**Procurement Authority and Increased Delegated Procurement Authority**

1. Procurement is managed through a system of delegated procurement authority for procurement actions leading to contracts issued by UNDP. Delegated procurement authority is governed by monetary threshold limits.
2. The Director of the Bureau for Management Services as UNDP’s Chief Procurement Officer issues standard delegated procurement authority (currently set at USD 300,000) to Resident Representatives and heads of headquarters and out-posted Headquarters business units.
3. Heads of business units may further sub-delegate procurement authority to their staff in writing, while retaining overall responsibility. Records of all staff with procurement authority should indicate the scope and duration of their delegated responsibility, which shall be copied to the Chairperson of the Regional Advisory Committee on Procurement or the Advisory Committee on Procurement, as applicable.***Increasing delegated procurement authority*** All personnelexercising procurement authority shall comply with all relevant financial regulations, rules, procurement policies and procedures.
4. A Country Office may seek an increase from the standard delegated procurement authority. Any increase granted is generally based on an assessment of the anticipated monetary volume of procurement, the demonstrated capacity of an office or unit and its previous performance. An increase is subject to the following thresholds:

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| **Levels of Delegated Procurement Authority** | **Delegated procurement authority** |
| Level 1  *(Standard)* | US $300,000  (US $200,000 if BU is not using Quantum) |
| Level 2 | US $400,000 |
| Level 3 | US $700,000 |
| Level 4 | US $1,500,000 |

1. There is a provision for increasing the micro-purchasing threshold (please refer to the Micro-purchasing section, Procurement Method) from the standard US$7,000 to US$ 15,000 as part of any increased delegated procurement authority granted. Country offices may request increasing the micro-purchasing threshold as part of their request for increase in delegated procurement authority.
2. Increased delegation granted may be higher on an ad hoc basis, such as for an emergency or exceptional situation, and be similarly decreased afterwards. All procurement authority granted in excess of US $1.5 million shall be subject to an annual procurement review.
3. Any increased delegation granted is for a specified period and may thereafter be extended pursuant to additional request and justification. Increased delegation granted can be withdrawn at any time.
4. Increased delegation can be requested for an entire business unit, a specific geographic area covered by the unit, or for specific projects or programmes. An increased delegation for the entire unit shall generally be limited to a maximum of 12 months from the date of approval, unless otherwise stated in the authorization. An increased delegation for a specific project or geographical region is limited to the duration of the project.
5. Requests for increase in delegated procurement authority from country offices should be submitted for decision to the respective Regional Chief Procurement Officers, as they have been delegated procurement authority up to US $2,500,000 for procurement actions submitted from country offices in their regions. Regional Chief Procurement Officers shall consult their respective Bureau Directors for clearance and if necessary may refer any matter to the Chief Procurement Officer prior to granting the increased delegation. Requests for increase from headquarters and out-posted headquarters business units should be submitted to the Chief Procurement Officer.
6. Review of requests for increased delegation will be coordinated by the Procurement Oversight Unit through the Chairpersons of the Regional Advisory Committee on Procurement and the Chairperson of the Advisory Committee on Procurement with a recommendation granting the Increased Delegation of Authority or otherwise provided to the Regional Chief Procurement Officer or the Chief Procurement Officer.
7. Requests up to US $400,000 shall be reviewed through a desk assessment. For requests up to US $700,000 and US $1.5 million, in addition to the desk assessment, an in-depth assessment will be conducted, for which the RCPO in consultation with the Regional Bureau Director may request an on-site procurement capacity assessment mission prior to any recommendation.
8. The Procurement Oversight Unit shall make an assessment of requests for Increased Delegation of Procurement Authority in a timely manner, based on the Business Unit’s procurement capacity, demand, previous performance and associated risk. The assessment shall be in consultation with the Procurement Support Unit, the Regional Bureau focal point and also take into account comments and observations of the Office of Audit and Investigations (OAI) and other relevant offices.
9. A procurement capacity framework and tools available within the Procurement Support Office help assess a business unit in terms of planning, implementing and managing procurement. A procurement capacity assessment may assist in determining compliance with criteria for granting an increase; identifying strengths, weaknesses and major procurement risk areas including those inherent to a given operating environment; analyzing the expected procurement volume vis-à-vis the corresponding procurement capacity and shaping recommended risk mitigation measures.
10. Guiding criteria for Increased Delegation of Procurement Authority:

| **Level of Procurement Delegation** | **Procurement Capacity available** | **Procurement Volume/Demand** | **Scope of Capacity Assessment/Key Capacity Indicators to be Assessed** |
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| Level 2: up to USD 400,000 | A staff member at NO-B/P-2 level, certified at UNDP/CIPS Level 2 (or equivalent) or above and adequately supported by other procurement personnel, certified at UNDP/CIPS Level 2 or above | USD 10 million with significant number of proposed contracts in the procurement plan valued between the current delegation amount and USD 400,000 | Desk Review covering, but not limited to, the following aspects:   * Procurement Planning * Policy Compliance * Procurement capacity (Staffing) * Demand (Portfolio Profile/Volume) * CAP Capacity * Procurement Oversight Indicators * Other Procurement Indicators * Supply market * External Environment and Risks |
| Level 3: up to USD 700,000 | A staff at NO-C/P-3 level, certified at UNDP/CIPS Level 3 (or equivalent) or above and adequately supported by other procurement personnel certified at UNDP/CIPS Level 2 or above. | USD 20 million with substantial number of proposed contracts in the procurement plan valued between the current delegation amount and USD 700,000 | In-Depth Review covering, but not limited to, the following aspects in addition to those above:   * Strategic Procurement Plan * Market Positioning and Analysis * Supply Chain:   - Procurement Process  - Logistics  - Contract Management   * Preparedness Capacity   On-site mission will be conducted, if deemed necessary |
| Level 4: up to USD 1.5 million | A staff member at NO-D/P-4 level, certified at UNDP/CIPS Level 3 (or equivalent) or above and adequately supported by other procurement personnel, certified at UNDP/CIPS Level 2 or above. | USD 40 million with substantial number of proposed contracts in the procurement plan valued between current delegation amount and USD 1,500,000 |