



World Health
Organization

PRT.SOP.VI.057

Adjudication Report

Preparation for Services

OSS/CPS

OSS Standard Operating Procedure
Target Audience: All Staff

DISCLAIMER

Standard Operating Procedures (SOPs) provide a step-by-step guide for staff directly involved in the processing of administrative actions to support and facilitate the implementation of WHO policies and procedures. The SOPs are for guidance only; they are neither authoritative nor binding. The SOPs reflect the policies and procedures of WHO at the time of writing; however, policies and procedures change from time-to-time. In the case of a conflict between the SOPs and the WHO eManual provisions, the WHO eManual provisions take precedence.

DOCUMENT SPECIFICATIONS

Version	Date of revision	Author (s) / Dept / Unit	Approver	Indicate which section changed compared to previous version
0.1	20/01/2013	F.Jorda		Original version
1.0	06/05/2013	F.Jorda	M.Ogita GSC/GPL J.Kennedy GSC	Incorporates changes requested during the SOP approval.

1. INTRODUCTION

1.1. Overview/Description

This Standard Operating Procedure describes the conditions under which an adjudication report is required in the context of the procurement for Services. It starts at the assessment of needs by the requesting entity and stops at the submission of the requisition in GSM.

1.2. General Guidance / Business Rules

Since the issuance of Information Note 22/2012, dated 22nd July 2012, an adjudication report (AR) stating the reasons for the selection made is mandatory, regardless of the value of the contract. A costing should be included as part of the submission or as part of the contract, with clear terms of reference and relevant background.

A responsible official in the requesting unit must sign the adjudication report. The completed report must be filed in the Records Management System (RMS), and linked to the relevant procurement requisition in GSM before a contract can be approved in GSM.

1.2.1. What is an adjudication report?

An adjudication report is a memo, which describes the process undertaken to choose a contracting partner on behalf of WHO, and demonstrates that this was a fair and objective process carried out in accordance with the eManual's requirements.

The choice of partners may be based on several factors, including: quality of work, cost, availability, reliability and ability to meet, or work within a set deadline.

Experience with WHO is not in itself a factor, unless it specifically contributes to the quality or cost of the work.

An adjudication report should be precise and to the point. It is not necessary to explain why the work itself is of value to the Organization or to provide other background unless it is directly relevant to the choice of partner.

When the CRC processes an adjudication report, they are assessing the validity of the process that has been followed to select the contractor on behalf of the Organization. They are not evaluating the value of the work itself.

1.2.2. What should an adjudication report include?

An adjudication report should thoroughly answer the following three questions:

1. How was the contracting partner chosen?
2. How was the fee or cost calculated?
3. How does the fee compare to that payable on the open market?

In addition, if applicable, add paragraphs to:

4. Justify any advance payment (this should be exceptional. In certain cases an advance exceeding 25% for individuals and 50% for institutions, organizations, companies may be required. For these cases, please be reminded that the request must be approved by the Comptroller for HQ and DAF in regional offices.)
5. Explain any retroactivity (this should be extremely rare since it is in contravention of WHO Financial Rule 106.2).

1.2.3. How should these questions be answered?

1. How was the contracting partner chosen?

Explain the process followed to search for and select the contracting partner. Describe the invitation to submit offers, if any, the factors considered in making the selection (see below). List those potential contracting partners considered, and explain *both* why the selected partner was selected, *and* why the others were not selected.

When contractors are invited to bid for high-value contracts, several factors should be considered, weighted and rated appropriately.

The rating should be presented in tabular form with comments.

The factors should include, but may not be limited to, the following:

- **Cost:** Make comparisons by bringing quotations to a common basis, e.g. suppliers from different parts of the world should include transport to destination.
- **Quality:** Examine specifications, industry ratings, press reports, reports from other customers, product samples (if available)
- **Reliability:** Consider the history of previous similar projects (if any)
- **Availability to meet WHO deadlines:** Request written confirmation of the deadlines as part of the invitation to bid

2. How was the fee or cost calculated?

The detail should be commensurate with the value of the contract. A clear budget, costing or estimate for the contract will normally provide the information required. The costing should provide rates per hour, day, piece, page, word, or item as appropriate. Attach the detailed estimate or costing provided by the selected partner during a bidding process, or negotiated between WHO and the partner.

3. How does the fee compare to that payable on the open market?

When bids have been invited, provide a table showing fees charged by others who submitted offers. Otherwise, provide evidence of comparison to the open market for items of similar type and quality and specify the supplier cost/fee quoted. While cost is not the only factor to be considered, higher costs should be justified by higher quality, or by better ability to meet tight deadlines or other contract requirements.

1.2.4. Commercial and less commercial markets

All procurement [of goods and services] is on a competitive basis to the maximum practical extent.

Although requirement to request invitations to bid applies to those APWs and similar contracts of \$25 000 and above, the Adjudication report is mandatory regardless to the value of the contract.

Services may be procured in markets which are open and commercial to varying degrees. These services and their markets can be said to fall into three general categories, for which slightly different guidelines on selecting partners are recommended, as follows.

a) Goods or services readily available in a commercial market

Examples	Factors in the decision	Procedure	Adjudication report
Web-site creation, graphic design, data analysis of an unspecialized nature, commercially available consulting services.	Cost is a likely to be an important factor, as important as quality of work. Availability is not generally a major issue.	Follow manual provisions for invitations to bid, in relation to value of contract	Should clearly explain the objective process used to find and select the partner. Should list candidates not selected and explain why they were not selected in detail for each one.

b) Technical goods or services of a *specialized nature*, where a market may exist but is not commercial in the usual sense, or is not wide-spread. Technical units may know personally the limited number of laboratories or experts in a field involved in work of the nature required.

Examples	Factors in the decision	Procedure	Adjudication report
Technical or academic report writing in a narrow field. Highly specialized data or laboratory analysis. Consulting in a field of very narrow technical expertise.	Availability and quality of work in a specific area are likely to be factors as important as or more important than cost.	In relation to value of contract, consider and investigate several possible partners, either in writing or verbally, for price, availability, quality of work, etc. Written invitations to bid may not be appropriate for contracts of a lower dollar value, but several possible candidates should be considered and consulted.	Should clearly explain the objective process used to find and select the partner, should list candidates not selected and explain why in detail for each one.

c) Technical services of a *highly specialized nature*, where no commercial market exists and there is effectively only one source of supply. Rare.

Examples	Factors in the decision	Procedure	Adjudication report
The only national laboratory approved by both WHO and the Ministry of Health in the country in question; an approved WHO Collaborating Centre already in partnership with the Organization on the development of a given project; a medical institution carrying out a large project already approved under other budgets, to which WHO is contributing only a portion of the total cost of the project.	Single source of supply is the sole factor. Exceptional ability to carry out the work does not necessarily mean no other potential partners are considered. If other partners were considered and rejected, treat the matter as category 2, and explain why this partner is preferred to other partners. Justify the decision as “sole source” only if no other potential contractors are <i>available</i> to consider, not if other candidates are considered and rejected.	Ensure to a reasonable degree that this is indeed the sole source of supply.	Should clearly justify why this is the sole source. Note that this is a rare situation, and justifications should be correspondingly clear and strong.

1.3. Reference Material

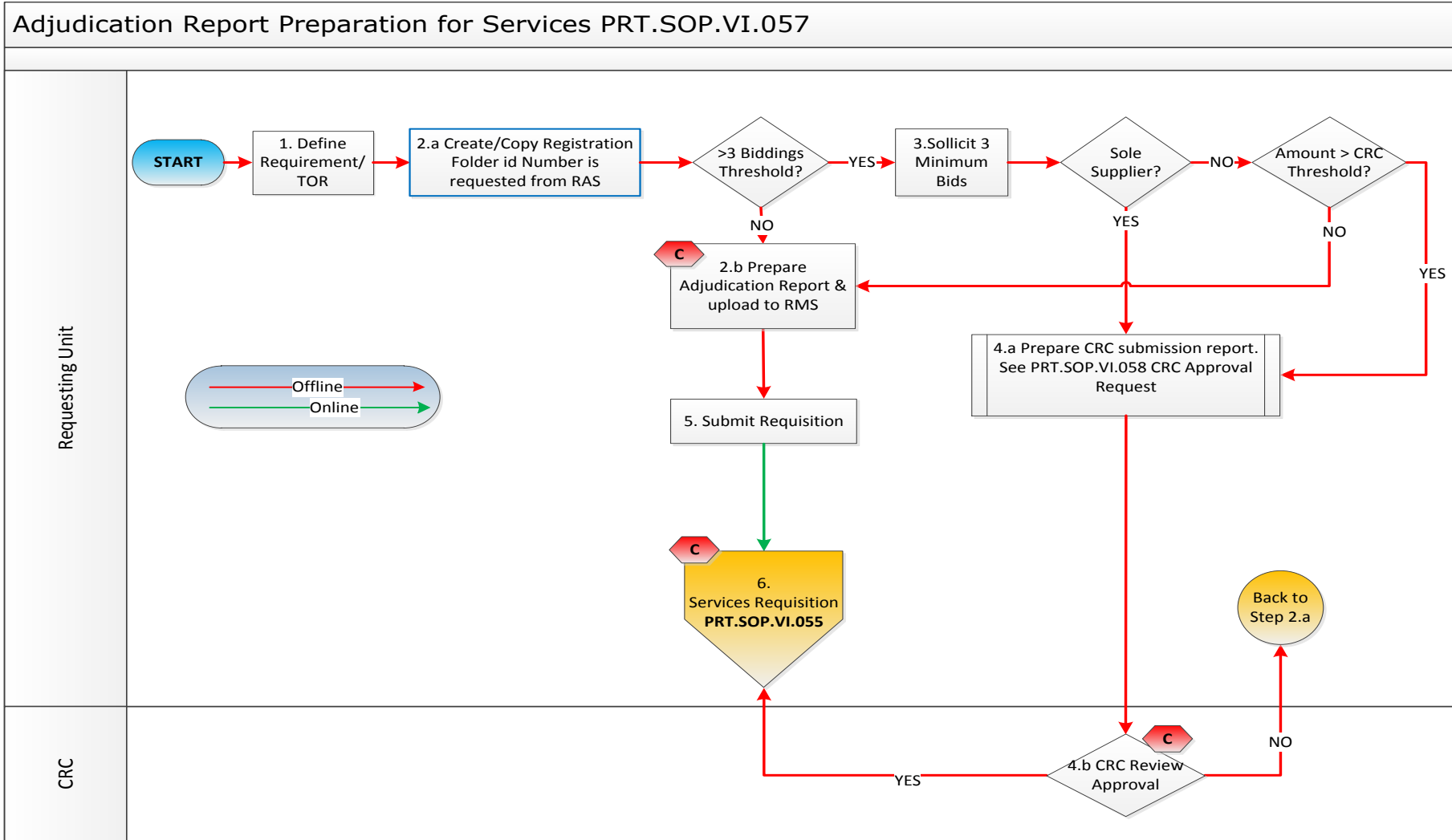
1.3.1. WHO eManual

- VI.1.3 Procurement process
 - Invitations to bid, 90, 120,
 - Sealed bids 130, 150
 - Adjudication report, all
- XVII.3.4 Procurement, 40

1.3.2. Related SOPs

- PRT.SOP.VI.055 Services Requisition
- PRT.SOP.VI.054 Adjudication Report Preparation for Goods
- PRT.SOP.VI.059 Sealed Bid Process

2. PROCESS FLOW



3. PROCESS STEPS

Step	Control (C)	Type	Process	Role / Responsibility
INITIAL NEW REQUISITION FOR PROCUREMENT OF SERVICES				
1.		Off-line	Terms of Reference of the required service need to be established.	Requesting Unit
2.a		Off-line Outlook/RMS	Folder id number needs to be requested from RAS who creates the folder in RMS, Service Registration page is created.	Requesting Unit
2.b	C	Off-line	Below a value of USD 25,000 (or locally delegated amount, whichever is less), while offers from at least three suppliers are not mandatory, an Adjudication Report (AR) stating the reasons for the selection made is still mandatory. A costing should be included as part of the submission or as part of the contract, with clear terms of reference and relevant background.	Requesting Unit
3.		Off-line	From USD 25,000 to any amount below USD 200.000 or locally delegated amount, whichever is less, a formal written invitation to bid (RFP/Sealed Bids) must be issued. The use of the RFP template is strongly recommended. Refer PRT.SOP.VI.059 Sealed Bid Process.	Requesting Unit
4.a		Off-line	The adjudication report must summarize the RFP . The level of detail of the report should be commensurate with the value of the contract. The contract is cleared by the Contract Review Committee. Sealed bids procedure is normally employed. GSC/GPL will check that the Adjudication Report and the CRC approval or waiver are duly submitted. Refer PRT.SOP.VI.058 CRC Approval Request. Please refer to Annex 1 for an example of an Adjudication Report.	Requesting Unit
4.b	C	Off-line	The Contract Review Committee is responsible for verifying that the selection process has been carried out in accordance with the relevant procurement procedures and that the proposed selection of a contractor is in the best interest of the Organization.	Contract Review Committee
5.		GSM	Submit Requisition in GSM.	Requesting Unit

6.	C	GSM	PRT.SOP.VI.055 Services Requisition .	Requisition Approvers, GSC/GPL
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4. KEY RISKS & COMPENSATING CONTROLS

Risks	Compensating Controls	Process Step
Inefficient use of Procurement resources due to lack of planning at Program level.	Technical units and programs should assess and plan their procurement needs in a timely manner.	1.
Purchase of inadequate services due to insufficient/wrong specifications.	Requesting Unit to precisely and clearly define TOR, share experience with other Technical Units and with their Major Office Procurement Unit.	1.
Not best value for money,	Requesting Unit to share experience with other Technical Units and with their Major Office procurement Unit in order to identify an adequate panel of responsive Vendors. Apply procurement rules regarding requests of offers , in order to obtain competitive proposals.	3.
Overpayment, fraud due to approval of requisitions with incomplete supporting documents.	Adequate writing and uploading in documents , for review and validation of approvers, CRC and GSC Validation.	2.b, 4.b, 6
Inadequate Segregation of Task, not best value for money, overpayment.	Pertinent Adjudication Report is needed for Project Approver and CRC to insure that selection of supplier is made in the best interest of the organization and that procurement Rules are followed.	2.b, 4.b, 6
Insufficient monitoring of high value procurement.	Project Approver, AR approver , Contract Review Committee must insure that procurement rules are abode by.	2.b, 4.b, 6

ANNEX 1- Recommended Template for Adjudication Reports in HQ

It is recommended that HQ users follow the below format when preparing Adjudication Reports.

MEMORANDUM		
From: Ibrahima Fofana, Chef PSS	To: Richard Preston, Directeur OSS	Date: 30 janvier 2013
Our ref:	Attention:	
Your ref:	Through: Patrick Beaufour, Coordinateur SEC	
Originator: Olivier Ramonet, Assistant Accréditations	Subject: Adjudication Report - Rénovation du système de contrôle d'accès de l'OMS	

Type of Contract	APW – Reg 2012/292470	
Value of Contract	CHF 86,170	
Contract Review Committee (CRC)	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>	Waiver Request: Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>
Advance Payment	Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>	Exceeds Limit: Yes <input type="checkbox"/> / No <input checked="" type="checkbox"/>

Contexte :

Deux systèmes de contrôle d'accès sont utilisés sur les sites de l'OMS : le CERPASS, installé au bâtiment principal et annexes fonctionnant sous câble et le SIPASS, installé au bâtiment ONUSIDA fonctionnant sur réseau informatique.

La présente requête a pour objet la migration du système CERPASS qui ne sera plus garantie par le fabricant à partir de 2013, vers le système SIPASS qui a une durée de vie estimée à fin 2022. La migration a pour but la standardisation de l'équipement ainsi que de garantir les services de maintenance nécessaire au bon fonctionnement du matériel sur les dix prochaines années à venir.

Les deux systèmes ont été conçus et vendus par la société Siemens SA qui propose la mise à jour du système CERPASS par un système SIPASS ainsi que son intégration sur le réseau informatique.

Actions entreprises:

La société Siemens SA, qui fabrique et garantit le système, a été contactée pour une estimation du projet de rénovation afin d'établir un devis des travaux à effectuer. (Devis no. PEA-9R46J-AF70S en pièce jointe)

Recommandation:

Siemens SA étant le fabricant et le revendeur du système, l'unité SEC recommande que la mise à jour des systèmes de contrôle d'accès CERPASS ainsi que l'intégration sur le réseau informatique se fassent par les soins de la société Siemens SA.

En conséquence de quoi, la demande de prestation de service pour une valeur totale de CHF 86,170 par les seuls soins de la société Siemens SA est soumise à l'approbation du Comité de Surveillance des Contrats de l'OMS.

Name: Ibrahima Fofana
Title: Chief, Premises Security
Date: 30.01.2013

