

**GCF Project:
“Enhancing
Adaptation and
Community
Resilience by
Improving Water
Security in
Vanuatu”
Procurement Plan**

Procurement Plan

Pacific Community (SPC)

I. General

1. **Project information:** Enhancing Adaptation and Community Resilience by Improving Water Security in Vanuatu - SPC
2. **Version of the Plan:** Version 2 dated 07 September 2022
3. **Approval Date of the procurement Plan:**
 - TBC - during inception phase
4. **Date of General Procurement Notice:**
 - TBC - during inception phase
5. **Period covered by this procurement plan:**
 - 18 months
6. **Procurement oversight:** All procurement will proceed according to SPC's Finance Regulations (2018), Finance Policy: Procurement (2020), Finance Policy: Grants and Sub-delegations (2020) and Finance Policy: Anti-Money Laundering and Counter-Terrorism Financing (2020). These policies ensure considerable internal controls and due diligence to ensure that funds are properly disbursed and managed. The procurement process includes assessment and mitigation of risks. This will be overseen by SPC's Procurement Committee.
7. **Other Arrangements:** The project will provide grants to Government, Civil Society, Private sector and regional organizations. The Accredited Entity's approved Procurement and Consultant Guidelines reviewed and accepted by the Green Climate Fund will apply under these grants. This procurement plan only relates to goods and services to be procured by the SPC for the purposes of this project as stipulated in the GCF budget (annex 4) and according to the Operations Manual for this programme. The majority of procurement will be carried out by DoWR and the PMU themselves and procurement plan will be agreed between the SPC and Grant Recipient, except in those cases when direct procurement by SPC is undertaken (e.g. in cases when it is deemed that the grantee does not have the capacity to undertake such procurement).

II. Goods, Works and non-consulting services.

1. **Prior Review Threshold:** Procurement Decisions subject to Prior Review by the AE/Fund¹

¹ Available online at <https://spccloud.sharepoint.com/sites/intranet/about-us/governance/policies>.

	Procurement Method	Threshold for use of method	Prior Review Threshold	Comments
1.	Petty cash	Up to 50 EUR	N/A	Procurement valued at less than or equal to EUR 50 can be undertaken using petty cash by the Director-General's delegate. Advance cash for authorised expenses may be taken, or reimbursement can be claimed using receipts for expenditure incurred. Petty cash is maintained by Finance, as well as divisions, programmes and project offices.
2.	Shopping	Up to 2000 EUR	Above 50 EUR	Procurement valued at more than EUR 50, but less than or equal to EUR 2000, requires at least one quotation. No competitive process is required, but wherever possible comparable quotes may be obtained to confirm that the offer provides the best value for money. Quotations can be solicited directly from the vendors by the procuring section. The quote will be evaluated by the procuring section and the vendor approved by the Director-General's delegate. The quote must conform to the technical requirements of the procurement. The Procurement Team will conduct post-facto random checks to ensure that these procurement activities provide SPC with the best value for money available in the market. If the items or services being procured are required on a repetitive basis and the cumulative value of the contract exceeds EUR 45,000 in a calendar year, the procuring section is to use either an RFQ or RFP for future purchases.
3.	Request for quotation (RFQ)	Up to 45,000 EUR	Above 2000 EUR	Procurement valued at more than EUR 2000 and less than or equal to EUR 45,000 requires an evaluation of at least three quotations to determine the offer that provides the best value for money. The procuring section can source quotations from vendors. If the items or services being procured are required on a repetitive basis and the cumulative value of the contract exceeds EUR 45,000 in the calendar year, the procuring section should conduct an advertised RFP process for procurement, or a process for the appointment of a preferred supplier or service provider. The RFQ documentation or technical specification will be provided in writing to the prospective vendors to provide quotation. The same set of specification requirements, submission and other solicitation requirements will be provided to all vendors from whom quotations or proposals are requested. All forms of communication with the prospective vendor will be retained as the source documents for the procurement. Depending on the market for the product or services being procured, procurement below this threshold can also be advertised. The procuring section will evaluate the quotes using the evaluation matrix template, to compare all quotations and proposals received. The Procurement Team can assist to ensure the appropriate process is followed and that all the relevant documentation is properly filled
4.	Request for proposal (RFP)	200,000 EUR	Above 45,000 EUR	Procurement valued at more than EUR 45,000 will require a local or international RFP (or tender) and will be evaluated by SPC's Procurement Committee. The Procurement Team will coordinate the process to ensure compliance with the process (and will complete the required RFP checklist). Solicitation Advertising: An RFP must be advertised for at least four weeks and advertised as widely as possible. No RFP documents will be sent directly to any prospective bidders, unless they have been shortlisted through an expression of interest. Communication with bidders/potential bidders: Once an RFP is advertised all requests for clarification about the content of the RFP from a potential bidder must be made through the Procurement Team. All communication sent out in response to a query will be copied to all bidders that have already submitted their bids. Two envelope process: The RFP will normally require a two envelope procedure, in which the technical and financial proposals are submitted in two separate sealed envelopes or as separate electronic submissions. Closing date: All bids must be received before the closing date specified in the RFP documents Evaluation SPC's Procurement Committee will undertake an RFP evaluation. The proposal with the overall highest score after adding the score of the technical proposal and the score from the financial proposal is the bid that offers the best value for money. The Procurement Committee must prepare an evaluation report for all RFP evaluations. Negotiations: Negotiations are discussions with a potential supplier after selection of the supplier, but before the award of the contract. Negotiations may be carried out with the selected supplier regarding payment terms and delivery after the Procurement Committee's report has been approved.

				<p>Negotiations should result in a clear understanding of responsibilities under the contract and better value for money than provided for in the recommended proposal.</p> <p>Award of contract: The Procurement Committee's evaluation report will be submitted to the Director-General for approval. This approval authorises SPC to enter into negotiations with the successful bidder and award the contract.</p>
5.	High-value RFP or highly complex, or unavailable in local market	N/A	Above 200,000 EUR	<p>A high-value RFP will need to be undertaken for very high-value procurements (more than EUR 200,000), and for complex procurements, or for procurement of requirements not readily available in the local market. Construction works and real estate procurement may be carried out through local procurement regardless of the value (see the Capital Projects Guidelines). The majority of the processes for a high-value RFP are the same as for an RFP, except for some additional requirements, as set out below. The Director-General will approve any high value RFP. A risk assessment must be undertaken before the start of the procurement activity for all high-value procurements (more than EUR200,000) or complex procurements. The risk assessment is to be undertaken by the project manager, in collaboration with the Procurement Team, and must evaluate the consequences of SPC failing to perform the procurement effectively or in a timely manner. It should include a risk analysis, assessment and options for mitigation. The risk assessment must be done in line with SPC's Risk Management Policy. High-value RFP must be advertised for at least six (6) weeks. A performance security bond will be required for all high-value contracts.</p>
6.	Rosters and preferred suppliers	N/A	N/A	<p>Expression of interest An expression of interest (EOI) is a solicitation process that allows SPC to develop a list of potential bidders for goods, services or works that could be either: a. included on a shortlist roster; or b. considered for a future detailed RFP process. The EOI process does not automatically lead to an award of contract. The purpose of the EOI process is limited to assisting procuring sections by providing them with a shortlist of prospective vendors on roster. The technical evaluation of EOIs will be done by the procuring section, with a report submitted to the Procurement Committee for approval. Using an approved roster waives the requirement of a public solicitation process. However, before contracting a prospective vendor from a roster, SPC must send a detailed statement of needs to at least three prospective vendors seeking a proposal or quote. The evaluation of the proposals will occur in line with SPC's normal procurement practices, according to the value of the contract</p> <p>Preferred supplier agreement SPC uses preferred supplier agreements (PSA) to capitalise on volume procurement, by leveraging its purchasing power for low-value but high-volume procurement. A PSA is a contractual agreement for the provision of goods, services or works (as and when required), under a schedule of rates or on a quotation basis. A PSA can be established with one or more suppliers to provide an undefined volume of goods, services or works to SPC in accordance with contract conditions that may or may not include price. Typical examples include travel and ICT equipment, where the total procurement volume is large and recurring, while individual orders are relatively small. Preferred supplier agreements are managed by the procuring section. The appointments of preferred suppliers are initially made through a public competitive procurement process, either through an RFQ, an RFP or a full international tender process based on the volume and amount of procurement. Once a PSA has been implemented, orders can be placed directly with the supplier(s) by the procuring sections, on terms stated in the PSA, without going through another competitive bidding process or needing to obtain comparative quotes from other suppliers. (see 63.1.c Direct contracting) A PSA will be initially for one year and will only be renewed upon confirmation of satisfactory performance before the expiry of the contract. The PSA can then be renewed for another three (3) years, for an overall maximum of four (4) years. The procurement must then be readvertised.</p>
7.	Crisis response procedures (CRP)	2,000 EUR	N/A	<p>The crisis response procedures (CRP) are intended to improve the speed and efficiency of SPC's response to the recovery needs of countries affected by crisis for a defined period of time. They provide increased operational flexibility to carry out procurement activities in the shortest period of time possible, without compromising accountability. However, they only apply to procurement activity directly related to the crisis response. The Director-General may declare a crisis to invoke the application of the CRP. To declare a crisis the Director-General needs to be satisfied that: a. a government (national, provincial or other) or international organisation has declared a form of state of emergency, or</p>

				b. a government (national, provincial or other) is taking active time critical steps to mitigate the impact of an imminent disaster or crisis. The Procurement Team must be consulted for any procurement made under CRP. Additional information on thresholds for CRP is available upon request.
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2. Prequalification (for complex Civil Works)

No pre-qualification is required under the GCF project as no complex civil works are envisaged.

3. Procurement Packages with Methods and Time Schedule

1	2	3	4	5	6	7	8	9	10	11	12	13
Ref. No.	Contract (Description)	Source of Funds	Planned vs Actual	Estimated Cost in US\$	Procurement Method	Pre Qualification (yes/no)	Domestic Preference (yes/no)	Review by AE/Fund (Prior / Post)	Date of issuance of doc's	Bid-Opening Date	Date of contract /order signature	Comments
1	Travel services for events, meetings and PMU services - preferred supplier agreement	GCF	Planned	500,000	RFQ (Preferred supplier agreement)	No	Yes	Yes (prior)	Mar-23	Apr-23	May-23	Competitively selected preferred supplier (initial 12 month period, renewable for a further 3 years based on performance). AE prior review for selection of preferred supplier, and post review for individual quotes)
2	Travel services for events, meetings and PMU services - individual requests for quotations	GCF	Planned	50,000	RFQ	No	Yes	Yes (post)	Ongoing from January 2023	Ongoing from January 2023	Ongoing from January 2023	Ad hoc travel services based on individual request for quotations, multiple low value contracts

3	Venue hire & catering for events & meetings - preferred supplier agreement	GCF	Planned	200,000	RFP (Preferred supplier agreement)	No	Yes	Yes (prior)	Mar-23	Apr-23	May-23	Competitively selected preferred supplier (initial 12 month period, renewable for a further 3 years based on performance). AE prior review for selection of preferred supplier, and post review for individual quotes)
4	Venue hire & catering for events & meetings - individual requests for quotations	GCF	Planned	20,000	RFQ	No	Yes	Yes (post)	Ongoing from January 2023	Ongoing from January 2023	Ongoing from January 2023	Ad hoc travel services based on individual request for quotations, multiple low value contracts
5	Equipment and construction services under component 2	GCF	Planned	1,000,000	RFP	Yes	Yes	Yes (prior)	Jan-24	Feb-24	Mar-24	Most equipment supply and construction services will be procured after June 2024. Depending on location and equipment to be supplied these RFPs may be in lots, or through more than one RFP
6	Training services provided alongside equipment supply and installation	GCF	Planned	500,000	RFP	Yes	Yes	Yes (prior)	Jan-24	Feb-24	Mar-24	In some cases suppliers of equipment and construction services might also provide some of the training (plumber training, water committee training). This procurement may

												therefore be combined into united RFPs.
Total For Goods and Services				2,270,000								

III. Selection of Consultants

1. Prior Review Threshold: Selection decisions subject to Prior Review by AE/Fund:

	Selection Method	Prior Review Threshold	Comment
1.	Rosters and preferred suppliers	<p>1. High-value RFP or highly complex, or unavailable in local market Above 200,000 EUR</p> <p>2. Request for proposal (RFP) above 45,000 EUR up to 200,000 EUR</p> <p>3. Request for quotation (RFQ). Above 2000 EUR up to 45,000 EUR</p>	<p><i>Expression of interest</i></p> <p>An expression of interest (EOI) is a solicitation process that allows SPC to develop a list of potential bidders for goods, services or works that could be either:</p> <ul style="list-style-type: none"> a. included on a shortlist roster; or b. considered for a future detailed RFP process. <p>The EOI process does not automatically lead to an award of contract. The purpose of the EOI process is limited to assisting procuring sections by providing them with a shortlist of prospective vendors on roster.</p> <p>The technical evaluation of EOIs will be done by the procuring section, with a report submitted to the Procurement Committee for approval.</p> <p>Using an approved roster waives the requirement of a public solicitation process. However, before contracting a prospective vendor from a roster, SPC must send a detailed statement of needs to at least three prospective vendors seeking a proposal or quote. The evaluation of the proposals will occur in line with SPC's normal procurement practices, according to the value of the contract</p> <p><i>Preferred supplier agreement</i></p> <p>SPC uses preferred supplier agreements (PSA) to capitalise on volume procurement, by leveraging its purchasing power for low-value but high-volume procurement.</p> <p>A PSA is a contractual agreement for the provision of goods, services or works (as and when required), under a schedule of rates or on a quotation basis.</p> <p>A PSA can be established with one or more suppliers to provide an undefined volume of goods, services or works to SPC in accordance with contract conditions that may or may not include price. Typical examples include travel and ICT equipment, where the total procurement volume is large and recurring, while individual orders are relatively small. Preferred supplier agreements are managed by the procuring section.</p> <p>The appointments of preferred suppliers are initially made through a public competitive procurement process, either through an RFQ, an RFP or a full international tender process based on the volume and amount of procurement. Once a PSA has been implemented, orders can be placed</p>

			<p>directly with the supplier(s) by the procuring sections, on terms stated in the PSA, without going through another competitive bidding process or needing to obtain comparative quotes from other suppliers. (see 63.1.c Direct contracting)</p> <p>A PSA will be initially for one year and will only be renewed upon confirmation of satisfactory performance before the expiry of the contract. The PSA can then be renewed for another three (3) years, for an overall maximum of four (4) years. The procurement must then be readvertised.</p>
2.	Request for quotation (RFQ)	<p>Above 2000 EUR</p> <p>Up to 45,000 EUR</p>	<p>Procurement valued at more than EUR 2000 and less than or equal to EUR 45,000 requires an evaluation of at least three quotations to determine the offer that provides the best value for money. The procuring section can source quotations from vendors. If the items or services being procured are required on a repetitive basis and the cumulative value of the contract exceeds EUR 45,000 in the calendar year, the procuring section should conduct an advertised RFP process for procurement, or a process for the appointment of a preferred supplier or service provider.</p> <p>The RFQ documentation or technical specification will be provided in writing to the prospective vendors to provide quotation. The same set of specification requirements, submission and other solicitation requirements will be provided to all vendors from whom quotations or proposals are requested. All forms of communication with the prospective vendor will be retained as the source documents for the procurement.</p> <p>Depending on the market for the product or services being procured, procurement below this threshold can also be advertised.</p> <p>The procuring section will evaluate the quotes using the evaluation matrix template, to compare all quotations and proposals received. The Procurement Team can assist to ensure the appropriate process is followed and that all the relevant documentation is properly filled.</p>
3.	Request for proposal (RFP)	45,000 EUR - 200,000 EUR	<p>Procurement valued at more than EUR 45,000 will require a local or international RFP (or tender) and will be evaluated by SPC's Procurement Committee. The Procurement Team will coordinate the process to ensure compliance with the process (and will complete the required RFP checklist).</p> <p>Solicitation</p> <p>Advertising: An RFP must be advertised for at least four weeks and advertised as widely as possible. No RFP documents will be sent directly to any prospective bidders, unless they have been shortlisted through an expression of interest.</p> <p>Communication with bidders/potential bidders: Once an RFP is advertised all requests for clarification about the content of the RFP from a potential bidder must be made through the Procurement Team. All communication sent out in response to a query will be copied to all bidders that have already submitted their bids.</p> <p>Two envelope process: The RFP will normally require a two envelope procedure, in which the technical and financial proposals are submitted in two separate sealed envelopes or as separate electronic submissions.</p> <p>Closing date: All bids must be received before the closing date specified in the RFP documents</p> <p>Evaluation</p> <p>SPC's Procurement Committee will undertake an RFP evaluation. The proposal with the overall highest score after adding the score of the technical proposal and the score from the financial proposal is the bid that offers the best value for money.</p> <p>The Procurement Committee must prepare an evaluation report for all RFP evaluations.</p> <p>Negotiations:</p>

			<p>Negotiations are discussions with a potential supplier after selection of the supplier, but before the award of the contract. Negotiations may be carried out with the selected supplier regarding payment terms and delivery after the Procurement Committee's report has been approved. Negotiations should result in a clear understanding of responsibilities under the contract and better value for money than provided for in the recommended proposal.</p> <p><i>Award of contract:</i></p> <p>The Procurement Committee's evaluation report will be submitted to the Director-General for approval. This approval authorises SPC to enter into negotiations with the successful bidder and award the contract.</p>
4.	High-value RFP or highly complex, or unavailable in local market	Above 200,000 EUR	<p>A high-value RFP will need to be undertaken for very high-value procurements (more than EUR 200,000), and for complex procurements, or for procurement of requirements not readily available in the local market. Construction works and real estate procurement may be carried out through local procurement regardless of the value (see the Capital Projects Guidelines). The majority of the processes for a high-value RFP are the same as for an RFP, except for some additional requirements, as set out below. The Director-General will approve any high value RFP.</p> <p>A risk assessment must be undertaken before the start of the procurement activity for all high-value procurements (more than EUR200,000) or complex procurements. The risk assessment is to be undertaken by the project manager, in collaboration with the Procurement Team, and must evaluate the consequences of SPC failing to perform the procurement effectively or in a timely manner. It should include a risk analysis, assessment and options for mitigation. The risk assessment must be done in line with SPC's Risk Management Policy.</p> <p>High-value RFP must be advertised for at least six (6) weeks.</p> <p>A performance security bond will be required for all high-value contracts.</p>

2. **Short list comprising entirely of national consultants:** Short list of consultants for services, estimated to cost less than \$100,000 equivalent per contract, may comprise entirely of national consultants in accordance with the Fund's interest in encouraging the development and use of National Consultants from partner countries of operation.
3. **Any Other Special Selection Arrangements:** [including advance procurement and retroactive financing, if applicable]

4. Consultancy Assignments with Selection Methods and Time Schedule

1	2	3	4	5	6	7	8	9	10	11	12	
Ref. No.	Description of Assignment	Source of Funds	Estimated Cost	Selection Method	Review by AE/Fund (Prior / Post)	Issuance of Expression of Interest	Finalize shortlist and issue RFP	Proposals Submission Date	Complete Technical Evaluation	Complete Financial Evaluation	Negotiate and Award	Comment
1	1.1.1 Local consultant to update DWSSP methodology & provide training	GCF	5,000	RFQ + QBS	Yes (post)			Mar-23	Apr-23	Apr-23	Apr-23	
2	1.1.1 International consultant to update DWSSP methodology & provide training	GCF	12,000	RFP + QBS	Yes (post)			Mar-23	Apr-23	Apr-23	Apr-23	
3	1.2.1 Formative research, Develop Materials (e.g. videos, radio, WSB plays...)	GCF	200,000	RFP (Preferred supplier agreement) + QCBS	Yes (prior)	Apr-23	May-23	Jun-23	Jul-23	Jul-23	Aug-23	Competitive RFP. First year of contract to be renewed based on performance for up to 4 years. First year costs approx. 75,000
	1.3.1 Development of DWSSPs (including travel, training, laboratory services on water quality)	GCF	1,500,000	RFP + QBS	Yes (prior)	Mar-23	Apr-23	May-23	Jun-23	Jun-23	Jun-23	Multiple smaller contracts organised by region
5	1.3.1 ESS + GESI expert support to DWSSP implementation as needed	GCF	6,000	RFQ + QBS	No			Jan-24	Feb-24	Feb-24	Mar-24	
6	3.2.1 KM process / platform improvement TA	GCF	50,000	RFP (Preferred supplier agreement) + QBS	Yes (post)			Mar-23	Apr-23	Apr-23	Apr-23	

7	3.2.2 KM implementation support	GCF	50,000	RFP (Preferred supplier agreement) + QBS	Yes (post)			Mar-23	Apr-23	Apr-23	Apr-23	
8	3.3.1 M&E process / platform improvement TA	GCF	30,000	RFP (Preferred supplier agreement) + QBS	Yes (post)			Mar-23	Apr-23	Apr-23	Apr-23	
9	Audit costs, every year for 5 years	GCF	25,000	RFP (Preferred supplier agreement) + QCBS	Yes (post)			Oct-23	Nov-23	Nov-23	Dec-23	Total contract of \$25,000 annually for 5 years under competitively tendered preferred supplier agreement, renewable subject to performance up to 4 years.
Total for consultancy assignments			1,878,000									

Competitive Methods are the following:

- Quality Cost Based Selection method (QCBS)
- Quality Based Selection (QBS)
- Fixed Budget Selection (FBS)
- Least Cost Selection (LCS)
- Consultants Qualifications Selection (CQS)