



# UNHCR

United Nations High Commissioner for Refugees  
Haut Commissariat des Nations Unies pour les réfugiés

## Implementing Partnership Management Guidance Note No. 4 (Revision 1)

### Procurement by Partners under Partnership Agreement

January 2018

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<b>Subject:</b>	<b>Procurement by Partners</b>
<b>Reference Documents</b>	<ul style="list-style-type: none"><li>– Chapter 4 of the UNHCR Manual</li><li>– Chapter 8 of the UNHCR Manual</li><li>– Enhanced UNHCR Framework for Implementing with Partners</li><li>– United Nations Procurement Manual</li><li>–</li></ul>
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- UNHCR Offices must share this Guidance Note (with its Annexes) on procurement by Partners with UNHCR funds with the relevant Partners.
- UNHCR Offices and Partners must fully understand this Guidance and its correct application before entering into a Partnership Agreement.

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## Introduction

1. The document revises and replaces the existing Guidance Note No. 4 on procurement undertaken by Partners with UNHCR funds that was issued in November 2014 (04/FP/S2-2).
2. The purpose of the revision is to:
  - a) Provide further clarification and guidance on the processes and requirements when UNHCR entrusts funds to a Partner for the procurement of Goods and/or Services to assist refugees and other persons of concern;
  - b) Introduce the UN/UNHCR Key Procurement Principles in the management of procurement processes undertaken by Partners,
  - c) Simplify the assessment of Partners for Pre-qualification for Procurement (PQP) status as well as describe the process of application for PQP.
3. Provisions and terms for entrusting UNHCR funds to a Partner for procurement are additionally stipulated in the applicable Partnership Agreement and are subject to the eligibility and application procedures set forth in this Guidance Note.

## Scope

4. It is mandatory for Partners to comply with UNHCR requirements as set out in this document. UNHCR has prepared an updated Guidance Note (Revision1) to provide full information and guidance to Partners regarding procurement by Partners with UNHCR funds. Partners must familiarize themselves with this Guidance Note and the governing terms of the Partnership Agreement before concluding an Agreement involving procurement by the Partner funded by UNHCR.
5. Processes related to procurement, sourcing and delivery of Goods and/or Services must be kept simple, efficient, transparent, fair, credible and consistent with this Guidance, so that UNHCR, Partners and all their personnel involved can withstand the test of public scrutiny.
6. UNHCR offices in the field may be consulted for clarification on the application of this Guidance. Further assistance on procurement may also be obtained from the UNHCR Procurement Service (PS) ([hqsmsipp@unhcr.org](mailto:hqsmsipp@unhcr.org)) and for other matters related to the management of Partnership Agreements from the Implementing Partnership Management Service (IPMS) ([epartner@unhcr.org](mailto:epartner@unhcr.org)).

## Principles, Provisions and Procedures on Procurement by Partners

### *UN/UNHCR Key Procurement Principles*

7. Globally, UNHCR observes four principles in all its procurement activities, which directly reflect the procurement principles of the United Nations as a whole.<sup>1</sup> These “UN/UNHCR Key Procurement Principles” are as follows and are further detailed in paragraphs 22 to 29 below:
  - Best value for money
  - Fairness, integrity and transparency
  - Effective international competition.
  - The best interests of the organization.
8. Anchored in these UN/UNHCR Key Procurement Principles, **UNHCR has established**

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<sup>1</sup> UN Procurement Manual 2013  
<https://www.un.org/Depts/ptd/sites/www.un.org/Depts.ptd/files/files/attachment/page/pdf/pm.pdf>

**a process that must be applied** by UNHCR whenever UNHCR is considering whether to entrust any procurement (regardless of value) to a Partner.

9. **Subsequently**, any such procurement activities undertaken by Partners under an Agreement must abide by additional requirements, including actions to be taken by the Partner as well as relevant UNHCR personnel.

10. These requirements are set forth in this Guidance. The process is designed to streamline the planning, assessment and approval for entrusting procurement to Partners, enhance accountability, reduce the likelihood of disputes between UNHCR and the Partner after signing a Partnership Agreement, and reduce overall risks inherent to procurement by third parties.

### *Prerequisites for Entrusting Procurement to Partners*

11. In addition to the normal eligibility requirement for selecting and retaining Partners,<sup>2</sup> the following prerequisites apply whenever an operation is considering entrusting procurement to a Partner.

12. The procurement of Goods and/or Services may be entrusted to Partners only when such arrangement provides a comparative advantage, such as awareness of local conditions, specific technical expertise, operational efficiency, cost-savings, or meets compelling urgency. Before entrusting procurement to a Partner, a UNHCR Country Office must undertake and document an analysis to determine whether procurement by a Partner would have a comparative advantage. Once this is determined, the UNHCR Country Office must then examine potential Partners for this role.

13. The procurement of Core Relief Items (CRIs), and medicines, for distribution to refugees and other persons of concern, as well as procurement of vehicles is normally done only by the UNHCR PS. Any request to a Partner to procure these centrally procured items must first be approved by the PS.

14. Partners are expected to follow their procurement rules and policies that are compatible with those of UNHCR. When UNHCR is considering whether to entrust any procurement to a specific Partner, UNHCR must further undertake a process of assessment to verify that the Partner's procurement rules, regulations and practices are **compatible** with:

- UN/UNHCR Key Procurement Principles,
- UNHCR ethical standards in procurement; and
- A systematic approach that maintains control measures for effective management of procurement processes.

15. Additional to the above, **if the expected procurement value is US\$ 100,000<sup>3</sup> or more under a single Partnership Agreement**, UNHCR must verify the following requirements by each prospective Partner considered for such procurement activities:

- The prospective Partner demonstrates sufficient assessed capacity (actual or potential human and logistics resources for undertaking procurement at the required scale) and experience in undertaking effective and efficient procurement of similar size, specification and within the same or similar operating environment; and
- The prospective Partner must have current PQP status covering the country in which the Partnership Agreement is to be signed, unless the Partner falls under the exemptions of paragraph 19 of this Guidance Note.

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<sup>2</sup> Guidance Note 1, Selection and Retention of Partners for Project Partnership Agreements, 30 July 2013.

<sup>3</sup> The value given is for the total procurement of Goods and/or Services with UNHCR funds from commercial entities/service providers for assisting refugees and other persons of concern in one calendar year under one single Partnership Agreement in one country.

- The Partner, **by signing the Partnership Agreement**, commits to comply with the terms and conditions of the Partnership Agreement and confirms that it has:
  - the capacity to undertake procurement of Goods and/or Services at the level foreseen;
  - a valid PQP status granted by UNHCR that covers the country in which the Partnership Agreement is signed (unless exempted from PQP status as per paragraph 19, below);

16. The UNHCR Head of Office retains the overall responsibility for ensuring integrity and accountability related to procurement management, including procurement entrusted to Partners. Authorization to entrust procurement to a Partner is given in the Partnership Agreement to be signed by UNHCR and the Partner, following UNHCR's prior assessment of the Partner's capacity to procure and availability of PQP status, if applicable. Close collaboration between the Partner and UNHCR personnel responsible for programme, supply project control and technical experts is essential to ensure effective procurement by Partners in support of operations.

17. Should the Partner not adhere to UNHCR procurement principles, this could have a serious impact on the quality of the delivery of Goods and/or Services and affect the welfare of the refugees and other persons of concern and accountability for the resources entrusted to the Partner. Such non-compliance may lead to UNHCR taking the following decisions:

- a) Cancel the authority to procure using UNHCR funds or;
- b) Claiming refund of unspent or misspent funds or;
- c) Suspending the PQP status or;
- d) Terminating the Partnership Agreement or;
- e) A combination of or all of the above-listed actions.

### *Pre-qualification for Procurement of Partners*

18. To obtain PQP status, the Partner must apply directly to the UNHCR PS, under the procedures described in paragraphs 61 to 83 of this Guidance Note. A Partner is granted PQP status when that Partner's procurement policies and regulations have been assessed by UNHCR as being compatible with the revised Guidance Note. Additionally, the Multi-functional Partnership Committee at the UNHCR Office must undertake an assessment of the capacity of the Partner to procure at operational level. To apply for PQP status:

- A Partner must be registered in the Partner Portal (<https://partner.unhcr.org/>);
- A Partner may submit a request for Pre-qualification;
- Partners may also request and be granted PQP status even if no Partnership Agreement of such expected procurement value is currently envisioned. This PQP status can be an especially valuable contingency measure in emergency-prone environments.

19. The following Partners are exempted from PQP requirement, when:

- The Partner is a United Nations system organizations,<sup>4</sup> because they implement rules, standards, procedures and conditions for procurement similar to those of UNHCR;
- The Partner is a Governmental entity, and the country concerned is a member (not an observer) of the World Trade Organization (WTO)<sup>5</sup>; or
- The Partner is confirmed by the PS as a Governmental entity that is unable to comply with the mandatory provisions of this Guidance Note due to legal constraints (e.g. national legislation).

<sup>4</sup> This includes International Organization for Migration (IOM).

<sup>5</sup> The list of WTO members is available on the official website of WTO ([www.wto.org](http://www.wto.org))

20. Governmental Partners from non-WTO member countries shall follow the application process for PQP status described in paragraphs 61 to 83 below. The outcome of this process shall be fully recorded in the Partner's file, indicating, where applicable, all deviations accepted and the rationale which justifies them.

21. The authority to waive Partners from certain requirements lies with UNHCR PS in consultation with IPMS.

## **Further Details on Principles, Provisions and Procedures on Procurement by Partners**

### ***UN/UNHCR Key Procurement Principles***

#### ***Best value for money***

22. *Goods and/or Services supplied should be of the required quantity and quality, available within the time required and at the lowest acceptable cost in order to deliver the best value for money.*

23. This means selecting offers which present the optimum combination of factors such as appropriate quality, life-cycle costs, delivery time and other parameters which can include social, environmental or other strategic objectives which meet the end-user needs. Best value does not necessarily mean the lowest price option, but rather represents the best return on the investment, taking into consideration the evaluation criteria in the specified solicitation documents.

#### ***Fairness, integrity and transparency, through effective competition:***

24. *All sourcing and delivery operations should be able to withstand the test of public scrutiny. They should be conducted fairly, honestly and transparently, consistent with equitable practices.*

25. A transparent system has clear rules and mechanisms to ensure compliance with those rules (including unbiased specifications, objective evaluation criteria, standard solicitation documents, equal information to all parties, confidentiality of offers, etc.). Business opportunities should be made widely known to all potential suppliers, usually by way of advertisement. Records are open, as appropriate, to inspection by auditors; unsuccessful suppliers can be briefed on the strengths and weaknesses of their own offers. Transparency ensures that any deviations from fair and equal treatment are detected very early, and makes such deviations less likely to occur. It thus protects the integrity of the process and the interests of the Partner Organization and UNHCR.

#### ***Effective International Competition***

26. *All UNHCR personnel concerned with Goods and/or Services should support and promote effective international competition.*

27. Effective competition conducted in a fair and transparent manner is the heart of procurement in UNHCR. In order for competition to work best it must guard the integrity of the procurement process against proscribed activities, and shall be conducted on the basis of clear and appropriate regulations, rules and procedures that are applied consistently to all potential suppliers that shall have an equal chance to compete and win a procurement action.

#### ***Best interests of the Organization***

28. *Procurement shall be conducted in order to meet the best interests of the Organization.*



29. Best interests of the Organization means that the ultimate objective of procurement is to add value to the organization in fulfilling the mandates of UNHCR – and indirectly the Partner – to best serve persons of concern. This also means carrying out procurement activities in the manner that best enables the Partner to reach the general and specific objectives in compliance with applicable procurement procedures by maintaining the highest credibility and reputation of UNHCR and the Partner Organization.

### *Compliance of procurement solicitation with the procurement principles*

#### *Application of formal and informal solicitation methods with distinct thresholds*

30. Partners shall apply clear and straightforward thresholds to make decisions on the application of informal and formal solicitation methods without prejudice to the provision related to waiver of competitive bidding. When the Partner undertakes procurement using UNHCR funds, the applicable threshold that triggers a formal solicitation method shall not be materially higher than the set threshold.<sup>6</sup> The UNHCR Country Office may set up a lower threshold for a Partner in a Partnership Agreement.

31. In case of emergency levels 2 or 3 declared by UNHCR in a country, when exigencies arise in emergency operations, the Partner is entitled to automatically apply a higher threshold for formal solicitation methods for a period of 6 months following the declaration of the emergency response in order to effectively satisfy the needs of the persons of concern. The increased thresholds that trigger a formal solicitation method shall not be materially higher than the threshold set by UNHCR for emergency situations<sup>7</sup> for Procurement under the Partnership Agreement. The UNHCR Country Office may set up a lower threshold for a Partner in a Partnership Agreement.

#### *Informal solicitation method*

32. Such procurement does not require a formal competitive bidding process; i.e. a simple Request for Quotation (RFQ) is sufficient. As many vendors as possible shall be invited to submit their offers in order to obtain no less than 3 valid quotes, unless a lower/lesser competition is duly justified. A minimum floating time (no less than three working days) shall be granted to vendors for submitting their offers. Quotes shall be provided in writing and can be submitted in the form of an e-mail, letter or fax, but they can be opened only after the deadline for submission expires. It has to be emphasized that during the execution of an informal solicitation method, the basic procurement principles shall be observed.

#### *Formal solicitation method*

33. Although organizations have different procurement procedures and practices, the formal solicitation method shall involve the submission of sealed/secure bids/proposals due by a publicly announced deadline. Ideally the tender documentation is publicly available, ensuring the fair access to all potential suppliers in the market. Furthermore, the solicitation documentation should include clear solicitation provisions, especially in relation to evaluation criteria. The formal solicitation method aims for a written, contractual agreement between buyer and seller. Two formal solicitation methods are typically used: Invitation to Bid (ITB) and Request for Proposal (RFP). These represent two distinct methods of soliciting bids and proposals. The methods can be used for procurement of all types of items.

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<sup>6</sup> As of date of issuance of this Guidance, the current UNHCR threshold for formal solicitation methods for Partner is US\$ 40,000 in **ordinary operations**. The threshold might be changed. Please contact the UNHCR Country Office concerned or PS to obtain information about the valid thresholds.

<sup>7</sup> As of date of issuance of this Guidance, threshold for formal solicitation methods applicable for Partners during **emergency levels L2 or L3** is US\$ 60,000. Please contact the UNHCR Country Office concerned or PS to obtain information about the valid thresholds.

### ***Exception to the effective competition principle***

34. Competition is normally the most effective method to ensure best value for money is achieved. Although competitive bidding is the general rule in UNHCR, exceptions may apply in the following cases, subject to the provision of the necessary justification:

- a) When there is no competitive marketplace for the requirement, such as where a monopoly exists, where prices are fixed by legislation, government regulation or where the requirement involves a proprietary product or service.
- b) When there has been a previous determination or there is a need to standardize the requirement;
- c) When offers for identical products and services have been obtained competitively within a reasonable period and the conditions of contract and price remain competitive;
- d) When, within a reasonable prior period, a formal solicitation has not produced satisfactory results;
- e) When the proposed procurement contract is for the purchase or lease of real property and the market conditions do not allow effective competition;
- f) When there is an exigency for the requirement;
- g) When the proposed procurement contract relates to obtaining services that cannot be evaluated objectively; and
- h) When a formal solicitation will not give satisfactory results.

35. Where one or more of the above circumstances occur, the Partner's Head of Office or his/her delegated person may decide to waive the requirement of the competitive bidding process. Such a decision shall be fully documented and justified in writing and kept in the procurement file for later inspection.

### **Ethics in Procurement**

36. Complementary to the four main UNHCR Procurement Principles, procurement must be conducted in an ethical manner, with total impartiality, and without any preferential treatment. UNHCR has adopted a zero tolerance policy on fraud and corruption. Partners shall also not condone corrupt and fraudulent practices or any other form of misconduct including conflict of interest. Partners shall comply with this policy and ensure that they have systems in place which prevent and detect fraud, discipline and report unethical behavior and corrupt practices in order to foster a culture of integrity and accountability. Partners shall commit to maintain the highest possible standards and to immediately identify, address, mitigate and report any instance in which these are compromised. The following conduct has to be observed and assessed:

- i) Ethics in Procurement (free from conflict of interest, preserve confidentiality, not to benefit from gifts and hospitality, and abstention from proscribed practices);
- ii) Suppliers Code of Conduct.

37. Partners shall ensure that contracted suppliers maintain the highest ethical standards and appropriate use of resources. Partners shall also ensure that they have developed a Code of Conduct for all employees and suppliers to mitigate the risks of unethical practices to occur in the procurement process.

38. Procurement principles must be rooted in a sound ethical base. Professional standards of ethical conduct contain typical characteristics, including commitments to:

- Behave honorably in all aspects of work and professional activity;
- Conduct oneself in such a manner as to maintain trust and confidence in the integrity of the acquisition process;
- Avoid practices intended to take undue advantage of others or the system;
- Uphold the organization's standards and policies and all relevant legislation;
- Avoid conflicts of interest, ensure impartiality and fairness; and
- Exercise due diligence.



39. Some ethical concepts and principles that relate to the procurement process are:
- Respect for rules and regulations;
  - Integrity;
  - Transparency;
  - Confidentiality;
  - Avoidance of impropriety, and
  - Due diligence.
40. Due diligence in the context of UNHCR procurement refers to the requirement of carrying out duties carefully and thoroughly, and avoiding careless practices or techniques. Due diligence requires that all procurement activities undertaken by the Partners using UNHCR funds be pursued in a manner that goes beyond the minimum effort.
41. For example, diligent UN procurement officers should:
- Check the references of potential suppliers;
  - Develop impartial evaluation criteria;
  - Carefully analyze the offers received;
  - Not cut corners for the sake of convenience.
42. Partners need to ensure that adequate preventive controls and other measures (e.g. policies, procedures, training) are in place through the entire procurement process to minimize the risk of unethical behavior and defective controls, and other techniques (e.g. whistle-blower hotlines, data analysis) are established to promptly recognize whether unethical behavior has occurred. Procurement by Partners must be conducted in an ethical manner, with total neutrality, and without any preferential treatment towards any potential supplier.
43. Some of the common ethical risks in the procurement process include:

#### ***Conflict of interest***

44. A conflict of interest occurs when private interests interfere or appear to interfere with the proper performance of his or her professional functions or obligations as a Partner's employee, to potentially undermine his or her impartiality. Conflict of interest also includes the use of a Partner's assets, including human, financial and material assets, or the use of Partner's office or knowledge gained from official functions for private gain or to prejudice the position of someone the staff member does not favour. Conflict of interest may also arise in situations where a staff member is seen to benefit, directly or indirectly, or allow a related party, including family, friends or someone they favour, to benefit from the staff member's decisions.

#### ***Confidentiality***

45. Procurement-related information is considered confidential. This includes any documentation or information that is part of the procurement process, which is not publicly available, and where any disclosure of the documentation or information could:

- a) Place a vendor or the Partner Organization or UNHCR at a disadvantage or;
- b) Provide an unfair advantage to a vendor or;
- c) Harmfully reflect upon the reputation and integrity of the Partner Organization or UNHCR.

#### ***Gifts and hospitality***

46. A staff member involved in a procurement process should not be placed in a position where his/her actions may constitute or could be reasonably perceived as reflecting favorable treatment to an individual or entity by accepting any gifts or any hospitality or other similar considerations.

### *Proscribed practices*

47. Proscribed practices may occur at any stage in the acquisition process (budget, procurement, contract management, etc.), either with the knowledge and consent of at least some parties in the Organization or through well-concealed initiatives by a vendor acting alone.

48. These are some typical signs that may indicate or warn of unethical practices. These include, but are not limited to the following:

- a) Deviations from correct procedures;
- b) Overcharging by the supplier;
- c) Poor record keeping;
- d) Missing files;
- e) Poor or no separation of duties (i.e. the same person issues the order and approves the payment);
- f) Poor control (i.e. only one person signs a contract);
- g) Resistance to audit;
- h) Reluctance to delegate;
- i) Unnecessary meetings with suppliers;
- j) Not allowing other staff to deal with certain suppliers;
- k) Established supplier's reluctance of entering competitive tendering;
- l) Excessive or inappropriate use of waiver of competitive bidding;
- m) Supplier cartels;
- n) *Fraudulent practice* or *Fraud* which means the intentional, false representation or concealment of a material fact for the purpose of inducing another to act upon it to his/her detriment, for example in order to influence a procurement or selection process or the execution of a contract to the detriment of a person(s), and includes collusive practices among bidders (prior to the submission of bids or proposals) designed to establish prices at artificial, non-competitive levels and to deprive other parties, including the organization of the benefits of free and open competition;
- o) *Corrupt practice* or *Corruption* which means the offering, giving, receiving or soliciting, directly or indirectly, of anything of value to influence the actions of another party in the procurement or selection process or in contract execution;
- p) *Unethical practice* which means conduct that violates the provisions of paragraphs 44 (conflict of interest) and 46 (gifts and hospitality), or post-employment<sup>8</sup>.
- q) *Bribery* which means the act of unduly offering, giving, receiving or soliciting anything of value to influence the process of procuring Goods and/or Services, or executing Contracts;
- r) *Extortion* or *Coercion* which means harming or threatening to harm, directly or indirectly, persons, or their property to influence their participation in the procurement process, or affect the execution of a contract;
- s) *Collusion* or *Bid Rigging* which means a scheme or arrangement between two or more vendors, with or without the knowledge of the procuring organization, designed to establish prices at artificially non-competitive levels. Common schemes of collusion are:
  - 1. Bid suppression: one or more vendors who otherwise would be expected to bid, or who have previously bid, agree to refrain from bidding or withdraw a previously submitted bid so that the designated winning competitor's bid will be accepted;
  - 2. Complementary bidding: an agreement by vendors whereby at least one of them agrees to submit a bid that is either too high to be accepted or contains special terms and conditions that will not be acceptable to the UN;
  - 3. Bid rotation: vendors submit bids but agree to take turns being the low bidder;
  - 4. Subcontracting: vendors agree not to bid or to submit a losing bid in exchange for subcontracts from the successful bidder;

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<sup>8</sup> Post-employment restrictions may apply to current or former Partner employees who were involved in the procurement process and who had prior professional relationship with relevant suppliers. Partner suppliers are expected to refuse offering employment for such Partner personnel generally for a period of one year following separation from the organization.

5. Market division: vendors divide markets among themselves allocating specific customers, products or territories to themselves.

### ***Suppliers Code of Conduct***

49. Partners must have policies and standards for their vendors, along with sanctions to reduce the risk that vendors will engage in corrupt practices in the procurement process. Suppliers should only be contracted if they perform satisfactorily and ideally in accordance with the principles detailed in the UN Supplier Code of Conduct regarding labor, human rights, environment and ethical conduct.

50. UNHCR urges all Partners to encourage their vendors to align their operations and strategies with the UN Global Compact principles (<http://unglobalcompact.org>), which serve as an inspiration for vendors, and encourages vendors to sign the UN Supplier Code of Conduct as a part of the vendor registration process.

### **Other Essential Requirements**

#### ***Appropriate segregation of duties in procurement to payment cycle***

51. UNHCR requires Partners to establish a system that maintains the following control measures for effective management of procurement processes.

52. UNHCR requires Partners to establish a system of segregation of procurement and payment functions with clear distinctions of authority and responsibility. Such delegations should be responsive by locating decision making authority nearer to the activity. Delegations of procurement authority should include a clear reference to maximum amounts of individual contracts and a supervisory mechanism to confirm that the correct procedures have been followed. Individuals holding procurement functions must be fully versed in their role within the procedure as well as in the limits of their responsibilities and authority. Individuals holding this function shall be accountable for their acts or omissions and liable in case of negligence or misconduct.

53. The above-mentioned procedures shall be achieved by ensuring that no single individual has complete authority over one purchase and payment; rather the power is divided between at least two or more people. It essentially involves three key authorities:

- Budget holder authority (who requests a purchase);
- Authority to seek quotations, negotiate and commit (who procures);
- Authority to accept and pay (who pays for the procured item).

54. The Partner's Procurement and Financial Rules and regulations shall reflect the principle of segregation of duties between requisitioning and procurement entities by specifying their separate and distinct functions within the overall procurement process and finally between the entity that execute the payment. At the same time, cooperation between the requisitioning and procurement entities is essential to obtain Goods and/or Services with quality that meet the applicable specifications (Terms of Reference - TOR, Statement of Work - SOW or Bill of Quantity - BOQ) at competitive prices and within the timeframe required.

55. Payments to suppliers may only be made upon the confirmation of the satisfactory receipt of the Goods and/or Services and fulfillment of all obligations in the Contract.

### ***Vendor management***

56. Partners are expected to consider the eligibility and credibility of their vendors/suppliers, especially Partners that apply for the PQP status and have high volume and repeated suppliers. With repeat business or more complex service requirements, or when the Partner establishes a "pre-qualified vendor roster", it makes sense to monitor performance against contract requirements over time. As the contract proceeds, both parties learn from experience and the risk begins to diminish as the original contract assumptions are tested.

Therefore, Partners are requested to monitor and measure the performance of their suppliers against that agreed in the contracts.

57. The term 'performance monitoring' means measuring, analyzing and managing a supplier's ability to comply with their contractual obligations. This is part of contract management for which the Partner concerned is expected to have a proper system/ methodology/ procedures in place.

58. Monitoring the performance of suppliers entails:

- a) Supplier appraisal when the incumbent supplier is competing for the renewal of an existing contract, and;
- b) Management of approved supplier lists which forms an integral part of the contract management function.

### ***Customs and taxation***

59. The Partner is required to maximize the use of any tax exemptions available under its charitable status. In situations where Goods and/or Services bought by the Partner may be subject to customs duty or taxation, the Partner shall indicate to the competent authorities that the Goods and/or Services are bought with UNHCR funds and pursue the tax exemption and recovery. The Partner shall consult with UNHCR on whether and how these payments may be exempted under the applicable international and national legal instruments.

### ***Documentation of procurement actions***

60. All procurement actions shall be fully and transparently documented. Well-designed procurement forms will mirror each step of the procurement process and, if used correctly, allow effective management of procurement activities. Complete and adequate documentation also forms the basis for accountability of the supplier, and will be required if any disputes arise or if any claims are made as well as for audit trail and lessons learned.

## **Pre-qualified for Procurement (PQP) Status and the Application Process**

### ***Application Process***

61. This section of this Guidance explains the types of PQP status and the application process for acquiring such status. Pre-qualification for procurement of a Partner is conducted independently from the Partner selection and engagement process. Therefore, all Partners are encouraged to apply for the PQP status regardless of the value of the Partnership Agreement planned to be signed, to ensure the compliance with UNHCR procurement principles and other essential requirements.

62. When a Partner is granted a PQP status, it means that the Partner is entitled to follow its own procurement policies and regulations which have been submitted for evaluation and are assessed by **UNHCR as being compliant with the provisions of PQP requirements**.

63. There are two types of PQP status that could be obtained by Partners, depending on the extent of their activities:

- a) Partners carrying out activities on an international level, with entities in several countries, might be entitled to gain the global PQP status that is applicable to all countries where the Partner operates;
- b) Partners – even if members of an international Partner Family/Community - carrying out activities at a country level, are only entitled to gain the PQP status to operate in a single country.

64. PQP status with a multi-country scope can only be obtained if the applying entity of the Partner demonstrates and confirms, that the procurement policies and procedures applied by all entities included in the application are in compliance with the policies and procedures

submitted for an evaluation. If the assessment determines entitlement for PQP status, it will be granted for all the entities of the Partner included in the application.

65. The evaluation process to determine the granting of a PQP status involves the review of the compatibility of the Partner's procurement policies and procedures with the provisions of this Guidance. It is not an evaluation of the Partner's capacity and capability to perform effective procurement in a given operation. Such a capacity and capability assessment is conducted separately by the UNHCR Country Office, as part of the Partner selection process prior to concluding a Partnership Agreement.

66. Under the overall authority and accountability of the Head of the UNHCR Procurement Service, the PS will conduct an evaluation based on the key assessment criteria provided in Annex 2 to determine whether the Partner's procurement policies and procedures are indeed compatible with the provisions of this Guidance and whether, as a result, the Partner will obtain the PQP status.

67. UNHCR reserves the right to share the outcome of the evaluation process with other UN Organizations. UNHCR may request information on pre-qualification conducted by other UN Organizations which may influence the decision making on granting of the PQP status.

68. A Partner that wishes to obtain PQP status, must make a submission to UNHCR, demonstrating that its procurement policies, procedures, code of conduct and practices are compatible with this Guidance. One of the following application methods shall be followed:

- Submission via email.
- Submission via the Partner Portal.
- Where requests are extraordinarily urgent, UNHCR Heads of Offices may additionally confirm the urgency of the request by email.

69. Partners with no internet access or other facilities may submit an application by presenting the required documents to the UNHCR Country Representative for transmission to and evaluation by the relevant unit.

70. If a Partner submits an application for PQP status after another one was already submitted after 1 November 2014 with an outcome of not granting the status, the new application is only acceptable, if all the issues that were highlighted after the evaluation process of the first application are addressed and demonstrated in the newly submitted documents.

71. The PQP evaluation conducted by PS, which may request assistance from UNHCR country office, is based on a review of the documents submitted in the application. UNHCR reserves, however, the right to visit and/or interview the Partner, as part of its assessment.

72. The PQP status does not entail the assurance of a Partner's capacity to procure. UNHCR Country Offices shall assess the capacity of the Partner to undertake procurement and may deny engagement of the Partner to undertake procurement activities despite Partner having PQP status, if the Partner has no or insufficient capacity to procure.

#### ***Submission via email***

73. The following documents must be submitted:

- a) Scanned version of completed "Partner Procurement Self-Assessment Check List for Application for Pre-qualified for Procurement (PQP) Status" signed by an authorized person (Head of Supply or Representative of the Partner Organization);
- b) The Partner's Procurement manual detailing procurement policy and procedures, as well as any procurement related sample forms, for evaluation.

The above requested documents must be submitted in portable document format (i.e. as PDF files), to PS at [hqsmsipp@unhcr.org](mailto:hqsmsipp@unhcr.org).



### ***Submission via the Partner Portal***

74. The following steps must be taken by the Partner:
- a) Complete the online Partner Procurement Self-Assessment Check List, and;
  - b) Upload the procurement manual detailing procurement policy and procedures, as well as any procurement related sample forms, for evaluation.

### ***Fast track Submission***

75. In case of exigency, a Partner can submit either via email or via the Partner Portal an urgent request for pre-qualification in accordance with the procedure described above. In this case, the submission shall be accompanied by a declaration issued by the local UNHCR Office confirming the situation of urgency, together with any other comments and remarks that the Office may deem appropriate on the application.

### ***Evaluation process***

76. Once an application is received, PS will inform accordingly the UNHCR Country Office(s) concerned. The Country Office(s) concerned may submit to PS any kind of comments and remarks as they deem appropriate on the application submitted by a Partner to contribute to the assessment. Such contributions shall be submitted to the [hqsmsipp@unhcr.org](mailto:hqsmsipp@unhcr.org) e-mail address.

77. In case of “fast track submission”, PS may temporarily grant the PQP status within 5 working days after receiving the corresponding application. The temporary PQP status shall last no more than 90 days after which the standard evaluation process should be completed and a final decision taken. Procurement actions that have been begun during the period of validity of the temporary PQP status are valid. However, when the temporary pre-qualification expires, no further procurement component above US\$ 100,000 can be entrusted to the Partner concerned until a decision is reached by PS.

78. In all cases, PS will open an application file and conduct consultations with the applicant, if needed, to guide them through the process and assist them with its application with the aim of reaching an agreement. UNHCR reserves the right to set up a deadline for applicants to provide their feedbacks during the consultation period. The deadline cannot be shorter than 60 days. In case the applicant does not provide feedback, UNHCR may close the consultation period with a result of rejection of the application. In this case, if the applicant wishes to gain the PQP status, a new application shall be submitted by following the steps in paragraphs 61 to 74.

79. If the evaluation determines that the applicant’s procurement manual, policies and procedures are compatible with the provisions of this Guidance, the applicant will be granted the PQP status for a period of maximum five years.<sup>9</sup>

80. PS will notify the IPMS and the relevant Country Office(s), of its decision to grant or deny the PQP status or a consultation period shall be opened, within three months of the submission of the application. If the PQP status is granted, the Partner will be added to the list of Partners with PQP status, which is recorded on UNHCR’s intranet, on the Partner Portal and on the UNHCR public website [www.unhcr.org/supply](http://www.unhcr.org/supply).

81. Partners that have been granted the PQP status are subject to periodic reviews and audit at field or Headquarters levels by UNHCR, or an agent authorized by UNHCR, to assess whether the qualification remains valid. UNHCR reserves the right to apply the measures described in paragraph 17 during the five-year period, in case the operating situation or the Partner procurement performance requires such a change. The Partner will be informed accordingly.

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<sup>9</sup> PQP status will be valid from the date it is granted and for the next four calendar years (for example date of granting the status is 2 May 2016; PQP status is valid from 2 May 2016 until 31 December 2020). If the partner fails to obtain timely renewal of its PQP status, Procurement actions that have begun during the period of validity of the PQP status are valid. However, when the PPA expires, no further procurement component above US\$ 100,000 can be entrusted to the Partner concerned until a decision is reached by PS.



82. At the end of the five-year period, the Partner will no longer be listed as pre-qualified unless its status has been renewed. If a Partner wishes to renew its PQP status, it must follow the steps in paragraphs 61 to 72 above, ideally not later than six months before its current status expires. This will enable PS to evaluate whether the PQP status can be maintained for the next five years.

83. Similarly, if a Partner wishes to restore its pre-qualified status, which has been reversed or has elapsed, it must also follow the steps in paragraphs 61 to 72 above.

## Terms and Definitions

84. **Call for Expression of Interest:** solicitation of interest from prospective or existing partners that wish to participate in a UNHCR led operation and contribute complementary resources (human resources, knowledge, cash, in-kind contributions, supplies and/or equipment) to achieve common objectives as agreed in a Partnership Agreement.

85. **Competitive bidding:** Process of bidding to be employed by the Partner in compliance with this Guidance Note. Under a competitive bidding process contracts are awarded only after the invitation for, and the assessment of, at least three competitive quotations or bids (the number depends on the estimated value of the contract and its complexity). Any exceptions from competitive bidding procedures, such as sourcing from a sole supplier, must be justified in writing. The competitive bidding process can be informal or formal depending on the value of the procurement. Depending on the established thresholds, formal (i.e. RFP or ITB) or informal (i.e. RFQ) solicitation methods should be applied.

86. **Concept Note:** Submission of concise concept paper (in an UNHCR-specified format) by a prospective or existing partner to express its interest in undertaking a Project to demonstrate its complementariness to UNHCR's efforts and demonstrate the unique advantages and value added it brings to the partnership to realizing the desired outcome of the Project.

87. **Contract:** a legally-binding agreement between two or more competent persons/parties to perform or not to perform a specific act(s). It generally takes in the form of a written agreement made up of an offer by one party and the acceptance of the offer by another party. A procurement contract is legally binding for all parties of the agreement, and establishes the rights and obligations (including terms and conditions) of the respective members of the parties that have been agreed between buyer and seller. Contracts can take in the form of a Purchase Order, Contract or Framework Agreement or similar instruments.

88. **Exigency:** Unexpected situation that is so compelling that, if not addressed immediately, it would endanger life, property or adversely affect essential operations. The emergency situation is such that it precludes requisitioning through normal supply channels, use of normal contracting methods and obtaining advanced approvals normally required to respond to the situation. Examples include a sudden unexpected influx of refugees, or a fire or flood in a refugee camp. However, an urgent need due to delay by those responsible or failure to plan adequately does not qualify as an emergency.

89. **Formal bidding process:** The invitation to Bid (ITB) and Request for Proposal (RFP) are formal bidding processes with defined requirements and clear parameters for contract award. They must be used generally as open tenders, if the cumulated value of the procurement exceeds the upper threshold for formal solicitation methods applied in UNHCR. (In contrast: the request for quotation (RFQ) is not a formal bidding process, but rather a tender process which can be used for lower value procurement where the requirement is clear and specific.)

90. **Implementing Partnership Management Service (IPMS):** Organizational unit within UNHCR responsible for the coordination of policies and procedures, oversight and support related to implementing partnerships.
91. **Invitation to Bid (ITB):** Formal solicitation method applied for procurement of goods, services or works with standard and firm specifications that can be expressed qualitatively and quantitatively and evaluated with a pass/failed criteria. ITB requires the use of formal tendering documents. Submission of offers is subject to a strict deadline, and offers may only be received by personnel not involved in the procurement process. All bidders who pass the technical confirmation are then ranked according to their price offers from lowest to highest. The contract is then awarded to the supplier with the lowest priced offer passing the technical confirmation.
92. **Multi-functional Partnership Management Committee:** multifunctional UNHCR team established by the Head of the UNHCR Office for managing partnerships, including deciding on the selection/retention of Partners for undertaking Partnership Agreements.
93. **Partner:** Entity to which UNHCR has entrusted the implementation of protection and assistance specified in a signed document, along with the assumption of full responsibility and accountability for the effective use of resources and the delivery of outputs as set forth in such document. The entity could be a governmental, intergovernmental or non-governmental body, United Nations organization or another non-profit organization.
94. **Partner Portal:** Web-based, innovative and interactive tool for enhanced communication and collaboration between UNHCR and Partners on Project Partnerships.
95. **Pre-Qualification for Procurement (PQP):** Status assessed by UNHCR to determine that a Partner's procurement policies and procedures are compatible with those of UNHCR.
96. **Procurement:** The overarching function that describes the activities and processes to acquire Goods and/or Services from commercial entities/service providers, basically from a market. Procurement recognizably different from simple "purchasing" because it involves the activities of identifying the needs of the organization, sourcing activities such as market research and vendor evaluation and contract management.
97. **Procurement File:** A typical "stand-alone" file which contains all relevant documents for each procurement.
98. **Procurement Service (PS):** Organizational unit within UNHCR responsible for procurement of Goods and/or Services and for granting Pre-qualification for Procurement status.
99. **Procurement process:** Process which includes specification of requirements, sourcing, evaluation of offers/proposals, contract award, inspection, delivery, installation and commissioning resulting with the provision of Goods and/or Services.
100. **Partnership Agreement:** Signed document of a mutual agreement between UNHCR and a Partner, whereby UNHCR entrusts resources to the Partner for the implementation of programmes and projects. The Partner assumes the full responsibility and accountability for the effective use of the resources and the delivery of outputs (including procurement if applicable) as set forth in such a document.
101. **Request for Proposal (RFP):** A formal solicitation method designed to obtain proposals for Goods and/or Services to satisfy a requirement that cannot be described in a quantitative or qualitative manner RFPs require the use of formal tendering documents. Submission of offers is subject to a strict deadline, and offers may only be received by personnel not involved in the procurement process. RFPs must use the two envelope system, requiring suppliers to submit the technical and financial proposals sealed in two separate envelopes. The evaluation criteria for both the technical and the financial reviews needs to be established in the RFP stressing the key areas of importance that will be considered in the

evaluation. In addition, the ratio between technical and price factors may differ from one RFP to another, i.e. 70/30 or a 60/40 weighting (technical /price). Proposals are evaluated, ranked and awarded based on a definition of “best value” considering both technical and financial factors.

102. **Request for Quotation (RFQ):** Informal solicitation method. As many vendors as possible shall be invited to submit their offers in order to obtain no less than 3 valid quotes, unless a lower competition is duly justified. A minimum floating time (no less than three working days) shall be granted to vendors for submitting their offers. Quotes shall be provided in writing and can be submitted in the form of an e-mail, letter or fax, but they can be opened only after the deadline for submission expires. It has to be emphasized that during the execution of an informal solicitation method, the basic procurement principles shall be observed. Contracts are awarded according to the lowest priced offer best meeting the stated requirements.

103. **Requisition:** Standardized form containing detailed specifications, which is completed by the Requestor and duly authorized, in order to initiate the procurement process by the Procurement Unit.

104. **UNHCR Office:** refers to any division or unit at Headquarters, or regional, country or field office that is responsible for engaging a partner into signing a Partnership Agreement.

105. **Vendor** (or supplier): Provider of Goods and/or Services.

### Key Accountabilities

106. UNHCR staff and Partners are required to comply with this policy and its procedures in line with their respective responsibilities. Complementary to UNHCR’s support and monitoring Partners’ activities and performance, the UNHCR office and the Partner must also establish a joint plan to closely monitor implementation of the agreed terms and efficient delivery of Goods and/or Services.

107. Partners that have been granted the PQP status are required to notify UNHCR of any changes in their rules, policies, procedures or practices which may affect their compatibility with UNHCR procurement principles.

### Dates

106. This Guidance Note is effective as from 8 January 2018. It will be reviewed and updated by 31 December 2022, to reflect operational needs and resource considerations, unless an earlier review or update is deemed necessary. UNHCR will inform the Partners of any change to this Guidance.

### Contact

107. PS/DESS may be contacted for technical aspects related to procurement and PQP status ([hqsmsipp@unhcr.org](mailto:hqsmsipp@unhcr.org)).

108. IPMS/DFAM may be contacted for matters relating to partnership management and application of the Policy/Guidance Note ([epartner@unhcr.org](mailto:epartner@unhcr.org)).

### History

109. This Guidance Note revises and replaces the existing Guidance Note No. 4 on procurement undertaken by Partners with UNHCR funds that was issued in November 2014 (04/FP/S2-2).

## References

110. This Guidance Note should be read in conjunction with specific guidance on UNHCR's Enhanced Framework for Implementing with Partners, and the applicable UNHCR Partnership Agreement. Reference documents can be accessed through the UNHCR Partner Portal <https://partner.unhcr.org> and on the UNHCR public website [www.unhcr.org/supply](http://www.unhcr.org/supply).

## Annexes

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|----------------|--|
| <b>Annex 1</b> | Partner Self-Assessment Checklist for application for Pre-qualified for Procurement (PQP) status                   |
| <b>Annex 2</b> | Key Criteria for Assessment of the Compatibility of Partner's Procurement Rules/Procedures with UNHCR Requirements |
| <b>Annex 3</b> | Main Changes to the Guidance Note on Procurement by Partners with UNHCR Funds                                      |

## Annex 1 - Partner Self-Assessment Checklist for Application for Pre-qualified for Procurement (PQP) status

PLEASE COMPLETE THE FORM WITH CAPITAL LETTERS.

GENERAL INFORMATION			
1	Official name of organization:		
2	Short name of organization (abbreviated name):		
3	Type of Organization:	NGO, INGO, Government, Government Organization, other (if other, please specify)	
4	Contact Name:		
5	Function:		
6	Contact E-mail:		
7	Telephone (including country and area code):		
8	City:		
9	Country:		
10	Budget of the Organization (current year; in million US\$):		
11	Cumulative value of last 3 years procurement (Goods and/or Services) (in million US\$):		
12	Did the Partner submit an application for PQP status after 1 November 2014 that was closed down without granting the status <sup>10</sup> :	YES	NO
13	If the Partner has been pre-qualified by other UN Organization, and the status is still valid, please provide the name of organization and the year when pre-qualified status was gained:		
14	If Partner received United Nations resources in the past 3 years, please provide details of amounts, from which agency and for what purpose (i.e. subject of project):		
15	If Partner has been audited by UNHCR (or verification report has been received) or other UN Organization in the past 3 years, please provide the Partnership Agreement symbols in case of UNHCR audits and/or the identification ID(s) in case of other UN audits (i.e. subject and date or other specific data that helps the identification of the audit):		

<sup>10</sup> If Partner submitted an application for the PQP status after 1 November 2014 which was closed down without granting the status, the new application is only acceptable for UNHCR, if all the issues that were highlighted after the evaluation process of the first application are addressed and demonstrated in the currently submitted documents, where applicable.

16	Number of staff of organization:	
17	Number of dedicated procurement staff:	
18	Scope of PQP status you apply for: <sup>11</sup>	National / Multi-country
19	Please list the affiliate subsidiary/branches you want include in this application (especially if you want to apply for PQP status with multi-country scope):	

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<sup>11</sup> Multi-country scope of PQP status: the procurement policies and procedures applied by the local entities/affiliate subsidiaries/branches are in compliance with headquarters' policies and procedures, for that reason the PQP status is granted for all the entities of the Organization. If Partner applies for PQP status with multi-country scope, by submitting the completed Check List, Partner confirms that the procurement regulations, policies and processes submitted with the application are implemented/compliant with those ones that are applied in all local entities/subsidiaries listed in General Information, item 19 of this Check List.



SELF-ASSESSMENT CHECKLIST			
1	<b>Does the Organization have standard procurement procedures?</b> <i>Please find guidance in Guidance Note 4, paragraphs 73.</i>	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input type="checkbox"/>
Please demonstrate their existence by submitting the standard procurement procedures with your application or provide relevant reference(s) to the submitted documents (name of the document(s), page etc.):			
2	<b>Does the Organization apply formal and informal solicitation methods that respect the four procurement principles, especially the principles of effective competition and best value for money?</b> <i>Please find guidance in Guidance Note 4, paragraphs 30 to 33.</i>	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input type="checkbox"/>
Please provide relevant reference(s) to the submitted documents (name of the document(s), page etc.):			
3	<b>Does the Organization apply straightforward thresholds for formal and informal solicitation methods?</b> <i>Please find guidance in Guidance Note 4, paragraphs 30 to 33.</i>	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input type="checkbox"/>
Please provide relevant reference(s) to the submitted documents (name of the document(s), page etc.):			
4	<b>Please provide the threshold for formal solicitation method in the right box (in US\$):</b> <i>Please find guidance in Guidance Note 4, paragraph 30 and 31.</i>		
Please provide relevant reference(s) to the submitted documents (name of the document(s), page etc.):			
5	<b>Does the Organization have compliant regulation on waiver of competitive bidding?</b> <i>Please find guidance in Guidance Note 4, paragraph 34-35.</i>	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input type="checkbox"/>
Please demonstrate its existence by submitting it with your application or provide relevant reference(s) to the submitted documents (name of the document(s), page etc.):			
6	<b>Does the Organization have procedure for documentation of procurement actions?</b> <i>Please find guidance in Guidance Note 4, paragraph 60.</i>	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input type="checkbox"/>
Please provide relevant reference(s) to the submitted documents (name of the document(s), page etc.):			

<b>7</b>	<b>Please detail how the segregation of duties in procurement to payment cycle is ensured within your organization:</b> <b><i>Please find guidance in Guidance Note 4, paragraphs 51 to 55.</i></b>		
Please provide relevant reference(s) to the submitted documents (name of the document(s), page etc.):			
<b>8</b>	<b>Does the Organization have signing authority of contracts?</b> <b><i>Please find guidance in Guidance Note 4, paragraphs 51 to 55.</i></b>	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input type="checkbox"/>
Please demonstrate its existence by submitting - where possible a signed version of the authorization schedule with your application or provide the relevant reference to the submitted documentation (name of the document, page etc.):			
<b>9</b>	<b>Does the Organization have a Code of Conduct (with Conflict of Interest regulation) for employees?</b> <b><i>Please find guidance in Guidance Note 4, paragraph 44.</i></b>	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input type="checkbox"/>
Please demonstrate its existence by submitting it with your application or provide relevant reference(s) to the submitted documents (name of the document(s), page etc.):			
<b>10</b>	<b>Does the Organization have a Code of Conduct for suppliers?</b> <b><i>Please find guidance in Guidance Note 4, paragraphs 49-50.</i></b>	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input type="checkbox"/>
Please demonstrate its existence by submitting it with your application or provide relevant reference(s) to the submitted documents (name of the document(s), page etc.):			
<b>11</b>	<b>Does the Organization have vendor management system (e.g. list of potential suppliers, supplier performance evaluation, and contract management)?</b> <b><i>Please find guidance in Guidance Note 4, paragraphs 56-58.</i></b>	<b>YES</b> <input type="checkbox"/>	<b>NO</b> <input type="checkbox"/>
Please provide relevant reference(s) to the submitted documents (name of the document(s), page etc.):			

.....

Signature of Partner

## **Annex 2 - Key Criteria for Assessment of the Compatibility of Partner's Procurement Rules/Procedures with UNHCR Requirements**

Regardless the value of procurement under the Partnership Agreement to be signed by the Partner, the key elements listed below from No. 1 to No. 10 shall be assessed in order to check compatibility of the Partner's procurement rules and regulations with UNHCR procurement principles. In case a Partner should sign a Partnership Agreement involving procurement of Goods and/or Services, using UNHCR funds, for US\$ 100,000 or more for which the PQP status is required, the key element listed below, No. 11, shall also be assessed.

- 1. Does the Organization have standard procurement procedures?**  
*Please find guidance in Guidance Note 4, paragraph 3*
- 2. Does the Organization apply formal and informal solicitation methods that respect the four procurement principles, especially the principles of effective competition and best value for money?**  
*Please find guidance in Guidance Note 4, paragraph 30-33*
- 3. Does the Organization apply straightforward thresholds for formal and informal solicitation methods?**  
*Please find guidance in Guidance Note 4, paragraph 33*
- 4. Are the above mentioned thresholds compliant with the provision described in the Guidance?** *Please find guidance in Guidance Note 4, paragraph 30-33*
- 5. Does the Organization have procedures on waiver of competitive bidding compatible with that of UNHCR?** *Please find guidance in Guidance Note 4, paragraph 34-35*
- 6. Does the Organization have procedure for documentation of procurement actions?**  
*Please find guidance in Guidance Note 4, paragraph 60*
- 7. Is segregation of duties ensured in procurement to payment cycle?**  
*Please find guidance in Guidance Note 4, paragraph 51-55*
- 8. Does the Organization have signing authority of contracts?**  
*Please find guidance in Guidance Note 4, paragraph 51-55*
- 9. Does the Organization have a Code of Conduct (with Conflict of Interest regulation) for employees?**  
*Please find guidance in Guidance Note 4, paragraph 44*
- 10. Does the Organization have a Code of Conduct for suppliers?**  
*Please find guidance in Guidance Note 4, paragraph 49-50*
- 11. Does the Organization have a vendor management system (i.e. list of potential suppliers, supplier performance evaluation, contract management etc.)?**  
*Please find guidance in Guidance Note 4, paragraph 56-58*

### Annex 3 - Main Changes to the Guidance Note on Procurement by Partners with UNHCR Funds

The following table provides a summary of the main changes relating to the revised version of this Guidance.

Changes reflected in the New Guidance	Previous/superseded provisions	Current Reference
New, principle based provisions for Partners to follow, to be entitled to conduct procurement using UNHCR funds	N/A	Paragraphs 22 to 29
New, requirements with which Partner's procurement rules and regulations shall be compatible with to obtain PQP status	N/A	Paragraphs 61 to 72
Simplified provisions against formal and informal solicitation methods	N/A	Paragraphs 32 and 33
Clarification on PQP status with national and multi-country scope	N/A	Paragraphs 63 – 64.
Regulation on fast track submission for PQP status	N/A	Paragraph 75
New, simplified regulation on authorization of waiver of competitive bidding	Guidance Note 4, section 60	Paragraph 34
New regulation on thresholds for formal solicitation methods to be applied by Partners using UNHCR funds	Guidance Note 4, section 55, 89	Paragraphs 30-31
Procedures for obtaining PQP for Governmental Partners, including waiver of PQP status	N/A	Paragraphs 19-20
Streamlined self-assessment checklist aligned to key assessment criteria	Guidance Note 4, Annex	Annex 1-Partner Self-assessment Checklist for application for Pre-qualified for procurement (PQP) status
Key assessment elements included to provide support for the application process for PQP status	N/A	Annex 2- Key Criteria for Assessment of the Compatibility of Partner's Procurement Rules/Procedures with UNHCR Requirements