How does UNDP support the Global Mayors Challenge?

How do you want to manage your pilot funds?

Note: the choice will depend on the capacity of the city to implement activities in the short time of the pilot

Can the city directly receive the 50,000 USD from UNDP?

If YES

- Can you sign this type of document? Do you need to ask for extra approvals to sign? (central government, city council, etc.).
- Can you directly receive the funds in the city's bank account? Can you use them?
- Will you be able to complete the activities (and contracts) in time to use the funds before the agreed deadline?

The city will need to prepare a Project Document detailing the activities and sign a Letter of Agreement LoA.

UNDP will transfer the funds upon signature of the LoA

The city will issue and manage the contracts with suppliers directly.

If NO

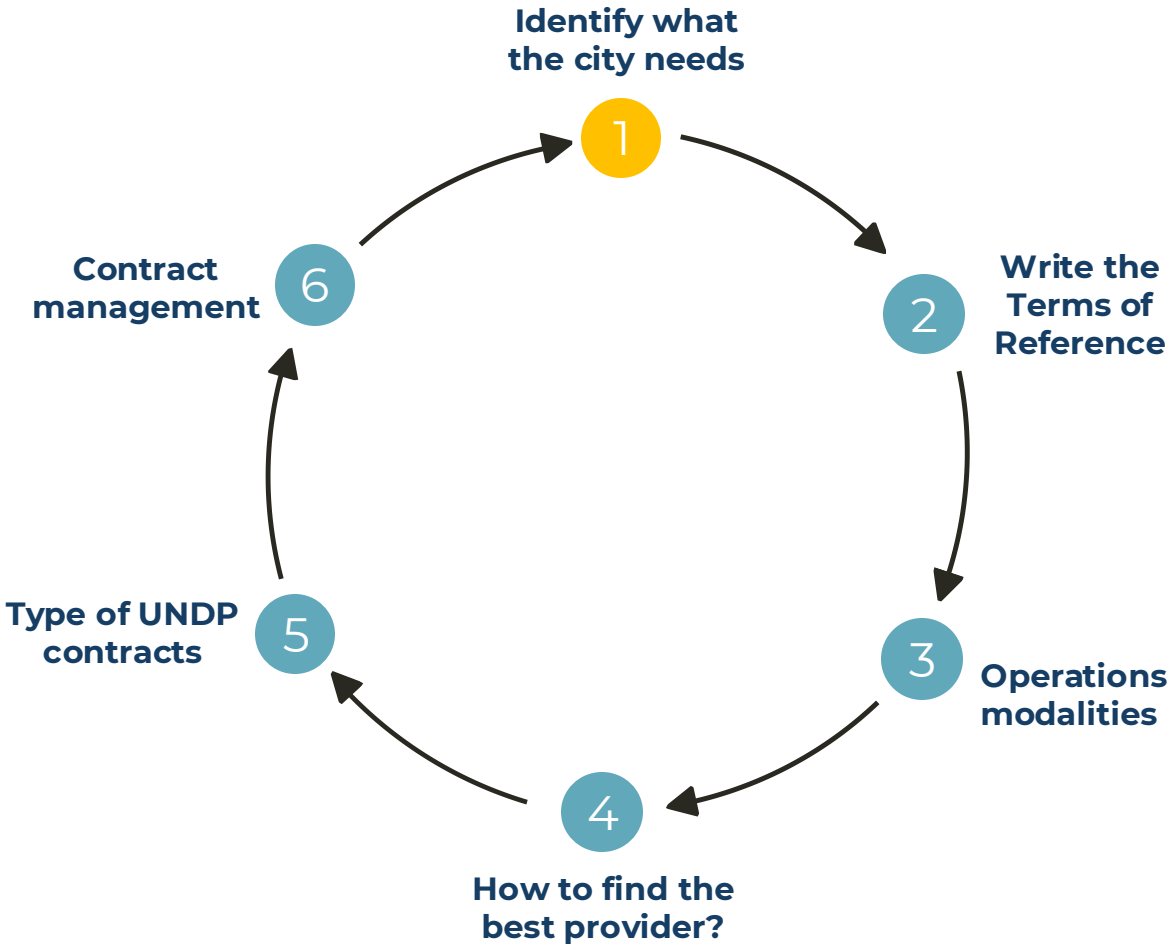
- UNDP will contract on the cities behalf by issuing the contracts with the providers

UNDP will issue contracts on your behalf.

Workflow

1. Identify what the city needs
2. Write the Terms of Reference
3. Operations modalities
4. How to find the best provider?
5. Type of UNDP contracts
6. Contract management

1. Identify what the city needs



CITIES

- Define what is needed to implement the pilot
- Define what each contract needs to produce in terms of deliverables
- How much money can each contract cost?

UNDP

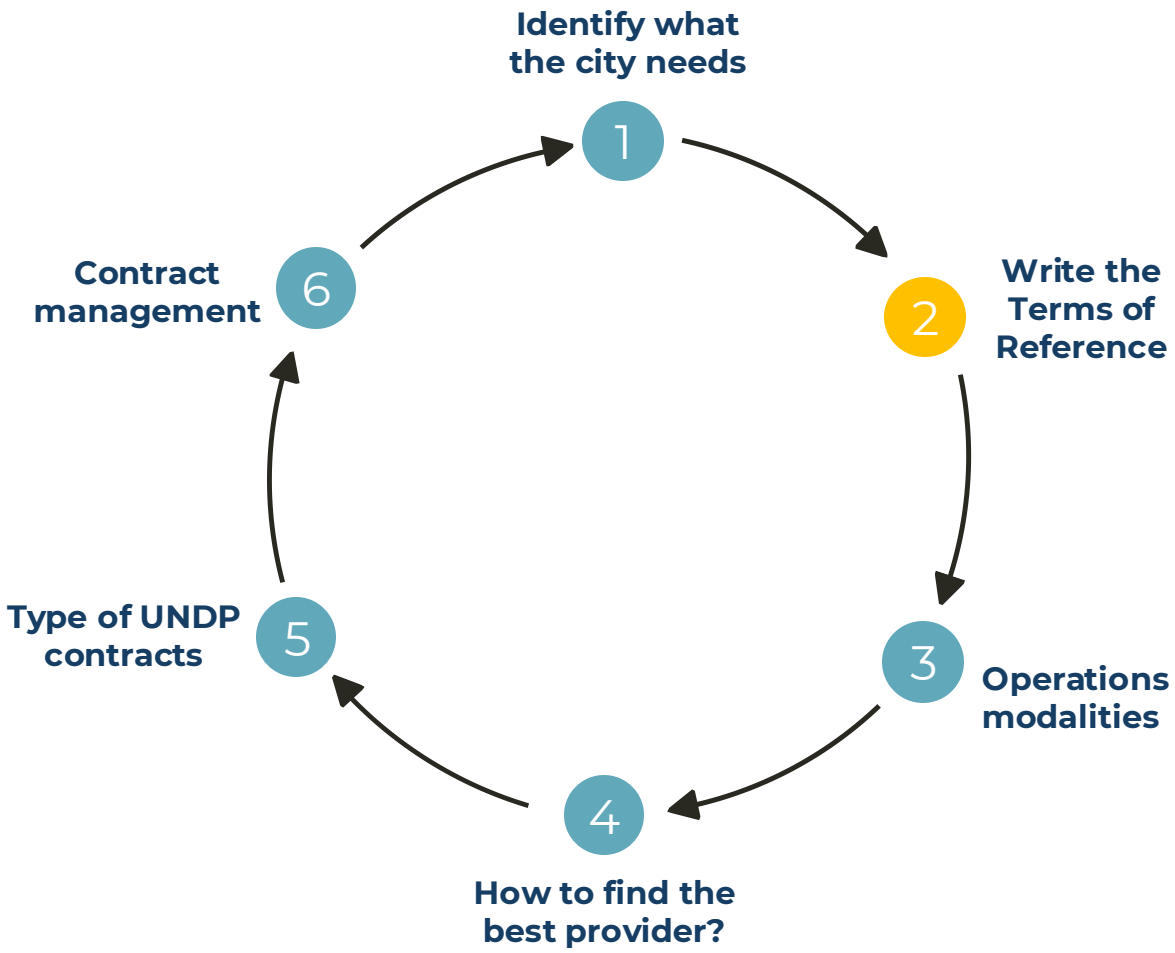
- Supports the city by providing feedback to the need´s definition to ensure smooth contracting
- Provides a library of examples of same requirements to the city for the m to get inspired (Terms of reference library)

2. Terms of Reference (ToRs)

LOCAL ACTION

- All UNDP processes start with a Terms of Reference (TOR) that need to be written by the city
- The TORs explain what is needed and what the provider need to produce
- UNDP has a library with examples of TORs for inspiration
- UNDP consults with the city during the selection of providers to contract out services, goods or consultants

2. Terms of Reference (ToRs)



CITIES

Write the initial ToR

UNDP

Reviews, provides feedback and approves ToRs

All ToRs shall include the minimum of:

- Background
- Scope of work (objective)
- Responsibilities
- Deliverables and payments
- Contract duration / timeframe
- Evaluation criteria
  - Qualifications and competencies of the provider

LINK TO THE TOR LIBRARY

3. Operations modality

LOCAL ACTION

Consultancies

Contracts for individuals

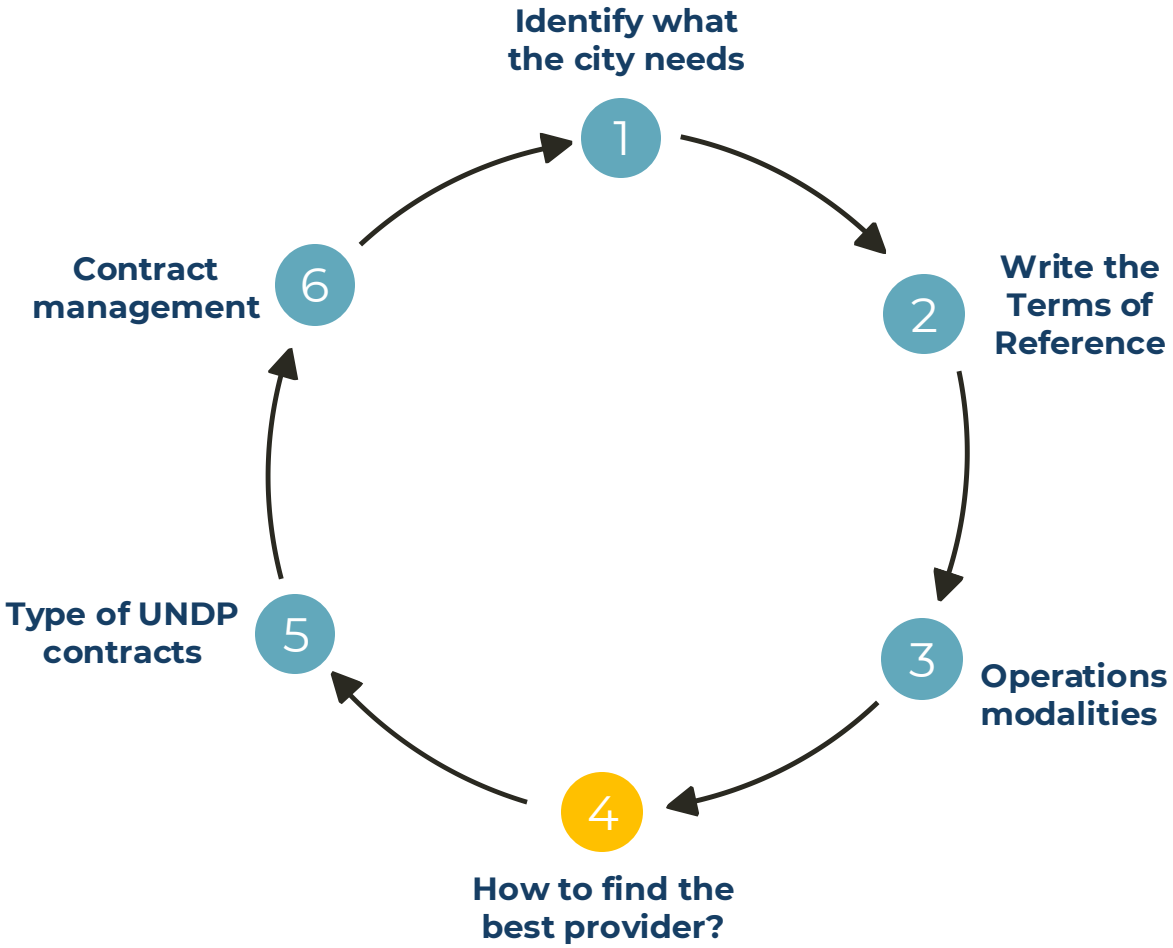
Services

Contracts for private companies, institutions, NGOs, etc.

Goods

For purchases of goods such printing, IT equipment, office supplies, etc.

4. How to find the best provider



CITIES

Market research: identify possible local providers

Budget: inform UNDP how much each operation is expected to cost

UNDP

Evaluate: evaluate offers, identify additional providers and publish internationally if needed.

4. How to find the best provider

1

When the city needs to request for a direct contract: (the provider is already identified)

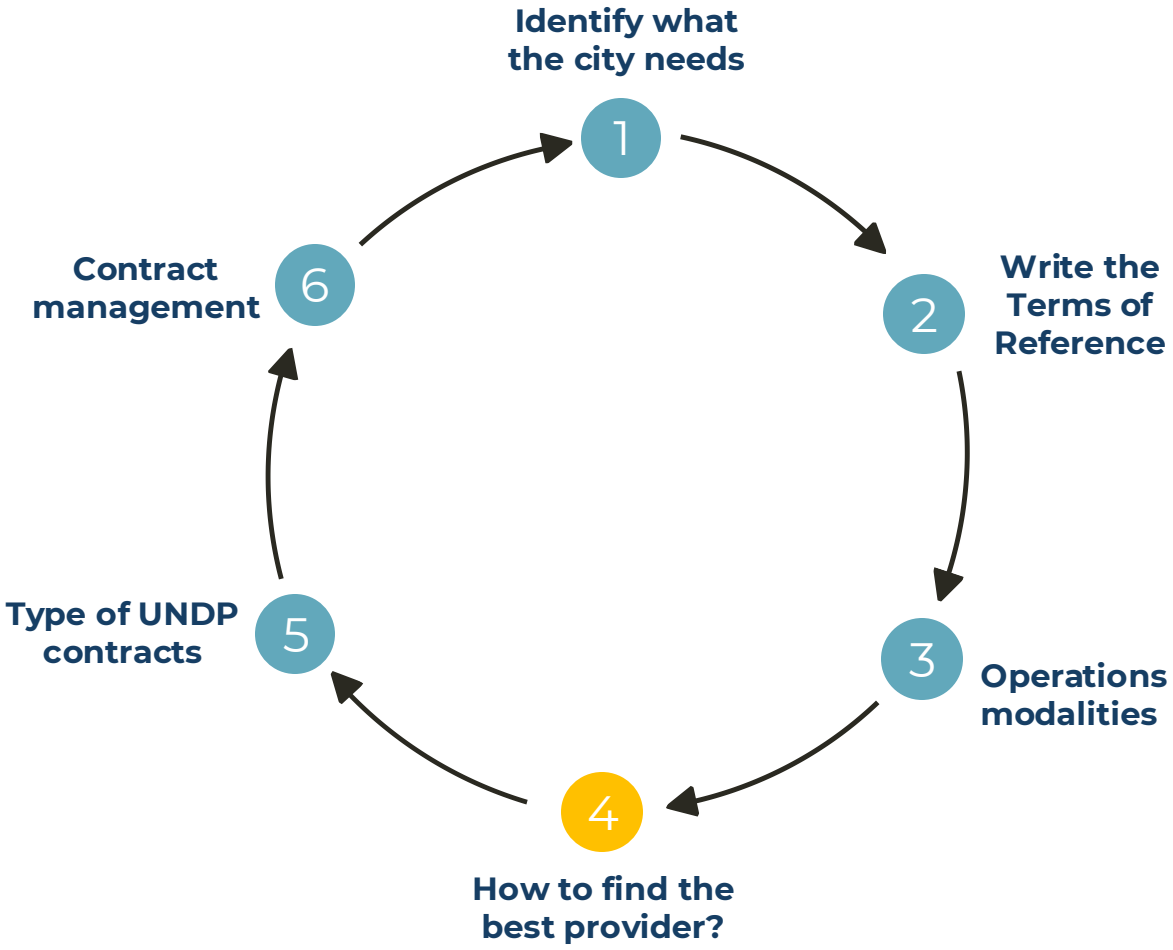
- UNDP, with city's help, needs to justify the selection and do a price comparison (table comparing the cost with different providers in the market)

2

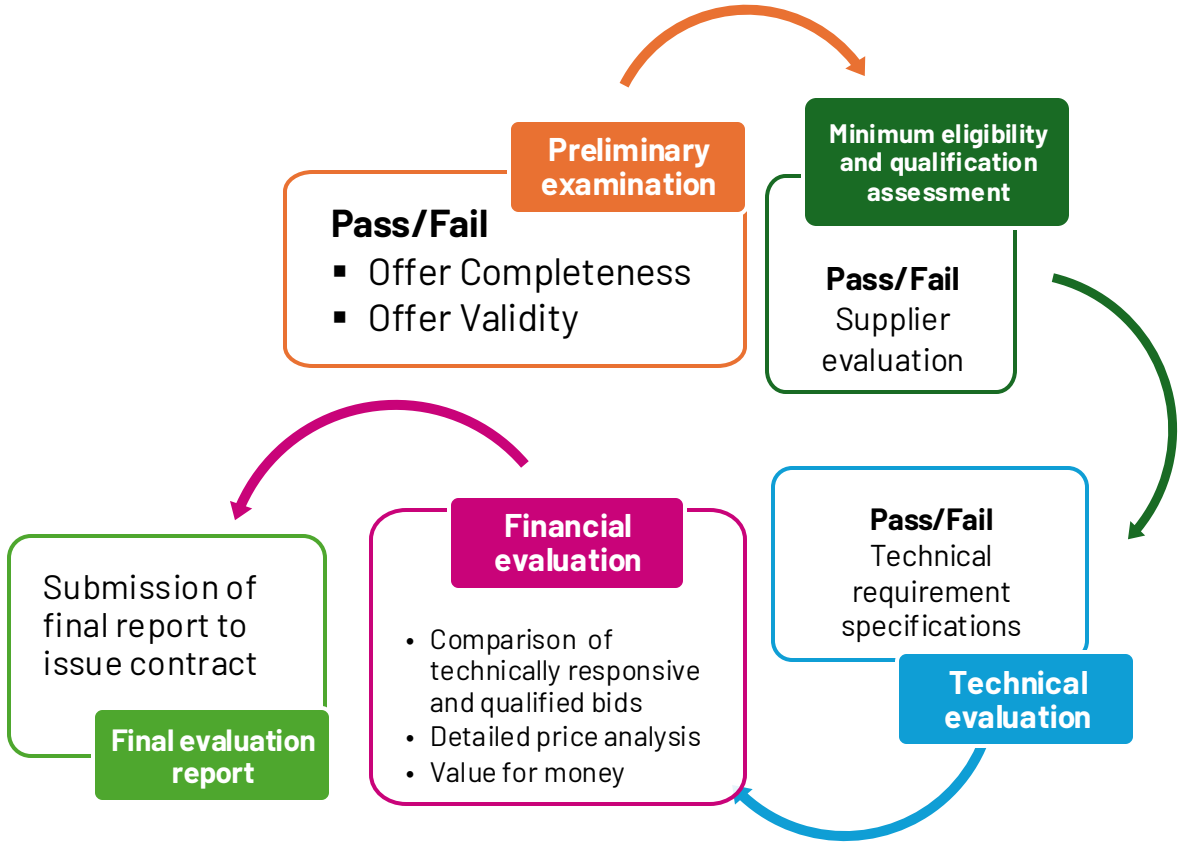
When the city needs to find a provider in the market

- UNDP publish the TORs in its webpage for a minimum of 10 days
- Companies apply in the UNDP system (Quantum)
- The city can participate in the selection as observers

4. How to find the best provider

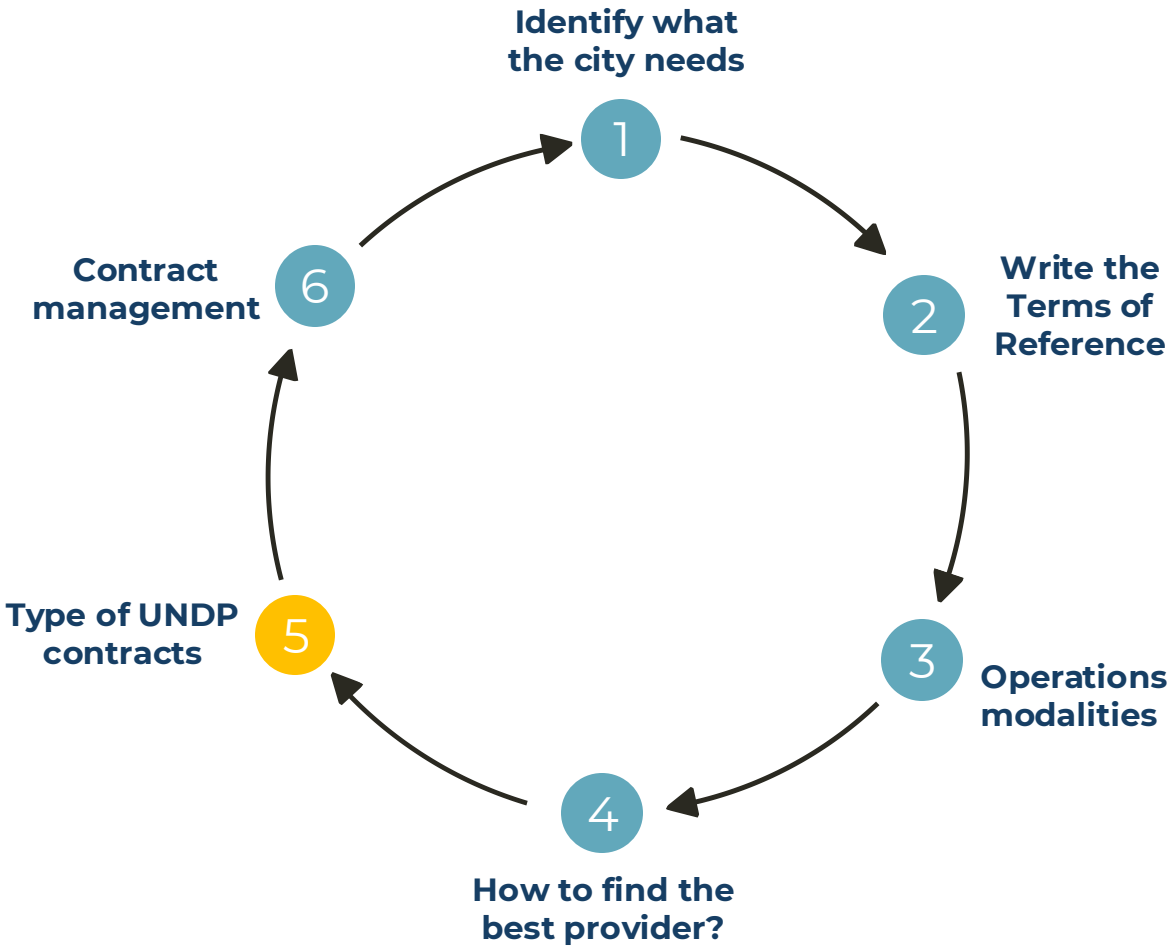


Evaluation process (value for money)



5. Type of UNDP contract

UNDP issues following types of contract with providers of services, goods or knowledge



Contract for goods and services / Purchase Order (PO)

- Contract signed by UNDP and the provider of goods and services
- For companies, business, NGOs, institutions

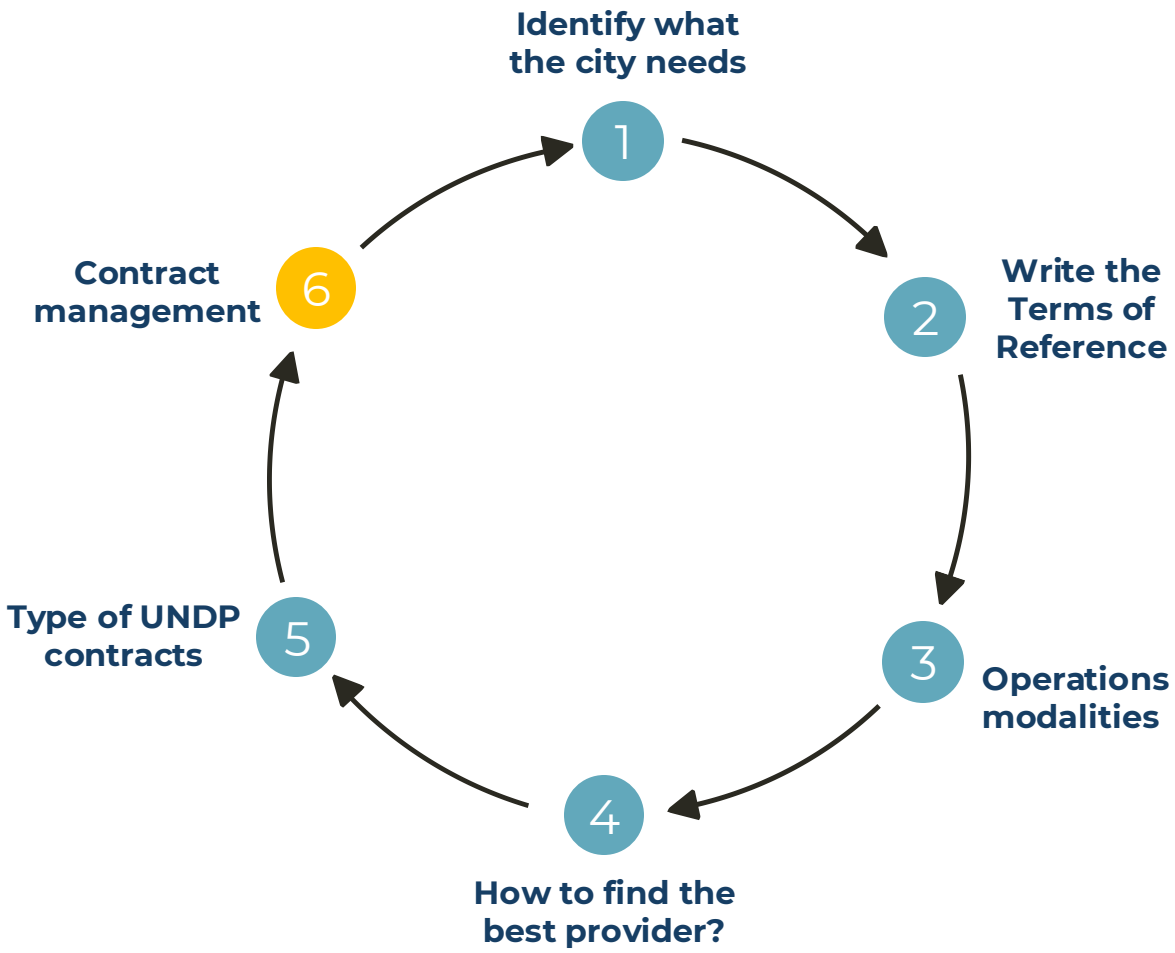
Invoice payments

- For services less than 5.000 USD, UNDP can pay directly upon presentation of an invoice and delivery documentation
- also requires the elaboration of TORs and price comparison.

Individual contract

- Consultants hired as individual expert to support the city.
- The contract needs to specify a list of concrete deliverables that the consultant will need to supply to obtain payment
- For individuals only

6. Contract management and implementation



CITIES

- Track contract progress, deliverables, timelines, spend vs budget, changes, risks, issues, disputes, etc.
- Delivery monitoring with the provider
- Signs a performance evaluation form.
- Request payment

UNDP

- Files all the documents for future auditing.
- Manages any dispute resolution
- Support the payment process upon receipt of the necessary documents (invoices, reports, etc.)

If you choose UNDP to contract for you

LOCAL ACTION

1. **Decide what you need**
   The city specify what the pilot requires and how to spend the funds
2. **Write the Terms of Reference (ToRs)**
3. **Operations modalities**
   UNDP supports the city to obtain the necessary consultants, services, goods, etc.
4. **How to find the best provider**
5. **Managing the providers**
   The city is responsible to follow up on contracts and deliverables
6. **Payments**
   UNDP issues payments for providers when the city approves them

All our processes need to follow these principles:

Best value for money
Selecting the best offer considering quality, experience, reputation, and long-term costs.

Transparency and fairness
Open, fair, and rules-based processes for all suppliers.

Effective competition
Equal opportunities for all suppliers with clear and accessible information.

All procurement processes must align with UNDP and **UN values**.

Payments

LOCAL ACTION

When the goods / services are delivered the supplier sends a request for payment:

1. **Monitor the payment plan to ensure timely submission of documents for swift processing. Payments are processed within 5 working days.**
2. **Contact Ms. Delillah Miriti delillah.miriti@undp.org (based in Bonn) with the payment request via email fulfilling the requirements below.**

- Invoice from the supplier **MUST** be provided, a signed delivery note for payment of goods and a signed certificate of completion for payment of services and a **VALID** supplier bank account.
- Quote task operation number and the related purchase order when sending the request for payment.
- Confirmation that the city is satisfied with the services/ goods delivered.
- Output reports or deliverables (e.g., activity reports for consultants or contract deliverables for providers) are completed. For consultant payments a signed certificate of payment is required.
- For payments to be processed all supporting documents **MUST** be submitted.

UNDP processes payments quickly, provided all documentation is correct. Note: Providers must register in the UNDP financial system, which includes verifying bank account details.

LOCAL ACTION

Please note:

All payments MUST be authorized by UNDP.

UNAUTHORISED REIMBURSEMENTS **ARE NOT ALLOWED**.

UNDP
LOCAL
ACTION