Quick Guide for Requisitions under 3MDG grants
Version 2.0 January 2018
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2. ABBREVIATIONS

3MDG Three Development Goal Fund
AMW Auxiliary Midwife
CHW Community Health Worker
FM Fund Manager
FMO Fund Managers Office
FMO Fund Management Office
GAVI Global Alliance for Vaccines and Immunization
GFATM Global Fund to Fight AIDS, Tuberculosis and Malaria
GSA Grant Support Agreements
MoA Memorandum of Agreement
PSU Project Support Unit
PU Procurement Unit
SOP Standard Operating Procedures
VHW Voluntary Health Worker
IKCA In-Kind Contribution Agreement
3. INTRODUCTION

The Three Millennium Development Goal Fund (3MDG) is supported through a pooled donor fund. Donor commitments equal approximately US$300 million over six years.

The Fund is implemented in line with aid effectiveness principles, ensuring harmonisation with the initiatives of other donors such as the Global Fund and GAVI (Global Alliance for Vaccines and Immunization) and taking steps to further strengthen adherence to the principles of country ownership, alignment and mutual accountability. For additional details see the 3MDG website.

To ensure only quality health products are used by Partners and to leverage economies of scale the 3MDG provides procurement services for health commodities to Partners who have Grant Support Agreements (GSA) in place. This service does not include warehousing or procurement of non-medical commodities. Partners are therefore to ensure they have access environmentally controlled warehousing facilities for proper storage of health commodities. The 3MDG will verify this through yearly conducted commodity tracking systems reviews. During these reviews warehouses will be visited in the capital as well as at field level to assess the adequacy of the physical storage facilities as well the documentation processes which are in place. These review are conducted according a check list which can be found in the 3MDG library or via this link. Additional information on adequate storage of health commodities can be found in the 3MDG library or directly via this link in English as well as Myanmar language.

A number of detailed Standard Operating Procedures (SOPs) have been developed for obtaining commodities under established grants with the 3MDG through the Fund Manager. These SOPs are available from the library of the 3MDG website and describe the step-by-step procedures to be followed and stipulate the responsibilities of both parties in this process.

See below a list of the currently available SOPs, guidelines and tools accessible through the 3MDG library:

- **Quick guide on 3MDG Requisitions**
  Describes the process of obtaining supplies through the 3MDG Procurement Unit (PU).

- **SOP for procurement with 3MDG grants**
  Describes the detailed processes for the 3MDG-PU to obtain the requested supplies.

- **SOP for donations of 3MDG supplies**
  Describes the process for donating 3MDG funded commodities when Partners are facing excess stocks.

- **Commodity Tracking Systems Checklist**
  Describes the review procedure the 3MDG-PU uses to assess Partners’ supply chains.

- **Guidelines for the Storage of Essential Medicines and Other Health Commodities**
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Describes the standards the 3MDG expected Partners to uphold in their supply chains to ensure 3MDG funded commodities are safeguarded.

3MDG Requisition form
The tool required for submitting Requisitions to the 3MDG-PU

The overarching SOP on procurement contains the general regulations and procedures for partners on obtaining supplies from the Fund Management Office. It provides links to all required forms and tools and it describes the following in detail:

- How partners are expected to request their supplies from 3MDG;
- The regulations and procedures regarding the procurement process;
- How the Fund Manager monitors the supply chains from partners.

This quick guide provides the instructions of how to submit requisitions and receive the supplies after they have arrived in country. It does not cover all details as the SOP for Procurement with 3MDG Grants does.

If there remain any questions regarding procurement please sent an email to:

Procurement3MDG@unops.org

4. Procurement Services under the 3MDG

This guide has been revised to reflect the new modality for the procurement services to be introduced for the final year 2018 of the Fund. The reason for changing the modality through which procurement services are provided is due to several reasons:

- The unexpected extension of the Fund means there were no propositioned goods to provide under the MNCH component;
- Restructuring of the Fund from a component to geography structure;
- Introduction of more efficient and simpler processes for all parties involved;

The new modality has a number of implications for the final round of procurement and provision of supplies to Partners:

- Funds required for procurement to be conducted by the FMO will no longer reside with Partners but instead with the 3MDG Procurement Unit;
- Grant Support Agreements will no longer have a budget for procurement incorporated.
  There will still be a procurement budget mentioned in the Grant Support Agreement, but...
refers to costs related to procurement conducted during the previous years and cannot therefore not be removed as the indicated budgets are fully utilised;

- With the Procurement Unit responsible for the procurement budget there will no longer be the need for requesting Partners’ approval for expenditures, the so-called acknowledgement forms will therefore cease to exist.
- Any supplies handed over to Partners will now be provided as in-kind contributions under the Partners’ Grant Support Agreements.

This new modality will have a number of advantages leading to considerable savings in time and effort for both the Partners and the Fund Management Office (FMO) beside some other gains:

- Procurement can be commence prior to having the Grant Support Agreement in place;
- Shortages in Partners’ budgets will no longer delay procurement activities;
- Partners’ approvals for expenditures will no longer be required;
- UNOPS LTAs for transport and insurance can be utilised saving funds and time;
- All customs clearance processes will be conducted by the 3MDG Procurement Unit.

5. REQUISITIONS OVERVIEW

5.1. HOW TO SUBMIT A REQUISITION?

- Requisitions are to be submitted together with the proposals to the Programme Teams in the 3MDG.
  - Requisitions will only be accepted if submitted through the latest version of the Requisition Form. It is available from the library on the 3MDG website or via this link.
  - The requisitions form should be submitted as a soft copy so the data can be imported directly into the systems of the Fund Manager; this reduces chances mistakes are made;
  - The requisition form has four sheets: the first contains instructions, the second and third are to be completed by the partner and the forth is an optional one:
    - Instructions on usage;
    - Contact and budget information;
    - Order list;
    - The non-standard sheet is optional and is to be used for items not included in the Order list.
- The Programme Management Unit will subsequently assess the procurement plans in relation to the proposals and the Procurement Unit will determine the total cost of the requisition;
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- One the requisition has been approved it becomes a procurement plan annexed to the Grant Support Agreement; The total cost from this procurement plan will not be part of the budget included in the Grant Support Agreement;
- The Procurement Plan is then handed over to the Procurement Unit which will commence the procurement of the items listed in the plan;

5.2. **What should a Requisition contain?**

- Requisitions should include the needed commodities with sufficient quantities to support the activity *for one year*;
- Partners should ensure the requested quantities are reasonable and in-line with the activities as proposed. *Any excess stocks will be the partner’s responsibility* to manage - ensuring these excess stocks can be used elsewhere, through donation or other means. Details on how to conduct donations with 3MDG funded goods can be found in the 3MDG library or through this [link](#);
- Requisitions should contain the following information to be accepted:
  - A detailed description of the goods sought (brand names should not be used!);
  - Confirmation of availability of funds;
  - Quantities to be procured;
  - A realistic delivery date;
  - Estimated price.
- Any additional information, for example the indication of specific brands because of standardization, for detailed information see the SOP for Procurement with 3MDG Grants in the 3MDG library or through this [link](#);
- Requisitions for *Voluntary Health Workers (VHWs)* can only select items which have been prepositioned in country. Filter the Requisition Form for either Community Health Workers (CHWs) or Auxiliary Midwives (AMWs) to get an exhaustive list of approved and available items.

5.3. **What happens after the submission of a Requisition?**

- Once procurement plans have been received by the Procurement Unit, the Procurement Unit will ensure sufficient funds are available to conduct the necessary procurement actions.
- Once the Grant Support Agreements have been established and signed, the Procurement Unit will issue a separate agreement to those Partners who requested goods to be purchased. This is a so-called *In-Kind Contribution Agreement (IKCA)*. This agreement has the procurement plan annexed and is linked to the Grant Support Agreement. The
IKCA stipulates under which conditions the 3MDG will provide the goods as listed in the procurement plan to the Partner.

- To ensure efficient operations can be conducted and economies of scale can be achieved the procurement team consolidates the requirements from all Partners and will start to contract suppliers through competitive processes or other means.
- It should be clear that the requested commodities will not all arrive at the same moment in Myanmar. As a multitude of suppliers are involved, the supplies will arrive over time in different separate consignments.

5.4. **How can Partners obtain their supplies?**

- As soon as the Procurement Unit is informed by suppliers about pending arrivals of consignments the Procurement Unit notifies concerned Partners that supplies are to arrive in country soon. Since the Procurement Unit has to request tax exemption, clear the goods through customs, and prepare the goods for distribution to the different Partners, this prior notification is about three weeks in advance of the commodities arriving in country. When the goods are ready for pick-up Partners will be given an additional three weeks to retrieve the goods from the warehouse of the 3MDG. Hence Partners will be aware of incoming stocks *6 weeks in advance* which is ample time to arrange for either pick up at the warehouse, or contracting a transport company to directly deliver the goods at a destination elsewhere in the country;

  ### The Warehouse Location:
  
  **No.99, WH (H),**  
  **Mathayar Min Thar Gyi Mg Pyo Street,**  
  **Industrial Zone - II, Hlaing Tha Yar Township,**  
  **Yangon, Myanmar**  
  **Phone:** 09-7315 3881

- When the goods are ready for pick up Partners contacted and provided with three copies of identical Issue Vouchers to claim the goods at the warehouse. If the consignment is *larger than one cubic meter* or contains items *over 80 kg*, Partners are to bring the necessary labour for loading the goods because the contract between 3MDG and the warehouse service provider does not include loading of goods. Partners will be informed if labours are needed when they are provided with the Issue Vouchers;
- Partners subsequently visit the warehouse and check the full consignment with the items listed in the Issue Voucher. If all goods have found to be in accordance with the
Issue Voucher the Partners signs two of the Issue Vouchers and hands those over to the warehouse staff. Hence Partners are expected to have a staff member attending the check who is authorized to sign for acceptance of the supplies at the warehouse. Only after signed copies have been handed over to the warehouse staff can the Partner take possession of the goods. In those cases were goods are to be shipped up country, the Partner is still expected to complete the full check of the consignment at the warehouse and handover two signed Issue Vouchers signed to the warehouse staff;

- **Important information regarding warehousing**
  - The 3MDG no longer has a warehouse for long term storage of goods requiring temperature controlled storage, the existing warehouse will function as a transit warehouse. **Therefore the 3MDG cannot offer storage facilities for Partners beyond three weeks after arrival of consignments.** If partners fail to retrieve the commodities within the timeline, the FM keeps the right to reallocate those supplies to other partners. (If partners would like to FMO to hold supplies longer than three weeks, they should contact the Fund Manager to discuss the matter);
  - Transport from the 3MDG warehouse in Hlaing Tharyar is to be arranged by the Partners;
  - If Partners want to consolidate supplies from different consignments for a single transport in country, then they will require their own warehousing for storage until all consignments to be included in the in country shipment have arrived.

5.5. **REPORTING OF IN-KIND CONTRIBUTION**

- The FMO will report the value of the supplies provided as in-kind contribution to the Partners on each and every Issue Voucher.
- Bi-annually the PU will provide each Partner who received in-kind contributions a report with the total value of the supplies provided to Partner during the previous reporting period;
- Partners are to include the total value of the supplies received as in-kind contribution in their bi-annual financial reports;

5.6. **OBLIGATIONS AND RIGHTS**

- **Partners will be responsible for the items and the quantities they have requested.** Partners are urged to be careful when estimating required quantities. If the quantities requested are too high, the partner runs the risk of commodities expiring in their possession. These commodities will be charged against the partner’s procurement budget. Partners are expected to have systems in place to detect soon to expire commodities in advance and find alternative solutions such as donating to avoid commodities being wasted;
- Requested items cannot be returned or cancelled if they have been already ordered by the PU. If these items pose a problem for the partner, then the partner is responsible for finding a solution. Of course the PU is more than willing to provide assistance in such cases for example by connecting the Partner with other organisations which could possible absorb any access supplies;

- Where partners request non-standard items there is a risk that the item procured is not the item that is expected. It is therefore very important to ensure specifications are correct and cover all the aspects of the concerned item. In case of doubt, partners are encouraged to contact the Fund Manager to ensure the accuracy of the specifications. Partners should be aware that when items are delivered which fit the specifications provided, 3MDG cannot take the item back and the related costs will be charged against the partner’s procurement budget.