**TEMPLATE GEN 6: Market Survey Checklist**

(For Procurements of EUR 300 and above)

This form is for internal use and to be used as a checklist when conducting a market survey.

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| **Donor requirements**  |
| Before initiating the market survey check if there are any specific donor requirements with respect to nationality of the Contractor and country of origin of the supplies. In which case the ability of the local market to comply with the requirements must be researched |
| **Organisational registration** |
| Is the organisation VAT registered and/or tax exempted? |
| **Project requirements**  | **Tick off √** |
| **Step 1** | Based on the project activities, identify the supplies, services and works required.  |  |
| **Step 2** | Rough specifications for the items shall be drafted. Check if any of the products have a critical shelf life to considered (e.g. food, condoms, medicine etc.).Consider, if there are social or environmental risks connected to a specific product or industry - consider alternatives. Please refer to the Code of Conduct for Contractors (See Annex GEN 4-1) |  |
| **Market structure and availability**  |  |
| **Step 1** | Check the market for prices e.g. yellow pages, publish an advertisement of business opportunities or search the ProLog contractor database (contact ProLog for access to our database). Please refer to section 4.11.2 in the Manual on how to source suppliers. Check the level of quality of their products by visiting some suppliers. When visiting suppliers also take notice of general working conditions and environmental risks. Please refer to the Code of Conduct for Contractors (See Annex GEN 4-1) |  |
| Be aware of the special requirements for procurement of pharmaceuticals (see section 4.13 in the Manual). Check if any of the suppliers can provide the required documentation or alternatively if UNICEF, MSF or other HPCs can assist with the supply.  |  |
| Investigate trade customs for the required items.  |  |
| Check the capacity of the suppliers; Can one sole supplier deliver the quantities needed or will the order need to be split between several suppliers. What is the average delivery time for the items? What is the average validity of the offers?Supplier analysis should cover VAT registration of potential suppliers. If suppliers without VAT registered are shortlisted, please ensure that this is donor compliant. |  |
| Please include ethical considerations in the market survey e.g. risk of social or labour violations or environmental risks. Make use of local knowledge and be aware that ethical risks and violations are often related to specific products or sectors. *The lowest offer might not be the most ethical procurement choice.*  |  |
| **Step 2** | Collect names of suppliers and request at least two prices per item with similar technical specifications and quality level. Insert the prices in the budget and Procurement Plan (be aware if local transport costs are included in the price and if VAT is included). Draft a supplier list (this can be useful later). |  |
| **Distribution of supplies** |
| **Step 1** | Check when the items are required and if all can be supplied to the site at once or if partial deliveries are required. Draft a distribution plan and insert the date for when the items are required (see Annex GEN 9-3 for a sample of distribution schedule).  |  |
| **Step 2** | Based on the distribution schedule check if there is a need for warehousing. For instance, with price sensitive commodities such as cement, steel etc. it may be necessary to purchase all material in one go and store it in a warehouse, if the suppliers cannot make partial deliveries over e.g. 6 months without changing the price. Remember to include costs for warehousing in the budget. In connection with warehousing check the security situation and if insurance coverage can be obtained.  |  |
| **Step 3** | If some of the supplies will be subject to Open Tenders, please check the customs for bank guarantees (look in the local newspaper and see if guarantees are required in the Tender Notices, if the Tender Dossiers are sold etc.). |  |
| **Step 4** | Collect market information by talking to partners e.g. NGOs and UN organisations. In some countries NGOs and UN meet on a regular basis to share market information. This forum for information sharing is also a valuable tool to collect relevant information on ethical risks related to the local market (e.g. products, industries and suppliers/contractors. See step 3 under ‘Market structure?’).  |  |
| **Import of goods** |
| **Step 1** | Contact the clearing agent or a clearing agent of one of the UN organisations to outline the items that are to be imported, the quantities and estimated price and ask for advice on: 1. Costs for customs clearing
2. Specific import taxes and duties
3. Demurrage charges at the airport and the local harbour
4. Which documents are needed for the clearing and how many originals and copies of the documents are required
5. How long the clearing process takes and
6. If any of the supplies are subject to an import license. And if this is the case how long it takes to obtain the license and which documents are required often explosives, detectors, satellite equipment, communication equipment, military equipment, drugs such a morphine etc (insert the timeline in the Procurement Plan and costs in the budget.
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| **Step 2** | In addition, contact other NGOs and UN organisations to learn more about their experiences with import of supplies. |  |
| **Step 3** | If the shipping agent requires an import license and export license from the country of export, this shall also be obtained. Check the procedure and time line for this with the supplier. |  |
| **Step 4** | Check international freight and insurance costs (include the costs in the budget). Check duration of the voyage (insert the transport time in the Procurement Plan). Be aware of extensive transit time for some ports. For timely delivery it is advisable to use a transport company which is well established in these countries.  |  |