



**REQUEST FOR PROPOSAL (RFP)  
(For Low-Valued Services)**

Name & Address of FIRM	DATE: November 13, 2020
	REFERENCE: RFP/FJI10-014-2020

Dear Sir / Madam:

We kindly request you to submit your Proposal for Capacity Assessment of UNDP Multi Country Western Pacific HIV, TB and Malaria Programme's Sub-recipients / implementing partners as indicated in TOR (Annex 4)

Please be guided by the forms attached hereto as Annex 1 – 4, in preparing your Proposal.

Proposals may be submitted on or before 11.59pm Sunday, November 22, 2020 and via email to the address below:

**United Nations Development Programme**  
**Imran Khan**  
[etenderbox.pacific@undp.org](mailto:etenderbox.pacific@undp.org)

Your Proposal must be expressed in the English, and valid for a minimum period of 120 days

In the course of preparing your Proposal, it shall remain your responsibility to ensure that it reaches the address above on or before the deadline. Proposals that are received by UNDP after the deadline indicated above, for whatever reason, shall not be considered for evaluation. If you are submitting your Proposal by email, kindly ensure that they are signed and in the .pdf format, and free from any virus or corrupted files.

Services proposed shall be reviewed and evaluated based on completeness and compliance of the Proposal and responsiveness with the requirements of the RFP and all other annexes providing details of UNDP requirements.

The Proposal that complies with all of the requirements, meets all the evaluation criteria and offers the best value for money shall be selected and awarded the contract. Any offer that does not meet the requirements shall be rejected.

Any discrepancy between the unit price and the total price shall be re-computed by UNDP, and the unit price shall prevail and the total price shall be corrected. If the Service Provider does not accept the final price based on UNDP's re-computation and correction of errors, its Proposal will be rejected.

No price variation due to escalation, inflation, fluctuation in exchange rates, or any other market factors shall be accepted by UNDP after it has received the Proposal. At the time of Award of Contract or Purchase Order, UNDP reserves the right to vary (increase or decrease) the quantity of services and/or goods, by up to a maximum twenty five per cent (25%) of the total offer, without any change in the unit price or other terms and conditions.

Any Contract or Purchase Order that will be issued as a result of this RFP shall be subject to the General Terms and Conditions attached hereto. The mere act of submission of a Proposal implies that the Service Provider accepts without question the General Terms and Conditions of UNDP, herein attached as Annex 3.

Please be advised that UNDP is not bound to accept any Proposal, nor award a contract or Purchase Order, nor be responsible for any costs associated with a Service Providers preparation and submission of a Proposal, regardless of the outcome or the manner of conducting the selection process.

UNDP's vendor protest procedure is intended to afford an opportunity to appeal for persons or firms not awarded a Purchase Order or Contract in a competitive procurement process. In the event that you believe you have not been fairly treated, you can find detailed information about vendor protest procedures in the following link:

<http://www.undp.org/content/undp/en/home/operations/procurement/protestandsanctions/>

UNDP encourages every prospective Service Provider to prevent and avoid conflicts of interest, by disclosing to UNDP if you, or any of your affiliates or personnel, were involved in the preparation of the requirements, design, cost estimates, and other information used in this RFP.

UNDP implements a zero tolerance on fraud and other proscribed practices, and is committed to preventing, identifying and addressing all such acts and practices against UNDP, as well as third parties involved in UNDP activities. UNDP expects its Service Providers to adhere to the UN Supplier Code of Conduct found in this link : [http://www.un.org/depts/ptd/pdf/conduct\\_english.pdf](http://www.un.org/depts/ptd/pdf/conduct_english.pdf)

**Thank you and we look forward to receiving your Proposal.**

Sincerely yours,

*Imran Khan*

*Procurement & Supply Chain Management Analyst*

*11/13/2020*

**Annex 1**

### Description of Requirements

Context of the Requirement	Capacity Assessment of Sub-recipients / implementing partners of Multi Country Western Pacific HIV, TB and Malaria Programme's funded by Global Fund.
Implementing Partner of UNDP	Refer to Annex 4 -Terms of Reference
Brief Description of the Required Services <sup>1</sup>	Remote Capacity Assessments of Sub-recipients / implementing partners of Multi Country Western Pacific HIV, TB and Malaria Programme's funded by Global Fund by Audit Firms.
List and Description of Expected Outputs to be Delivered	Refer to Annex 4 -Terms of Reference
Person to Supervise the Work/Performance of the Service Provider	Dhiraj Singh - Programme Finance and Compliance Analyst Gayane Tovmasyan – Programme Manager, Multi Country Western Pacific Programme
Frequency of Reporting	Refer to Annex 4 -Terms of Reference
Progress Reporting Requirements	Refer to Annex 4 -Terms of Reference
Location of work	Home Based and desk review for the following lots; <b>Lot 1 – Samoa, Tonga, Vanuatu</b> <b>Lot 2 – FSM, PALAU, RMI</b> <b>Lot 3 - Kiribati, Nauru, Tuvalu, Cook Islands, Niue</b>
Expected duration of work	15 days (7 – 23 December 2020)
Target start date	7 <sup>th</sup> December 2020
Latest completion date	23 <sup>rd</sup> December 2020
Travels Expected	No Travel required Assessment will be done from Fiji
Facilities to be Provided by UNDP (i.e., must be excluded from Price Proposal)	<input checked="" type="checkbox"/> N/A
Implementation Schedule indicating breakdown and timing of activities/sub-activities	<input checked="" type="checkbox"/> Required
Names and curriculum vitae of individuals who will be involved in completing the services	<input checked="" type="checkbox"/> Required
Currency of Proposal	<input checked="" type="checkbox"/> Fijian Dollar (FJD) <input checked="" type="checkbox"/> United States Dollars

<sup>1</sup> A detailed TOR may be attached if the information listed in this Annex is not sufficient to fully describe the nature of the work and other details of the requirements.

Value Added Tax on Price Proposal <sup>2</sup>	<input checked="" type="checkbox"/> must be inclusive of VAT and other applicable indirect taxes														
Validity Period of Proposals (Counting for the last day of submission of quotes)	<input checked="" type="checkbox"/> 120 days  In exceptional circumstances, UNDP may request the Proposer to extend the validity of the Proposal beyond what has been initially indicated in this RFP. The Proposal shall then confirm the extension in writing, without any modification whatsoever on the Proposal.														
Partial Quotes	<input checked="" type="checkbox"/> Not permitted														
Payment Terms <sup>3</sup>	<table border="1"> <thead> <tr> <th>Outputs</th> <th>Percentage</th> <th>Timing</th> <th>Condition for Payment Release</th> </tr> </thead> <tbody> <tr> <td>Draft Assessment Report (separate Assessment report for each lot)</td> <td>60%</td> <td>20 Dec 20</td> <td rowspan="2">           Within fifteen (15) days from the date of meeting the following conditions:            a) UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and            b) Receipt of invoice from the Service Provider.         </td> </tr> <tr> <td>Final Assessment Report (separate Assessment report for each lot)</td> <td>40%</td> <td>23 Dec 20</td> </tr> </tbody> </table>				Outputs	Percentage	Timing	Condition for Payment Release	Draft Assessment Report (separate Assessment report for each lot)	60%	20 Dec 20	Within fifteen (15) days from the date of meeting the following conditions: a) UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and b) Receipt of invoice from the Service Provider.	Final Assessment Report (separate Assessment report for each lot)	40%	23 Dec 20
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Final Assessment Report (separate Assessment report for each lot)	40%	23 Dec 20													
Person(s) to review/inspect/ approve outputs/completed services and authorize the disbursement of payment	Dhiraj Singh - Programme Finance and Compliance Analyst Gayane Tovmasyan – Programme Manager, Multi Country Western Pacific Programme														
Type of Contract to be Signed	<input checked="" type="checkbox"/> Contract for Institutional Services														
Criteria for Contract Award	<input checked="" type="checkbox"/> Highest Combined Score (based on the 70% technical offer and 30% price weight distribution) <input checked="" type="checkbox"/> Full acceptance of the UNDP Contract General Terms and Conditions (GTC). This is a mandatory criteria and cannot be deleted regardless of														

<sup>2</sup> VAT exemption status varies from one country to another. Pls. check whatever is applicable to the UNDP CO/BU requiring the service.

<sup>3</sup> UNDP preference is not to pay any amount in advance upon signing of contract. If the Service Provider strictly requires payment in advance, it will be limited only up to 20% of the total price quoted. For any higher percentage, or any amount advanced exceeding \$30,000, UNDP shall require the Service Provider to submit a bank guarantee or bank cheque payable to UNDP, in the same amount as the payment advanced by UNDP to the Service Provider.

	the nature of services required. Non acceptance of the GTC may be grounds for the rejection of the Proposal.
Criteria for the Assessment of Proposal	<p><b><u>Technical Proposal (70%)</u></b></p> <p>a) Proven experience in similar assignments (30 points);  - (e.g. Past capacity assessment and audit experience on development programmes)</p> <p>b) The qualifications, competence and experience of the personnel proposed for the assignment for a total of (20 points); and  - At least BA in accounting and financial management or similar discipline  - At least 3 years of experience in similar audit field  - Good Analytical skills  - Demonstrated multi-tasking and efficiency</p> <p>-c) The approach in implementing the tasks described in the audit schedule of requirements (15 points).</p> <p>d) The schedule of the Capacity Assessment engagement, assessed in terms of its responsiveness to the schedule requirements of UNDP (5 points)  - Ability to meet the deadlines</p> <p><b><u>Financial Proposal (30%)</u></b></p> <p>To be computed as a ratio of the Proposal's offer to the lowest price among the proposals received by UNDP.</p> <p>Separate financial evaluation will be done for all the 3 Lots and separate vendors will awarded the contract for each lot.</p>
UNDP will award the contract to:	<p><input checked="" type="checkbox"/> One or more Supplier, depending on the following factors:  Technically compliant Vendors – scoring 49% and above  Financial Evaluation will be done for each lots</p> <p>Vendors scoring the highest in each lot will be awarded the contract for that lot</p>
Annexes to this RFP <sup>4</sup>	<p><input checked="" type="checkbox"/> Form for Submission of Proposal (Annex 2)</p> <p><input checked="" type="checkbox"/> General Terms and Conditions / Special Conditions (Annex 3)<sup>5</sup></p> <p><input checked="" type="checkbox"/> Detailed TOR (Annex 4)</p>

<sup>4</sup> Where the information is available in the web, a URL for the information may simply be provided.

<sup>5</sup> Service Providers are alerted that non-acceptance of the terms of the General Terms and Conditions (GTC) may be grounds for disqualification from this procurement process.

Contact Person for Inquiries (Written inquiries only) <sup>6</sup>	<p><i>Imran Khan</i>  <i>Procurement &amp; supply Chain Management Analyst</i>  <a href="mailto:imran.khan@undp.org">imran.khan@undp.org</a></p> <p>Deadline for submitting requests for clarifications/ questions is 4 days before the submission date.</p> <p>Any delay in UNDP's response shall be not used as a reason for extending the deadline for submission, unless UNDP determines that such an extension is necessary and communicates a new deadline to the Proposers.</p>
<b>Due Date</b>	<b>22<sup>nd</sup> November, 2020 before 11.59 pm (Fiji time +12)</b>
Pre-proposal conference	<p><input checked="" type="checkbox"/> <b>Will be Conducted</b>  <b>Pre-Bidding Conference will be held on 18-November-2020 at 12-00pm (Fiji (GMT+12) via Zoom.</b>  Interested bidders are required to register for Pre-Bidding Conference by submitting their company name, list of attending representatives and their contact information as well as Email ID at the following e-mail: <a href="mailto:imran.khan@undp.org">imran.khan@undp.org</a>  Attn: Procurement Unit Subject: RFP/FJI10-014-2020– Pre-Bidding Conference Registration</p>

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<sup>6</sup> This contact person and address is officially designated by UNDP. If inquiries are sent to other person/s or address/es, even if they are UNDP staff, UNDP shall have no obligation to respond nor can UNDP confirm that the query was received.

FORM FOR SUBMITTING SERVICE PROVIDER'S PROPOSAL<sup>7</sup>

*(This Form must be submitted only using the Service Provider's Official Letterhead/Stationery<sup>8</sup>)*

[insert: Location].

[insert: Date]

To: [insert: Name and Address of UNDP focal point]

Dear Sir/Madam:

We, the undersigned, hereby offer to render the following services to UNDP in conformity with the requirements defined in the RFP dated [specify date], and all of its attachments, as well as the provisions of the UNDP General Contract Terms and Conditions :

**A. Qualifications of the Service Provider**

*The Service Provider must describe and explain how and why they are the best entity that can deliver the requirements of UNDP by indicating the following :*

- a) Profile – describing the nature of business, field of expertise, licenses, certifications, accreditations;*
- b) Business Licenses – Registration Papers, Tax Payment Certification, etc.*
- c) Track Record – list of clients for similar services as those required by UNDP, indicating description of contract scope, contract duration, contract value, contact references;*
- d) Certificates and Accreditation – including Quality Certificates, Patent Registrations, Environmental Sustainability Certificates, etc.*
- e) Written Self-Declaration that the company is not in the UN Security Council 1267/1989 List, UN Procurement Division List or Other UN Ineligibility List.*

**B. Proposed Methodology for the Completion of Services**

*The Service Provider must describe how it will address/deliver the demands of the RFP; providing a detailed description of the essential performance characteristics, reporting conditions and quality assurance mechanisms that will be put in place, while demonstrating that the proposed methodology will be appropriate to the local conditions and context of the work.*

<sup>7</sup> This serves as a guide to the Service Provider in preparing the Proposal.

<sup>8</sup> Official Letterhead/Stationery must indicate contact details – addresses, email, phone and fax numbers – for verification purposes

**C. Qualifications of Key Personnel**

*If required by the RFP, the Service Provider must provide :*

- a) Names and qualifications of the key personnel that will perform the services indicating who is Team Leader, who are supporting, etc.;*
- b) CVs demonstrating qualifications must be submitted if required by the RFP; and*
- c) Written confirmation from each personnel that they are available for the entire duration of the contract.*

**D. Cost Breakdown per Deliverable\***

	<b>Deliverables</b> <i>[list them as referred to in the RFP]</i>	<b>Percentage of Total Price</b> <i>(Weight for payment)</i>	<b>Price</b> <i>(Lump Sum, All Inclusive)</i>
1	Submission of Draft report	60%	
2	Submission and acceptance by UNDP of final report	40%	
	<b>Total</b>	<b>100%</b>	

*\*This shall be the basis of the payment tranches*

**E. Cost Breakdown by Cost Component**

<b>No.</b>	<b>Project Description</b>	<b>Entity</b>	<b>Personnel Assigned to the project*</b>	<b>Audit Fees</b>	<b>Total Cost (FJD)</b>
				(A)	(A+B+C)
<b>1</b>	<b>Lot 1 – Samoa, Tonga, Vanuatu</b>				
1.1	Samoa Ministry of Health	Governmental			
1.2	Samoa Family Health Association	Local NGO			
1.3	Samoa Fa'afafine Association	Local NGO			
1.4	Tonga Ministry of Health	Governmental			
1.5	Tonga Family Health Association	Local NGO			
1.6	Tonga Letis Association	Local NGO			
1.7	Vanuatu Ministry of Health	Governmental			
1.8	Wan Smolbag Theatre (Vanuatu)	Local NGO			
1.9	VPride (Vanuatu)	Local NGO			
1.10	Vanuatu Family Health Association	Local NGO			
	<b>Sub Total</b>				
<b>2</b>	<b>Lot 2 – FSM, PALAU, RMI</b>				
2.1	FSM Department of Health	Governmental			



2.2	Chuuk Women Council (FSM)	Local NGO			
2.3	Marshall Islands Ministry of Health	Governmental			
2.4	Palau Ministry of Health	Governmental			
	<b>Sub Total</b>				
3	<b>Lot 3 - Kiribati, Nauru, Tuvalu, Cook Islands, Niue</b>				
3.1	Kiribati Ministry of Health	Governmental			
3.2	Nauru Ministry of Health	Governmental			
3.3	Tuvalu Ministry of Health	Governmental			
3.4	Niue Ministry of Health	Governmental			
3.5	Cook Islands Ministry of Health	Governmental			
	<b>Sub Total</b>				
	<b>Total Cost</b>				

*[Name and Signature of the Service Provider's Authorized Person]*

**Annex 3**

***General Terms and Conditions for Services***

## **Terms of Reference (ToR) for Sub-Recipient (SR) Capacity Assessment**

This TOR has been developed to guide **UNDP (Global Fund)**, **Third-party service provider** and SR's through the objectives, scope, logistics and deliverables of performing Capacity assessments.

### **A. Objective and scope of the Capacity assessment**

UNDP has determined that Sub-recipients (SRs) of the Global Fund grant should meet minimum institutional and technical capacity requirements to sign an SR agreement with UNDP. The UNDP CO must conduct a formal capacity assessment of governmental entities and civil society organizations (CSOs) identified as potential Sub-recipients (SRs) using the capacity assessment template (annexed) to determine whether the potential SRs meet the minimum requirements detailed below.

#### **1. Financial management systems that:**

- i. correctly record all transactions and balances, including those to be supported by the Global Fund;
- ii. allow for disbursing funds to Sub-sub-recipients (SSRs) (where applicable) and suppliers in a timely, transparent and accountable manner;
- iii. support the preparation of regular, reliable financial statements;
- iv. safeguard Global Fund property.

#### **2. Institutional and programmatic:**

- i. legal status to enter into the SR agreement with the UNDP CO;
- ii. effective organizational leadership, management, transparent decision-making and accountability systems;
- iii. adequate infrastructure, transportation and technical information systems to support proposal implementation, including the monitoring of performance of SSRs and outsourced entities in a timely and accountable manner; and
- iv. adequate health care expertise (relating to HIV and AIDS, tuberculosis and/or malaria) and cross-functional expertise (finance, procurement, legal, monitoring and evaluation (M&E)).

#### **3. Monitoring and evaluation systems that:**

- i. collect and record programmatic data with appropriate quality control measures;
- ii. support the preparation of regular reliable programmatic reports; and
- iii. make data available for the purpose of evaluation and other studies.

#### **4. Supply chain management system that ensures:**

- i. adequate storage conditions;
- ii. good inventory management; and
- iii. reliable distribution system (if SR will be distributing health products to service delivery points or SSRs).

In addition to the minimum requirements, capacity assessments can also include a review of:

- experience and expertise of the civil society organizations (CSOs) in implementing Global Fund activities or similar projects; and
- experience in managing SSRs carrying out Global Fund activities or contractors providing goods and services (10 percent of SR budget maximum); and technical assistance to other organizations where applicable

The Sub-Recipient (SR) Capacity assessment is performed by a **Third-party service provider** and includes a site visit or virtual assessment of the **SR**. The assessment primarily consists of interviews with **SR** personnel and a review of relevant documentation sufficient to complete the Capacity assessment questionnaire (Annex 2). The questionnaire provides an overall risk rating based on responses provided, as follows:

- High – Response to question indicates a risk to the effective functioning of the SR’s control framework that has a high likelihood of a potential negative impact on the SR’s ability to execute the programme in accordance with the work plan and stated objectives;
- Significant – Response to question indicates a risk to the effective functioning of the SR’s control framework that has a significant likelihood of a potential negative impact on the SR ability to execute the programme in accordance with the work plan and stated objectives;
- Moderate – Response to question indicates a risk to the effective functioning of the SR’s control framework that has a moderate likelihood of a potential negative impact on the SR ability to execute the programme in accordance with the work plan and stated objectives; or
- Low – Response to question indicates a low risk to the effective functioning of the SR’s control framework and a low likelihood of a potential negative impact on the SR’s ability to execute the programme in accordance with the work plan and stated objectives.

The overall risk rating is used by the UNDP, along with other available information (e.g. history of engagement with the agency and previous audit/assurance results), to determine the type and frequency of assurance activities as per each agency’s guidelines and can be taken into consideration when selecting the appropriate cash transfer modality for the **SR**, based on each agency’s business model (further detailed in section 8).

## **B. Logistics**

The assessment should be completed (including the document review, site visit /virtual meeting, and report issuance) within four weeks of engaging the Third-party service provider. The UNDP HACT focal point and/or inter-agency coordinator will introduce the Third-party service provider to the **SR** and facilitate the site visit.

UNDP will provide the following documentation to the Third-party service provider for review before starting the fieldwork:

- Copy of the latest macro assessments performed for the country;
- UNDP’s (Global Fund) work plan(s) and programme documents with the **SR**;

- Copies of reports of any Capacity assessments or other relevant assessment previously performed on the **SR** e.g. review of the **SR's** or Country's Public Procurement System to determine its compatibility with the UN's Procurement Rules and Regulations, etc.;
- Copies of reports of any financial or internal control audits and spot checks previously performed on the **SR**;
- **SR** and Programme information as per Annex 1; and
- Any other documentation that may help the **Third party service provider** better understand the context from a United Nations perspective.

### C. Procedures

The **Third-party service provider** will receive general information regarding the **SR** and the programme from **UNDP's** HACT focal point and/or the inter-agency coordinator in preparation for the assessment (see Annex 1 and Items to be provided above). The **Third-party service provider** reviews this documentation in advance of performing a site visit to the **SR** with an advance request of the documents and interviews they would like to have while on site, to ensure efficient use of time while on-site.

Note that the relevant policies and documents required for Capacity Assessment of Sub-Recipient has been obtained by UNDP prior to fast track this assessment. However any additional documentation requirement from SRs/IPs could be assisted with to ensure timely completion of this assessment should the **Third party service provider** face difficulty with due to communication.

### D. Deliverables

The **Third-party service provider** also completes the Capacity assessment questionnaire (Annex 2, with instructions) based on the procedures performed during the assessment period. The **Third-party service provider** discusses the results of the questionnaire with relevant **SR** personnel and the UN agency/ies HACT focal point before finalizing it. Upon finalization, **Third party service provider** delivers an executive summary, detailing the overall risk rating and specific identified risks, and the completed questionnaire.

The Capacity assessment report is to be delivered in the format given in Annex 3.

See the schedule of deliverables below:

#	Outputs	Percentage	Timing	Condition for Payment Release
1	Draft Capacity Assessment Report (Separate Assessment report for each Sub-recipient per lot)	60%	20 Dec 20	Within fifteen (3) days from the date of meeting the following conditions: c) UNDP's written acceptance (i.e., not mere receipt) of the quality of the outputs; and d) Receipt of invoice from the Service Provider.
2	Final Capacity Assessment Report (Separate Assessment report for each Sub-recipient per lot)	40%	23 Dec 20	

### E. Qualifications of the Third-party service provider

The **Third-party service provider** must have at least 5 years of experience in performing assessments similar to a Capacity assessment and assessing risks related to organizational financial management capacity (i.e. accounting, reporting, procurement and internal controls), governance, Institutional and programmatic, Monitoring and evaluation systems and Supply chain management system . **Third party service provider** must also have knowledge of the United Nations system and the development sector.

CVs of all members of the assessment team should be provided to the commissioning UN agency/ies and should include details on engagements carried out by relevant staff, including ongoing assignments indicating responsibilities assumed by them and their qualifications and experience in undertaking similar assessments.

**Sub-recipients (SRs)/ implementing Partners (IPs)**

Herewith find below the list of Sub-recipients/ implementing Partners of UNDP Multi Country Western Pacific HIV/TB & Malaria Programme funded by the Global Fund

<b>SRs</b>	<b>Country</b>	<b>Type of Implementing Entity</b>
Cook Islands Ministry of Health	Cook Island	Governmental - Ministry of Health
Federated States of Micronesia Department of Health	FSM	Governmental - Ministry of Health
Kiribati Ministry of Health	Kiribati	Governmental - Ministry of Health
Marshal Islands Ministry of Health	RMI	Governmental - Ministry of Health
Nauru Ministry of Health	Nauru	Governmental - Ministry of Health
Niue Ministry of Health	Niue	Governmental - Ministry of Health
Palau Ministry of Health	Palau	Governmental - Ministry of Health
Samoa Ministry of Health	Samoa	Governmental - Ministry of Health
Tonga Ministry of Health	Tonga	Governmental - Ministry of Health
Tuvalu Ministry of Health	Tuvalu	Governmental - Ministry of Health
Vanuatu Ministry of Health	Vanuatu	Governmental - Ministry of Health
Wan Smolbag Theatre	Vanuatu	Community Sector - Local NGO
VPride	Vanuatu	Community Sector - Local NGO
Vanuatu Family Health Association	Vanuatu	Community Sector - Local NGO
Chuuk Women Council-FSM	FSM	Community Sector - Local NGO
Tonga Family Health Association	Tonga	Community Sector - Local NGO
Tonga Letis Association	Tonga	Community Sector - Local NGO
Samoa Family Health Association	Samoa	Community Sector - Local NGO
Samoa Fa'afafine Association	Samoa	Community Sector - Local NGO

## Annex 2

The following information should be completed at the start of the Capacity assessment and annexed to the report as per the format in Annex 4.

<b>Implementing partner name:</b>	
<b>Implementing partner code or ID in UNICEF, UNDP, UNFPA records (as applicable)</b>	
<b>Implementing partner contact details (contact name, email address and telephone number):</b>	
<b>Main programmes implemented with UNDP:</b>	1.
<b>Key Official in charge of the UNDP programme(s):</b>	
<b>Programme location(s):</b>	
<b>Location of records related to UNDP Programme(s):</b>	
<b>Currency of records maintained:</b>	
<b>Latest expenditures incurred/reported to UNDP). Indicate the amount (in US\$) and the financial reporting period:</b>	
<b>Current or latest cash transfer modality/ies used by the UN agency/ies to the SR:</b>	
<b>Intended start date of Capacity assessment:</b>	
<b>Number of days to be spent for visit to SR:</b>	
<b>Any special requests to be considered during the Capacity assessment:</b>	

### Annex 3: Capacity Assessment Tool

Please see below spreadsheet tool for the questionnaire with calculation formulas included, which has to be used. Note that this Capacity Assessment tool may be subjected to change at start of assessment due to a new version being worked onto.



SR Capacity  
Assessment tool.xls

#### Instructions

This questionnaire contains questions related to seven subject areas. Certain questions are classified as “key questions” indicating that they have a greater impact in assessing the effective functioning of the **SR’s** control framework.

1. Answer each question by selecting ‘Yes’, ‘No’ or ‘N/A’ (for ‘not applicable’) from the drop-down menu in the appropriate column.
2. Use the Risk Assessment column to assign a risk rating (high, significant, moderate or low) for each question based on the response obtained. For example, if the question addresses an item that should ideally be marked ‘Yes’ but was marked ‘No’, it should be assessed for the level of risk it presents to the effective functioning of the **SR’s** control framework. Assigning risk ratings to each question requires judgment by the assessor as to how the response will impact the effectiveness of the **SR’s** control framework. **Attention: THE APPROPRIATE RISK ASSESSMENT OR “NOT APPLICABLE” MUST BE SELECTED FOR EACH QUESTION. IF THERE ARE QUESTIONS CONTAINING “ERROR” THE RISK RATING FOR THE CATEGORY AND OVERALL WILL BE WRONGLY CALCULATED!**
3. The risk ratings to be used are:
  - **High** – Response to question indicates a risk to the effective functioning of the **SR’s** control framework that has a high likelihood of a potential negative impact on the **SR’s** ability to execute the programme in accordance with the work plan and stated objectives;
  - **Significant** – Response to question indicates a risk to the effective functioning of the **SR’s** control framework that has a significant likelihood of a potential negative impact on the **SR** ability to execute the programme in accordance with the work plan and stated objectives;
  - **Moderate** – Response to question indicates a risk to the effective functioning of the **SR’s** control framework that has a moderate likelihood of a potential negative impact on the **SR** ability to execute the programme in accordance with the work plan and stated objectives; or
  - **Low** – Response to question indicates a low risk to the effective functioning of the **SR’s** control framework and a low likelihood of a potential negative impact on the **SR’s** ability to execute the programme in accordance with the work plan and stated objectives.
4. The Risk Points column automatically assign points to each question that correlate with the level of risk.
5. Points are assigned as follows:



<b>Risk rating</b>	<b>Points: non-key questions</b>	<b>Points: key questions</b>
H – High risk	4 points	8 points
S – Significant risk	3 points	6 points
M – Moderate risk	2 points	4 points
L – Low risk	1 point	1 point

6. Use the 'Remarks/ comments' column next to each question to provide details of your assessment or to highlight any important matters. This document will be referenced subsequently by the agency when performing additional assurance activities related to the **SR**. Sufficient details should be provided in this document for the agency to understand the details and rationale for your assessment.
7. The last comment in the 'Remarks/comments' column should indicate how the findings will specifically impact the project, given the project design and objectives. Thereby explaining the reason for the risk rating allocated.

#### **Calculation of risk rating per subject area section**

For each subject area, the risk points are totaled and divided by the number of applicable questions in that area, to give a risk rating for the subject area. The method of calculation is weighted average, where key questions have double the weight of non-key questions as illustrated in Note 1.

#### **Calculation of overall risk rating**

For all the questions in the questionnaire, the risk points are totaled and divided by the number of applicable questions, to give an overall average score. The method of calculation is weighted average, where key questions have double the weight of non-key questions as illustrated in Note 1.

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#### **Note 1 – Method of assigning risk ratings to risk scores**

As per paragraph 5, key questions are assigned double the risk points, resulting in a weighted average method for calculating the overall and by subject area risk rating. Therefore, the risk rating assigned to the key questions have twice the weight in determining the risk rating.

Assume the following two scenarios with the same risk rating for the questions.

1. Scenario 1: There are three non-key questions having equal weight
2. Scenario 2: The first question is key and the remaining two questions are non-key.

<b>Scenario 1</b>	<i>Risk Rating</i>	<i>Points</i>	<b>Scenario 2</b>	<i>Risk Rating</i>	<i>Points</i>
Question 1	High	4	<b>Key Question 1</b>	<b>High</b>	<b>8</b>
Question 2	Low	1	Question 2	Low	1
Question 3	Low	1	Question 3	Low	1

Total Risk Points:		6
Overall Risk	Moderate	2

Total Risk Points		10
Overall Risk	Significant	3.3

The Excel spreadsheet automatically assigns the risk rating by using the following algorithm:

1. Only the applicable questions are taken into consideration
2. The minimum possible points for the subject area are calculated, that is if all questions are assigned low risk rating
3. The maximum possible points for the subject area are calculated, that is if all questions are assigned high risk rating
4. The ranges for each risk rating are calculated by evenly distributing between the lowest and highest applicable points. Risk points and rating distributed as follows:

Risk Rating	Risk Point Range
Low	0 to 2.49
Medium or Moderate	2.5 to 4.49
Significant	5 to 7.49
High	7.5 to 10

5. The actual risk points are matched with one of the four risk ranges to determine the overall risk category.

The same algorithm is applied when calculated the overall risk rating for the **SR**.

## Annex 4: Capacity Assessment Report Format

### Front Page

Capacity Assessment of [Name of the SR]:  
Commissioned by [Name of the UN Agency/ies]:  
Name of the 3<sup>rd</sup> Party Service Provider:  
Date:

### Table of Contents

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  2. Summary of Risk Assessment Results
  3. Detailed Internal Control Findings and Recommendations
- Annex I. Implementing Partner and Programme Information  
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Annex III. Work/time flow diagrams (showing processes below and staff it flows through and average time it takes from one person to the next)  
    a. Procurement  
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    c. Financial reports from Treasury or Ministry of Finance  
Annex IV. List of persons met  
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    b. After the Capacity assessment (discussed the results with prior to finalisation)  
Annex V. List of Documents Received and Reviewed  
Annex VI. Capacity Assessment Questionnaire

### 1. Background, Scope and Methodology

#### Background

The Capacity assessment is part of the requirements under the Harmonized Approach to Cash Transfers (HACT) Framework. The HACT framework represents a common operational framework for UN agencies' transfer of cash to government and non-governmental implementing partners.

The Capacity -assessment assesses of the SR's control framework. It results in a risk rating (low, moderate, significant or high). The overall risk rating is used by the UN agencies, along with other available information (e.g. history of engagement with the agency and previous assurance results), to determine the type and frequency of assurance activities as per each agency's guideline and can be taken into consideration when selecting the appropriate cash transfer modality for an SR.

#### Scope

The Capacity -assessment provides an overall assessment of the Implementing Partner's programme, financial and operations management policies, procedures, systems and internal controls. It includes:

- A review of the SR legal status, governance structures and financial viability; programme management, organizational structure and staffing, accounting policies and procedures, fixed assets and inventory, financial reporting and monitoring, and procurement;
- A focus on compliance with policies, procedures, regulations and institutional arrangements that are issued both by the Government and the Implementing Partner.

It takes into account results of any previous audits and Capacity assessments conducted of the Implementing Partner.

## Methodology

We performed the Capacity -assessment from [date] to [date] at [describe locations].

Through discussion with management, observation and walk-through tests of transactions, we have assessed the Implementing Partner's and the related internal control system with emphasis on:

- The effectiveness of the systems in providing the Implementing Partner's management with accurate and timely information for management of funds and assets in accordance with work plans and agreements with the United Nations agencies;
- The general effectiveness of the internal control system in protecting the assets and resources of the Implementing Partner.

We discussed the results of the Capacity assessment with applicable UN agency personnel and the SR prior to finalization of the report. The list of persons met and interviewed during the Capacity -assessment is set out in Annex IV.

## 2. Summary of Risk Assessment Results

*[Executive summary of the overall risk assessment].*

The table below summarizes the results and main internal control gaps found during application of the Capacity -assessment questionnaire (in Annex IV). Detailed findings and recommendations are set out in section 3 below.

Tested subject area	Risk assessment*	Brief justification for rating (main internal control gaps)
1.Governance and Leadership		
2.Human Resources		
3.Programme Capacity		
4.Monitoring and Evaluation		

Tested subject area	Risk assessment*	Brief justification for rating (main internal control gaps)
5.Financial Management		
6.Procurement, Logistics and Information Management		
7.Comparative Advantage		
8.Accountability and Knowledge Management		
9. Coordination and Partnerships		
Overall Risk Assessment		

\*High, Significant, Moderate, Low

### 3. Detailed Internal Control Findings and Recommendations

No.	Description of Finding	Recommendation
1.	<p><b>Example: Insufficient staff training</b></p> <p><i>We noted that staff employed in the accounts department, who were primarily bookkeepers / administrators, had not received training on UN requirements for financial management and reporting, and had received only informal “on the job” training on the GABS accounting system.</i></p> <p><i>Lack of sufficient training increases the risk of error and failure to comply with the UN financial reporting requirements.</i></p>	<p><i>Example:</i></p> <p><i>The organisation should ensure staff are properly trained and aware of UN financial reporting requirements.</i></p>
	Etc	


## Annex I. SR

Implementing partner name:	
Implementing partner code or ID in UNICEF, UNDP, UNFPA records (as applicable)	
Implementing partner contact details (contact name, email address and telephone number):	
Main programmes implemented with UNDP:	1.
Key Official in charge of the UNDP programme(s):	
Programme location(s):	
Location of records related to UNDP Programme(s):	
Currency of records maintained:	
Latest expenditures incurred/reported to UNDP). Indicate the amount (in US\$) and the financial reporting period:	
Current or latest cash transfer modality/ies used by the UN agency/ies to the SR:	
Intended start date of Capacity assessment:	
Number of days to be spent for visit to SR:	
Any special requests to be considered during the Capacity assessment:	

## Annex II. Implementing Partner Organizational Chart

Annex III. Work/time flow diagrams (showing processes below and staff it flows through and average time it takes from one person to the next

- a. Procurement
- b. Payments
- c. Financial reports from Treasury or Ministry of Finance/ Treasury.

**Annex IV. List of Documents Received and Reviewed**

<b>Doc #</b>	<b>Name of Document</b>	<b>Submitted by</b>	<b>Date Submitted</b>	<b>Received and Reviewed by Audit Firm prior to Field visit to SR</b>
<b>1</b>		<b>Name of UN Agency</b>		<b>Yes/No</b>
<b>2</b>				
<b>3</b>				
<b>4</b>				
<b>5</b>				
<b>6</b>				
<b>etc</b>				

**Note:** Annex IV will be initially completed by the UN Agency commissioning the Capacity Assessment. The final Annex IV will be completed by the Audit Firm, after confirming that document has been reviewed as part of Capacity assessment process.



## Annex V. List of Persons Met

- a. During the Capacity assessment
- b. Prior to finalizing the Capacity assessment (discussed the results with prior to finalization)**

[illegible]

## Annex VI. Capacity Assessment Questionnaire

Include here the completed questionnaire and provide it in original excel format to the UN agency.