



## **PROCEDURES FOR NATIONAL EXECUTION OF UNDP-SUPPORTED PROJECTS**

### **NATIONAL EXECUTION**

UNDP has three project execution modalities – national execution (NEX), direct execution (DEX) and execution by a non-governmental organization (NGO execution). NEX is used whenever there is adequate capacity in the national authorities to undertake the activities of the project. The NEX contributes to enhanced sustainability of development projects by increasing national ownership and commitment to program/project activities and objectives. The national institution that manages the project must be the one most closely concerned with the project activities. The eligible institutions are: a Ministry; a Department within a Ministry; a Municipality, or another Governmental Institution.

The Ministry designates one of its officials to act as a National Project/Program Director (NPD). The NPD supports the project and serves as focal point on the part of the Government. The NPD represents the national institution in the daily decision-making related to project/program implementation. The NPD function normally entails ensuring effective communications between the partners and monitoring progress towards expected results. The NPD is a member of the evaluation committees for recruiting personnel, evaluation of bids for procurement of goods and services.

### **1. PROCEDURES FOR RECRUITMENT OF PERSONNEL**

The recruitment process generally involves the following activities:

1. UNDP prepares the Terms of Reference (TOR) in line with the project/program document.
2. UNDP advertises the positions based on the TORs using media adverts, a national newspaper, UNDP and Government Institution websites and online job portals.
3. CVs are collected by UNDP within the deadline.
4. Prescreening is done by UNDP and by the NPD. At least three candidatures are short-listed for each position.
5. Interviews with the short-listed candidates take place. Candidates are rated according to evaluation criteria formulated in advance.
6. The Interview Panel consists of at least:
  - UNDP Representatives (UNDP Program Officer and/or Program Associate)
  - Government Representatives (National Project/Program Director and other Government officials)
  - Other Project/Program Partner Representatives (as appropriate)
7. The UNDP Resident Representative and the respective job holder sign a contract in UNDP format.
8. The signature of contract with the Project Manager is preceded by endorsement of the candidature by the UNDP Resident Representative through an interview.

### **2. PROCEDURES FOR PROCUREMENT OF GOODS AND SERVICES**

#### **Procurement methods**

#### **Request for Quotation - RFQ**

An RFQ is an informal invitation to submit a quotation, usually for goods/services/civil works at a value between USD 2,500 and USD100,000. Prices, and other commercial terms and conditions are requested, and award is made to the lowest-priced technically acceptable offer.

## **Request for Proposal - RFP**

An RFP is a formal request to submit a proposal, usually associated with services, which can not be clearly or concisely defined, and where inputs on the methodology for carrying out the assignment are expected from the proponents. Price is only one of several factors comprising the evaluation criteria. The other criteria are related to the responsiveness and quality of the proposal, as well as to the qualifications/experience of the proponent. Award is made to the qualified bidder whose bid substantially conforms to the requirements set forth in the solicitation documents and is evaluated to be the lowest cost to UNDP. The principle of best value for money is applied.

## **Invitation to Bid - ITB**

An ITB is a formal invitation to submit a bid, usually associated with requirements that are clearly and concisely defined, with an estimated procurement value of USD 100,000 or more. Normally price is the sole determinant in making an award. Where all technical criteria are met, award is made to the lowest bidder.

## **Procurement levels and processes**

**Procurement up to USD 499** is effected against a supplier's invoice through direct purchase by the PMU.

### **Procurement from 500 to 2,499 USD**

The Project Management Unit (PMU) prepares a TOR / technical specification, and submits to the UNDP Program Officer for clearance. The PMU assesses the best price, prepares a request for payment with all supporting documents and submits to the respective UNDP Program Associate for payment. The latter ensures accuracy and submits the request for payment to the UNDP Finance Unit for processing.

### **Procurement from 2,500 to 10,000 USD**

The PMU prepares a TOR / technical specification, and submits to the UNDP Program Officer for clearance. TORs / technical specifications are consulted with the NPD prior to UNDP clearance as needed. The PMU sends an RFQ to at least 5 suppliers.

The PMU evaluates the offers and prepares a duly signed evaluation report, which is submitted to UNDP for endorsement and contract award.

### **Procurement from 10,000 to 99,999 USD**

## **Request for Quotation - RFQ**

The PMU drafts the TOR / technical specification, using external expert input or outsourcing the services as needed. the RFQ is either advertised publicly, or is sent to a short-list of suppliers, agreed upon between UNDP and the Government Institution. The PMU collects the offers and prepares an evaluation report to assess their responsiveness and price-ranking. The PMU submits the documents to the Project Contract Committee (PCC), composed of the Project Manager, the National Project/Program Director and the UNDP Program Associate responsible for project. External expert services are engaged as necessary.

For amounts above 30,000 USD, the case is presented to the UNDP Contracts, Assets and Procurement Committee (CAP) for review and approval.

## **Request for Proposal – RFP**

The Project Manager drafts the TOR, consults it with the NPD as needed and sends it for clearance to the UNDP Program Officer. The UNDP Program Associate prepares the RFP form (standard UNDP format, which contains the evaluation criteria that will be applied). UNDP initiates the competitive bidding through

public advertising or by inviting proposals from a short-list of at least five qualified suppliers, agreed in advance between UNDP and the Government Institution.

A committee composed of the Project Manager, the National Project/Program Director, a UNDP representative and other experts as required, evaluates the proposals and approves the selection.

For amounts above 30,000 USD, the case is presented to the UNDP Contracts, Assets and Procurement Committee (CAP) for review and approval.

### **Procurement above 100,000 USD**

The Project Manager drafts the TOR, consults it with the NPD as needed and sends it for clearance to the UNDP Program Officer. The services of external experts are engaged as needed. The UNDP Program Associate prepares the ITB/RFP form (standard UNDP format, which contains the evaluation criteria that will be applied).

UNDP initiates a formal international competition process through advertising or inviting bids/proposals from qualified suppliers through Invitation to Bid (ITB) or Request for Proposal (RFP).

The Project Contracts Committee (PCC) in consultation with an external expert, as needed, evaluates the bids/proposals, prepares a duly signed evaluation report and submits it to the UNDP CAP for review and approval.

The UNDP CAP recommendation, approved by the Resident Representative, is forwarded for final clearance and approval to UNDP Headquarters Advisory Committee on Procurement (ACP).

## **3. PROCEDURES FOR RECRUITMENT OF CONSULTANTS**

The recruitment process involves the following activities:

The Project Manager identifies the need for a consultant, prepares a TOR, consults it with the NPD as needed and submits it for clearance to the UNDP Program Officer. The PMU posts an advert for consultants in a national newspaper and/or relevant websites, or invites at least three consultants from a roster or short-list that has previously been agreed upon by UNDP and the Government Institution, to submit their CVs. Any responsive CVs from previous advertisements or agreed rosters can be used for next assignments as well.

The candidates are evaluated by a committee composed of at least the Project Manager, the UNDP Program Officer and the National Project/Program Director. Final selection is done based on qualifications and experience adequate to the requirements of the TOR.

The Program Associate prepares a contract and submits it to the UNDP Resident Representative for signature.

## **4. TRAVEL PROCEDURES**

Project-related travel is authorized in line with the approved Project Work Plan. The PMU submits by e-mail a request for travel to UNDP for clearance. A Travel Authorization (TA) is issued prior to initiating the travel and in line with the current Daily Subsistence Allowance (at UNDP rates) for the target destination. The Project Manager may be authorized by the UNDP Resident Representative to sign TAs for PMU staff.

If for any valid reasons the dates specified in the TA are changed, or travel is extended beyond the time indicated in the TA, a note to file is prepared by the traveler and endorsed by the UNDP Program Officer or the Project Manager. If for any reason travel does not take place, this should be reflected in the project records.

## **5. UNDP BULGARIA INTERNAL CONTROL FRAMEWORK (ICF)**

The purpose of the ICF is to help the UNDP Country Office implement effective internal controls. The scope of the ICF includes various components of internal control including planning, monitoring, communication, segregation of duties, individual authorities and accountabilities. The IFC defines the certifying and approving roles in the Country Office. The Program Associates/ Program Officers play the role of certifying officers. The approving roles at the UNDP Bulgaria Country Office are as follows:

- up to 30,000 USD – Assistant Resident Representative, Finance Manager and Chief of Program Operations
- above 30,000 USD – Deputy Resident Representative, Resident Representative

The UNDP Program Officer clears project outputs and authorizes the UNDP Program Associate to initiate payment. The Program Associate verifies budget availability for the requested payment. The Program Associate also verifies that the request for payment is signed by the Project Manager and accompanied by all the required supporting documents: invoices; copies of contracts; reports. The UNDP Finance Unit prepares a payment order and the payment is approved by the respective approving officer.

The Program Associate generates reports on a monthly basis from the corporate ERP system and checks that all disbursements have been reflected correctly in the system. Once the financial year is closed, a Combined Delivery Report (final report on project expenditures for the calendar year) is generated from the ERP system and submitted to the Government Institution for signature. The Combined Delivery Report is subject to external audit.