

National Community Driven Development Project

Township Procurement Guidelines

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1. Township Procurement

- 1 Township procurement means: 1) the function of purchasing or collecting goods which are required for implementing the projects and the sub-projects 2) managing the arrival of those goods at the project area 3) renting equipment, 4) hiring contractors, 5) supervision and management of contracts, and 6) assisting with payment matters in a systematic and transparent way.
2. These functions shall be carried out according with guidelines for threshold levels given in the table below (Section 2). The township procurement plan (Form TP-1) is approved by the Union. Any subsequent procurement not included in the approved procurement plan requires preliminary approval from the Union. No township procurement protocol is needed where the Union supplies the goods to the project area.
- 3 The Shopping Method is the standard procedure for township procurement. In exceptional cases where this method could not be applied, application should be made to the Union for using other methods, such as direct contracting. Furthermore, hiring of contractors or purchase of goods should be on the basis of an invitation for quotation (Form TP-2).

2. Prescribed amounts for Quotation Prices

Sr.No	Threshold Levels for Cost of Goods and Services	Currency	Required number of Quotations
1.	Under 100,000	MMK	No need
2.	From 100,001 to 2,500,000	MMK	At least 3
3.	From 2,500,001 to 5,000,000	MMK	At least 3

3. Procurement Plan

4. The procurement plan means the advance planning for purchasing the required materials for the project. The plan needs to be prepared at least 2 months in advance, depending on requirements, with the assistance of the Procurement Officer/ Township Technical Assistance. The plans should be based on project implementation schedule and requirements for access to materials. Normally the procurement plans will include the goods or services which are being purchased or hired, the names of the experts, estimated cost or estimated time schedule, shopping methods, etc. The Form TP-1 should use for the Procurement Plan.

4. Shopping Method

5. The shopping method used should be based on the cost of goods and services when purchasing the goods. Invitations to quote should be sent to at least 3 or 5 suppliers depending on cost, but where possible the procurement section should collect more than 3 or 5 quotations.
6. If there are not at least 5 quotations, or the quotation price is much higher than the current local rate or estimated cost, the selection can be made for other shops. In such cases, record shall be made on the Evaluation Meeting Minutes, giving strong reasons for selecting only one method, and not using competitive methods. That record shall be a separate report in the Meeting Minutes.

5. Invitation for Quotation

7. The goods which are required for the projects shall be advertised at least 2 weeks in advance of the date when materials are required. The advertising should be based on the

types of goods and the shopping method. It can be called the “Invitation for Quotation”, and the price lists shall be entered in the Form TP-2, and delivered in person or by letter to the relevant shops or businessman for price inquiries.

8. Price inquiries shall be made by phone for other townships. The quotation shall describe the required types of goods, quantity, and attention of the person to apply, the place and the last date of application, etc.
9. The time for the application should be at least 2 weeks from the date of advertisement, or the date of distributing the quotation, but will also depend on the project requirements and availability of the quotation. Interested shops shall enter in the form the price of each goods item and total amount, the validity period of the current prices, and other services from the shops, etc. The form should be submitted before the last date of application specified.
10. Township DRD and NCDDP staff cannot be included in the competition for the quotation.

6. Quotation Evaluation

- 11 The selection of the quotation shall be done in public, by inviting the respective officers from procurement and interested persons on the last date of application. Although the selection shall be based on least price quotation, other quotations can be selected if the quality and services of the goods are not consistent with the project requirements.
- 12 If the individual prices of goods do not tally with the total price, the selection should be based on the individual price of each item. The report keeper of the procurement shall fill the applicant’s prices in an order from least to highest, and also keep the meeting minutes accordingly. If the selected contractor is not the holder of the lowest price, the record shall provide clear explanations and reason for selecting him/her, and not the lowest price.

7 Purchase Order

- 13 After evaluating the quotation, the purchase order Form (TP-5) shall be filled and sent to the selected shop. The goods in the application or the quotation can be ordered wholly or in part, based on the project’s requirements. But the order should not be for goods which are not in the list.
- 14 The purchase order shall be sent in advance and the prices shall be the same prices as given in the quotation. Changes in price are not allowed. If the order is made based on type of materials, that type should be specified on the number and price of each of the goods.

- 15 The procurement officer shall take the advance from the finance officer for an amount which is the same or less than the cost of goods in the purchase order, with the approval of the township staff officer.
- 16 If there is any conflict between the contractor and the purchaser, or if there is a strong reason why the goods are no longer required for purchase, or if there is a situation where the goods failed to arrive on location within the prescribed time period, the termination of the contract can be made by sending a notice after consultation with the respective departments.

Notes: The procurement can purchase from the originally successful applicant if the goods are needed urgently, and at the same price as the previous procurement. But the purchase amount should not be more than 10% of the total price of goods, or the total of each price. No additional advertisement or expression of interest is needed for that matter.

8 Receiving of the Goods

- 17 When receiving the goods in the purchase order, systematic records shall be kept using the prescribed form, after filling in the types and quantities of the goods and the signature of the supplier. Following that, the relevant procurement officer should sign as the approval.
- 18 If the procurement of the goods is not completed at one time, the dates/times of purchasing should be recorded.
- 19 If the goods are not in conformity with the purchase order, information should be made to the contractor to return the goods and supply the agreed goods.
- 20 If the goods are received from the Union Procurement, the types, quantity and date of receipt shall be recorded using the appropriate Form, after checking of the goods. The information regarding defects and the inaccuracy of the goods should immediately be made known to the Union Procurement.

21 Delivery of Goods

The delivery form should be used when sending the required materials to the respective villages, places and projects. Lists of delivered goods and receiving of goods records shall be made systematically.

Forms

(TP-1) Procurement Plan

(TP-2) Invitation for Quotation

(TP-3) Evaluation of Quotation (Goods and Contracts)

(TP-4) Purchase Order (Goods)

Signature

Signature

Name

Name

Position: Staff Officer

Position: Procurement Officer

TTA/ DRD

Department of Rural Development

National Community Driven Development Project

Form (TP-2) Invitation for Quotation

Name : (Invited Shop)

Address:

Contact:

Date:

The Department of Rural Development from ----- Township is inviting for the expression of interest for procuring / hiring the following goods for National Community Driven Development Project which is implementing by the Department of Rural Development. The application shall be made to the following address after filling the prices in the Form within the date -----.

Require Goods/ Contractors/ Lists of Skill Labour

Sr .No.	Types	Qty	Price	Total Price	Remarks
	Total				
	Tax				
	All total				

1. Date of requirement
2. Place of delivery
3. Time frame for the Fix Price

4. Others

To apply

Applicant

Name

Address

Contact

The Department of Rural Development

National Community Driven Development Project

Form (TP-3) Evaluation of Quotation (Goods and Contracts)

Purchase or renting the Goods or Services

Days of Advertisement (.....) from to

Lists of applicant (order the prices less to the highest prices)

Sr. No.	Name of the Applicant	Address and Contact	Date of Application	Quotation Price	Grade

Negotiations

Sr. No.	Negotiator/ position in the Project/ Functions	Facts of the Discussions

If the selection is made to the lease price holder, the detail explanation of the reason of selection shall be making in the following place.

Name of the selected person/ Address	
Total Prices (in Kyat)	
Date of Contract	
Negotiation before the contract	

Signature
 Name
 Position: Staff Officer

Signature
 Name
 Position: Procurement Officer

TTA/ DRD

Department of Rural Development

National Community Driven Development Project (NCDDP)

Form (TP-4) Purchase Order

Name of the Sub-projects

Township

Date

To /-

..... (Selected contractor and Address)

.....

The Procurement Section of the Department of Rural Development in Township advertised the Expression of Interest on the date of The Evaluation Committee have selected this supplier to supply the necessary goods.

Therefore, we are informing the supplier to send the following goods which are required for projects within the prescribed time.

1. Lists of Require Goods and Time schedule

Sr. No.	Types of the Goods	Quantity	Unit Price	Total Cost	Time Schedule	Place of Delivery

	Total					
	Tax					
	All Total (in Kyats)					

2. Fixing the Prices

The price above mentioned in the purchase order is the same prices applying by the contractor. Negotiations are barred. Prices should be the same with the payment. This prices include (.....) or do not include (.....) the delivery charges, insurances and other charges.

3. Payment

Payment shall be made in Kyat only and within days after receiving the above mentioned goods.

4. Attached documents

The contractor shall send the details of the goods, warranty cards and other relevant documents together with the goods.

5. Termination

If the contractor absence for delivering the goods within the prescribed time period the purchaser may terminate the purchasing agreement within 7 days by sending a notice.

Signature

Name

(Procurement Officer DRD/ TTA)

Contact

Date

Signature

Name

(Staff Officer)

Contact

Date

Undertaking of the Contractor

The Contractor/ supplier undertakes to supply the require goods mentioned in above within days to the prescribed place without any delay.

Signature

Name of the Shop/

Contractor

Contact

Date

