**PROCUREMENT FORECASTING AND DELIVERY**

**2.0 Policy**

1. **Procurement Forecasting and Delivery (Procurement Planning) is essential to effective project and risk management**, and therefore to the overall performance of the organization.
2. Procurement must be an integral part of project cycle management and synchronized with the planning of other project activities. Procurement Forecasting and Delivery (PFD) should be applied to all development and management projects. The Bureau of Management Services, through its Office of Procurement e (OP), shall provide any necessary additional support to Business Units throughout the PFD cycle.
3. Business Units implementing under the NIM modality may utilize partner’s plans if such documents exist.
4. Crisis recovery and emergency response projects may alter the timing and sequencing of activities under this policy, in order to expedite execution.
5. Programme and Operations staff are required to collaborate systematically. Senior management of Business Units/Country Offices enable this collaboration and confirm that it has taken place.
6. Procurement Planning in Quantum is recommended to be part of project management cycle for any project. Meanwhile, it is mandatory for projects with complex business needs and which are significant to UNDP’s performance and/or reputation to have a Procurement Planin place.
7. Projects with **“Complex Business Needs”** are defined as being those that meet **one or more** of the following conditions:
   1. Total project budget is above US$1 million (or their equivalent in the local currency of the programme country);
   2. Procurement accounts for more than 60% of the total project budget;
   3. The Business Unit’s senior management considers the project to be of primary significance to its overall performance, in the current and/or subsequent years; and/or
   4. The nature of the project requires procurement activities that the BU does not have prior experience in, and requires significant quantities of any of the following “high risk” categories
      1. *Drugs & Pharmaceuticals*
      2. *Security Services*
      3. *Laboratory Equipment & Medical Supplies*
      4. *Medical kits (when specialized)*
      5. *Contraceptives*
      6. *Elections Equipment*
      7. *Consultancy Firm Services*
      8. *Permanent Structures*
      9. *Construction Services*
      10. *Technical Studies (when they are highly specialized and could impact downstream work)*
8. Business Units must ensure that projects identified as having “Complex Business Needs” receive the management resources and attention necessary to ensure successful delivery and quality control, including through alerting and accessing support from OP.