

## GEF CIRDA/EWS Procurement Cycle

Following Contract Award to Supplier(s), contract and logistics management is required to ensure safe and swift delivery of goods and all after-sales services such as installation, calibration etc. Payment upon receipt of goods and services (depends on payment terms). Final Assessment of outputs – monitoring and evaluation.

### CHECKLIST:

- Delivery Schedule and Freight Management depending on Incoterm (2010) requested
- Consignee & end-user Information
- Pre & Post-shipment Inspections?
- Logistics Plan for Local Distribution if needed
- Installation, Training, Calibration
- Financial Receipt/ Payment
- Monitoring Plan of Outputs (data generated)
- Project Final Assessment – have ALL Deliverables been met?

**STAGE 4:**  
Contract Management, After-Sales Services, Payment and Final Project Assessment

This is an essential (and often overlooked) stage of any project's procurement cycle. An assessment should be conducted in order to identify needs for infrastructure, equipment and services, as well as research to understand what the market can provide:

### CHECKLIST:

- First: Existing Local Infrastructure Assessment
- Observation Network Design Plan (see Annex1)
- Installation, Data Comm, Security, Maintenance and IT Plan (see Annex1)
- Identification of Equipment, Infrastructure and Service Needs based on above Plans
- Procurement volume estimated and budget approved
- Local & International Market Research (EOI ?)
- Risk Matrix and Procurement Plan

**STAGE 1:**  
Identification and Assessment of Needs & Risks, and Initial Market Research

Once the tender or RFQ has been published, bidders questions should be clarified. After the tender/RFQ deadline, the technical and financial evaluation is conducted. For ITB's depending on amount, CAP or ACP approval must be attained

### CHECKLIST:

- Financial and Technical Evaluation Team established in liaison with GEF technical experts (Technical Team should be same as Team who developed tech specs)
- Clarifications posted prior to deadline
- Financial and Technical Evaluation conducted
- CAP/ ACP submission and approval required? (see Annex 3)
- Contract Negotiation?
- Contract Award

**STAGE 3:**  
Posting, Clarifications, Evaluation, Contract Review and Award Process

Based on above plans and estimated procurement volume and budget – the correct procurement modality is chosen and the complete list of technical specifications for items and services is developed and incorporated in the Procurement Documents. COs should decide at this point whether or not to engage PSO and within what scope (See Annex4):

### CHECKLIST:

- Below 100 k = RFQ/ Above 100 k = ITB (see Annex2)
- Development of Generic Technical Specifications for Equipment/ Infrastructure requirements and related services
- Clearance of Technical Specifications from a GEF technical expert
- Development of Procurement Documents integrating above (see Annex2)
- Ex-ante RCAP review and approval needed? (see Annex3)
- RFQ/ ITB published (UNGM and procurement-notices.undp.org)

**STAGE 2:**  
Identification of Procurement Modality and Development of Corresponding Documents

## Annex 1: Assessment and Planning Stage

### 1. Observation network design plan

- Have the specific sites for each observation been selected?
- What civil works are required to install the equipment at each site?
- How much will the civil works cost for per site?
- Have the civil works been budgeted?
- Are the civil works in the procurement plan?
- Who will perform the civil works required to install the equipment?
- If the civil works are not in the procurement, must they be procured another way for the project to proceed? If so, how will this be done?

### 2. Installation plan

- Which organization will install each piece of field equipment that has been purchased?
- Weather observation sites (Gov.staff or vendor).
  - If Gov., which department and personnel?
  - If Gov., has the department committed to an installation date once the equipment has arrived?
  - If vendor, is this specified in the procurement document?
  - If vendor, the network design and site specifications should be included in the procurement document.
  - If vendor, does the procurement document specify a required installation date?
  - If vendor, is this budgeted in the procurement plan?
- Hydrological sites (Gov. staff or vendor)
  - If Gov., which department and personnel?
  - If Gov., has the responsible department committed to an installation date once the equipment has arrived?
  - If vendor, is this specified in the procurement document?
  - If vendor, the network design and site specifications should be included in the procurement document.
  - If vendor, does the procurement document specify a required installation date?
  - If vendor, is this budgeted in the procurement plan?

### 3. Power plan

- Does each piece of field equipment have a plan for the continuous provision of power? Solar, mains, or other?
- Does each piece of field equipment have a plan for the backup provision of power? UPS, generator, other?

### 4. Security plan

- Does each piece of field equipment have a plan for the provision of physical security?
- How do the Gov. Entities intend to keep this equipment from being stolen?

#### 5. Data communications plan

- How will data communication services be supplied from the field equipment?
  - What technology will be used? GSM, GPRS, etc?
  - **Critically**, who will pay for these communication services? Many, many programs in this area fail to properly provision for data communication services for the duration of the project.
  - Are communication services budgeted properly within the program for each piece of field equipment?
- Has consideration been given to the installation of any field equipment on existing telecommunications infrastructure? This could resolve most of the civil works, power, security, and data communications questions raised above.

#### 6. Maintenance plan

- Who will be responsible for maintenance of the field equipment?
  - Weather equipment (Gov. or vendor)
  - If Gov., which department and personnel?
  - If Gov., has the department created a maintenance plan once the equipment has been installed?
  - If Gov., does the department have sufficient assets (vehicles, gas, etc) to fulfill their maintenance plan?
  - If vendor, are the requirements properly specified in the procurement document for annual, semi-annual, or on demand site visits?
  - If vendor, is this budgeted in the procurement plan?
  - Hydrological sites (Gov. staff or vendor)
  - If Gov., which department and personnel?
  - If Gov., has the department created a maintenance plan once the equipment has been installed?
  - If Gov., does the department have sufficient assets (vehicles, gas, etc) to fulfill their maintenance plan?
  - If vendor, are the requirements properly specified in the procurement document for annual, semi-annual, or on demand site visits?
  - If vendor, is this budgeted in the procurement plan?

#### 7. IT plan

- Do the Gov. Departments have sufficient facilities for the installation and operations of sophisticated data processing hardware?
- Do they have a computer room equipped with sufficient power and air conditioning to support the purchases?
- Do they have IT staff that, with training from the vendor, can install and operate the equipment being purchased?
- Has consideration been given to the acquisition of cloud based services to deliver the data required by the program?

Installing, operating, and maintaining this equipment is complicated and can often cost as much, if not more, than the actual cost of the hardware particularly in challenging environments like. Has the project given due consideration to requiring a vendor to deliver, install, operate, and maintain this equipment on behalf of the Government Departments?

## Annex 2: Overview of Standard Procurement Methods<sup>[1]</sup>

It is in the best interest of UNDP to involve as many Offerors as possible in its procurement process, and this should be the underlying goal whenever a UNDP procurement staff approaches the market to find the best vendor that meets its requirements.

The manner of approaching the market is determined by a variety of factors, and each selection method requires different inputs, templates, and responses. These methods may be summarized as follows:

Procurement Method	Contract Value	Type of Requirement	Method of Solicitation <sup>[2]</sup>	Type of Competition
<b>Micro-Purchasing</b>	Below USD 5,000	Goods, Services, or Simple works	Canvassing ( <i>by phone, by internet, by shopping, etc</i> )	Limited International or National
<b>RFQ</b>	USD 5,000 to USD 99,999	Goods, Services, or simple works	Written Request for Quotation	Limited International or National
<b>ITB</b>	USD 100,000 and above	Goods or Works	Advertisement in International media	Open International
<b>RFP</b>	USD 100,000 and above	Services	Advertisement in international media	Open International
<b>Direct Contracting</b>	Any Amount within permissible circumstances	Services, Goods, or Works	Direct Invitation or Negotiation	None

### Annex 3: Thresholds that Govern Submission to Procurement Review Committees:

	<u>Level 1: CAP</u>	<u>Level 2: RACP</u> (For Country Offices Only )	<u>Level 3: ACP</u>
<b>Competitive Procurement Process</b> (except for ICs)			
Any contract [3] or a series of contracts including amendments to be awarded to a vendor <i>in a calendar year</i> that in aggregate has a cumulative value:	Between USD 50,000 and up to the DPA	Above the DPA and up to USD 2 million	HQ units : Above the DPA COs: Above USD 2 million
Notes:	1. Contracts for the same vendor, previously approved by the RCPO or CPO, shall not be included in determining cumulative amounts.		
<b>Direct Contracting</b> (except for ICs)			
Any contract or series of contracts, including amendments to be awarded to a vendor <i>in a calendar year</i> that in aggregate [4] , has a cumulative value:	Above \$50,000 and up to 50% of the DPA	Above 50% of the DPA and up to USD 2 million	HQ units : Above 50% of the DPA COs: Above USD 2 million
<b>Amendment of All Contracts</b> (except for ICs)			
Any amendment or series of amendments to a contract which, in aggregate, increases the contract value by twenty percent (20%) or the DPA, whichever is less to:	Above USD 50,000 and up to the DPA	Above the DPA and up to USD 2 Million	HQ Units : Above the DPA COs: Above USD 2 Million
Notes:	1. Any amendment(s) that, in aggregate, increases the total contract value to an amount below USD 50,000 does not require a committee review. 2. An amendment issued to effect a “no-cost extension” of the contract does not requires a committee review.		
<b>Long Term Agreements (LTAs)</b>			
Any Long Term Agreements that could lead to a series of contracts which, during its entire life [5] , is expected to lead to a cumulative value:	Above USD 50,000 and up to the DPA	Above the DPA and up to USD 2 Million	HQ Units : Above the DPA COs: Above USD 2 Million
Notes on LTAs:	1. The procurement action must be submitted at the time of the entry into the LTA, and not when the “call offs” are already being made. Hence, at the time of the submission, the procurement action must already indicate the expected total cumulative contract expected during the life of the LTA based on historical spend and pipeline forecasts. Please refer to the <a href="#">LTA policy</a> . 2. The same thresholds and rules for Direct Contracting and Amendment above apply to LTAs, except that any extension of duration of an LTA beyond the previously approved maximum duration requires committee review even if the approved ceiling amount has not been reached.		
<b>Individual Contracts or Reimbursable Loan Agreement – (IC/RLA)</b>			
Any contract or a series of contracts including amendments to an individual or an entity that in aggregate for the <i>last 12 months</i> [6] has a cumulative value:			

	<u>Level 1: CAP</u>	<u>Level 2: RACP</u> (For Country Offices Only)	<u>Level 3: ACP</u>
For BUs with the standard DPA of USD 150,000	N/A	Above USD100,000 and up to USD 2 Million	HQ units : Above USD 100,000 COs: Above USD 2 Million
For BUs with an increased DPA of USD 300,000	Above USD 100,000 and up to USD150,000	Above USD150,000 and up to USD 2 Million	HQ units : Above USD 150,000 COs: Above USD 2 Million
For BUs with an increased DPA of USD 500,000 or USD1 million	Above USD 100,000 and up to USD250,000	Above USD250,000 and up to USD 2 Million	HQ units : Above USD 250,000 COs: Above USD 2 Million
Notes on ICs:	<p>1. The above thresholds apply regardless of whether ICs were awarded through a competitive process or through direct contracting.</p> <p>2. ICs valued below USD 100,000 over a 12 month period do not require a committee review.</p>		
<b>Ex-Ante review</b>			
Ex-ante review refers to the review of the procurement strategy roadmap prior to commencement of the procurement process for complex procurement actions with a value:	N/A	Above USD 1 Million and up to USD 2 Million (On demand as required by the BU)	Above USD 2 Million (Mandatory except as noted below)
Notes on ex-ante:	<p>1. PSO shall participate in the Committee review of the ex-ante procurement actions.</p> <p>2. An ex-ante review is not required if:</p> <p>(a) The BU has had previous successful experience in the procurement of similar type of goods/services/works that was already subject to an ex-ante review; or</p> <p>(b) There is sufficient specific corporate guidance and templates on the procurement of the said goods/services.</p> <p>Irrespective of the above, the Procurement Authority may submit the cases for ex-ante review if significant risks are perceived.</p>		
<b>Disposal of Assets through sale, donation or write-off</b>			
Asset disposal through sale, donation, trade-in, or destruction of goods and/or property with a value:	Above USD 2,500 per item and up to the DPA	Above the DPA and up to USD 2 Million	HQ Units: Above the DPA COs: above USD 2 Million
Asset disposal through write-off of goods and/or property with a value:	Above USD 2,500 per item and up to USD 100,000 (Except for any write-off due to loss or theft of a UNDP asset in the custody of the RR regardless of the value of the asset)	Any write-off due to loss or theft of a UNDP asset in the custody of the RR regardless of the value of the asset.	HQ Units: Above USD 100,000 (Except for any write-off due to loss or theft of a UNDP asset in the custody of the Head of the BU, regardless of the value of the asset) COs: Above USD

	<u>Level 1: CAP</u>	<u>Level 2: RACP</u> (For Country Offices Only)	<u>Level 3: ACP</u>
			100,000
Notes on Disposal of assets:	<ol style="list-style-type: none"> <li>1. The asset values are based on Net Book Value (NBV), except for vehicles and heavy machineries where Fair Market Value (FMV), is applicable.</li> <li>2. Write-offs in excess of USD 100,000 require approval by the Administrator in accordance with FRR 126.17 and hence should be submitted to the ACP.</li> <li>3. See <a href="#">Asset Disposal policies</a> for details.</li> </ol>		
<b>Income generation</b>			
Any contracts or series of related contracts <i>in a calendar year</i> , which generate income of (i.e., revenue through the sale of proprietary information)	N/A	N/A	USD 10,000 or more
<b>Others</b>			
Any other matter relating to a contract or disposal of an asset as may be referred to the Committee by the Procurement Authority.			

## Annex 4: Outline of Options for engagement of Procurement Support Office (PSO) for provision of procurement support services in support of implementation of CIRDA-EWS projects

Option 1. SCOPE OF SERVICES PROVIDED WITHIN EXISTING LOU (no additional cost)	DISTRIBUTION OF RESPONSIBILITIES	
	PSO	CO/Project
Development of technical specifications /requirements / ToRs		
Review of technical specifications / requirements / ToRs developed by CO / Projects (from a procurement point of view)		
Provision of feedback and recommendations on suitability of technical requirements		
Development of solicitation documents and tender dossier		
Approval of solicitation documents and tender dossier		
Conduct market research and sourcing activities to ensure supplier awareness		
Review procurement documents submitted by requisitioning units / projects		
Issue tender		
Manage the tender process (including advertisement, clarifications, etc.)		
Provide assistance with procurement related clarifications during tender process		
Receive offers		
Conduct bid opening		
Conduct preliminary evaluation		
Conduct technical evaluation		
Conduct financial evaluation		
Develop draft submission to contract review committee		
Review submission to contract review committee and provide feedback		
Submit case to contract review committee		
Issue contract award		
Manage the contract		
<b>COST TO CO / PROJECT</b>	<b>Nul, services provided under LoU agreement</b>	

Option 2. OUTSOURCE PROCUREMENT CASE TO PSO	DISTRIBUTION OF RESPONSIBILITIES	
	PSO	CO/Project
Development of technical specifications /requirements / ToRs		
Review of technical specifications / requirements / ToRs developed by CO / Projects (from a procurement point of view)		
Provision of feedback and recommendations on suitability of technical requirements		
Development of solicitation documents and tender dossier		Provides support
Approval of solicitation documents and tender dossier		
Conduct market research and sourcing activities to ensure supplier awareness		
Review procurement documents submitted by requisitioning units / projects		
Issue tender		
Manage the tender process (including advertisement, clarifications, etc.)		
Provide assistance with technical related clarifications during tender process		
Receive offers		
Conduct bid opening		
Conduct preliminary evaluation		
Conduct technical evaluation	Provides support	
Conduct financial evaluation		
Submits final recommendation to CO / project for approval		
Reviews and approves PSO recommendation for approval		
Submit case to contract review committee		
Issue contract award		
Manage the contract		Provides support
<b>COST TO CO / PROJECT</b>	<b>4% cost recovery fee on value of purchase orders</b>	