 kg |
| 16 | | box, bag, bale of 21 kg up to 32 kg |
| 17 | Wrapping (mono-pallet) up to 600 kg | pallet |
| 18 | Wrapping (mono-pallet) more than 600 kg | pallet |
| 19 | Stickering/labeling | per sticker / per label |
| 20 | Creating a file of product (dimensions, weight, packing unit, shelf life) | article |
| 21 | Provision of a pallet non-returnable | pallet |
| 22 | Mechanical unloading/loading of heavy items and equipment | ton |
| 23 | Services provision on non-working hours and days (weekends and holidays) | |

Palletizing of Loose Goods, Re-palletizing and Re-Packing:

If required, the Service provider shall arrange for suitable palletizing of loose goods for the creation of uniform pallet units, for the segregation of mixed-up goods and their re-palletizing on the basis of specific characteristics pertaining to the nature of goods, or the repackaging of goods (in rare cases). The Service provider shall also be able to assist with the labeling and markings of the packing units of certain goods on an ad-hoc basis. The costs involved for this type of service will be agreed upon on an ad-hoc basis.

Mechanical unloading/loading of extra bulky items (out sized cargo):

The Services provider should ensure the availability of a crane for unloading/loading extra bulky items like a prefabricated building or industrial generator whenever such need appears.

4. Inventory Monitoring and Reporting:

The warehousing services provider should daily report on all in and out movements per Stock Keeping Unit (SKU) and PO, therefore the updating of GRNs, Stock cards, Waybills, Stock reports shall be required on a daily basis.

The Service Provider shall be capable of providing daily and periodic reports including, but not limited to:

- i. Daily stock report of each warehouse, whereby stock cards for each SKU and PO shall be updated in a timely manner whenever quantities are received or dispatched. Confirmations should be communicated to UNHCR whenever goods are shipped.
- ii. Daily issuance report for each warehouse, including the loading confirmations.
- iii. Daily incoming and outgoing reports for each warehouse.
- iv. Monthly reports on goods cleared and/or transported.

In addition, the Service provider will be requested to support UNHCR in its reporting requirements and in case of audits. As well as reconciliation with UNHCR's system records and assistance in quarterly physical inventory verification exercises.

5. Key Personnel:

For the purpose of coordination and effective management of the required services, following key personnel from the service provider shall be required:

- i. Nominate a Key Account Manager (KAM) responsible for performing the contract obligations and liaising with UNHCR. KAM must be proficient and experienced in working in English - both verbally and in writing
- ii. Assign a sufficient number of qualified staff to be responsible for warehousing and inventory control to work exclusively on the services required for UNHCR.
- iii. The above-mentioned minimum personnel are available at all times during the contract period to provide service to UNHCR on a priority basis throughout the contract period.
- v. Ensure that additional experienced personnel are made available, to a reasonable extent, to obtain, organize and manage emergency rapid release from a warehouse outside normal established working office hours.
- vi. UNHCR reserves the right to request the assignment of additional personnel or replacement of any of the Contractor's designated staff dealing with UNHCR or their shipments, and promptly comply with such request.

6. Key Performance Indicators (KPIs):

UNHCR and the Service Provider shall establish, review and evaluate the performance under the contract every quarter. The KPIs are to be established within three (3) months from the effective date of the contract.

The KPIs are to be established in the following areas:

- i. Ability to respond quickly to Agency's needs
- ii. Timely order processing
- iii. Quality of order processing, stock losses, inventory count reports
- iv. Follow and apply UNHCR SOPs in relation to its stored goods.

7. Invoicing and Payment:

The Service provider is expected to abide by the prices provided in its financial offer to the RFP for the duration of the Frame Agreement unless changes are mutually agreed upon with UNHCR.

- i. The Service Provider shall invoice UNHCR on a monthly basis (calendar period from the first to the last day of a month);
- ii. The invoice is to be based on two components: the space occupied by UNHCR commodities on a daily basis (number of pallets, sq.m of cb.m.) and the number of warehousing services provided.
- iii. The invoices submitted shall include a breakdown of costs with a detailed breakdown of all corresponding services provided;
- iv. Provision of the services during non-working hours and days (weekends and holidays) are subject to separate tariffication by applying of increasing coefficient.
- v. Service provider will promptly inform UNHCR to approve any situation under the Frame Agreement, which may impose additional financial obligations on UNHCR.

8. Responsibilities of UNHCR:

- i. Assign authorized UNHCR personnel responsible for communication with the service provider and placing orders.
- ii. Provide timely information on the goods to be delivered for storage and a carrying truck.
- iii. Provide timely information on cargo to be released and a truck for transportation.
- iv. Timely notify the service provider of scheduled and ad-hoc inventories and agree on the number of required personnel and technical resources.
- v. Provide training to the Services provider personal on compiling UNHCR's format warehousing documentation (Good Receiving Notes, Waybills, Stok Cards etc.)

9. Site Visit and Security Considerations

- i. The UNHCR Team consisting of Procurement, Logistics and Security functions will need to conduct a site visit of the proposed warehouse facility to assess its suitability for the proposed duration of the frame agreement (1+2 years).
- ii. In the operational context in Ukraine, the UNHCR Team will need to clear/approve any warehouse proposed by bidders and this includes Security assessment. Therefore, UNHCR is encouraging bidders to propose/submit more than one offer, if possible.”.