



MCC Guidance on Preparing the Procurement Performance Report

This paper provides guidance to the MCA Entity¹ on preparing the Procurement Performance Report (PPR) in accordance with the applicable provisions² of the MCC Program Procurement Guidelines.³ This guidance applies to the PPR format released by MCC in March 2008. Please see the Annex to this guidance for a description of how the current PPR format differs from format used by MCC prior to this date.

Objective

The PPR is an integrated planning and reporting tool, which in the *updated* format combines both the Procurement Plan and the Procurement Performance Report into one document.

The information in the PPR is used for both program planning and implementation oversight and is prepared by the MCA Entity. The primary function of the Procurement Performance Report is to serve as a managing tool by which the MCA Entity oversees the procurement activities of the Procurement Agent and by which MCC monitors the MCA Entity's approach to implementation and progress on the specific milestones achieved in the procurement process. The objective is to assist MCC in monitoring the MCA Entity's compliance with the MCC Program Procurement Guidelines.

Submission Requirements

The MCC Program Procurement Guidelines require that the Procurement Plan (now part of the PPR):

1. Identify the anticipated Compact procurement needs,

1 The MCA Entity is the entity designated by the government of the country receiving assistance from the Millennium Challenge Account as responsible for the oversight and management of implementation of the Compact on behalf of the government.

2 MCC Program Procurement Guidelines, Part 2

3 The Millennium Challenge Corporation ("MCC") provides funding to foreign governments under the authority of Section 605 of the Millennium Challenge Act of 2003 (the "MCA") (each a "Compact") or under Section 609(g) of the MCA (each a "609g Grant Agreement"). The MCC Program Procurement Guidelines are set out in supplemental agreements between the MCC and foreign governments and apply to MCC-funded contracts between the MCA Entity and contractors, suppliers and consultants. Contracts entered into directly by MCC are governed by the Federal Acquisition Regulations, not this policy.

1. Name the proposed method of procurement to be used (such as Competitive Bidding or Shopping) or the proposed selection procedure for consultant services (such as QCBS,⁴ QBS,⁵ FBS,⁶ LCS⁷ and CQS⁸) for each procurement action, and
2. Set forth the estimated value of each procurement action.1) Identify the anticipated Compact procurement needs,

The MCA Entity *may* update the Procurement Information section in the PPR at any point throughout the year whenever new procurements are planned. No procurement action may be initiated (i.e. advertised) before approval by MCC and the MCA board. At minimum, each Procurement Plan *must* be updated at least every six months to reflect new needs for goods, works, consultant and non-consultant services.

If the MCA Entity wishes to use Direct Contracting or Single-Source Selection, it must submit a justification for it at the time of submission of the Procurement Plan. If the MCA Entity does not submit the justification, MCC may, at its discretion, approve the plan conditionally, subject to receipt of adequate justification, or MCC may require that the procurement method be changed to competitive.

The MCA Entity must submit the Procurement Performance Report, using the approved format, together with the regular quarterly reporting submissions required to be included as part of the Disbursement Request. It is important to note that this report is cumulative, and therefore should contain the required details on all procurement actions undertaken by the MCA Entity, including those actions authorized for 609(g) funding and Compact Implementation Funding (CIF). Procurement actions authorized under 609(g) funding or CIF should be grouped each in a separate reporting section of the Procurement Performance Report with a note in the description column indicating “609(g)” or “CIF” in order to distinguish these procurements from those funded under Compact funds that are made available following entry into force of the Compact.

The MCA Entity shall include data in the Level 2 section of the report for all procurement actions that have officially begun. For reporting purposes, this means those procurement actions for which the Specific Procurement Notice (SPN) or the Letter of Invitation (LOI) has been issued. All procurement actions that have officially begun by ten (10) calendar days prior to the submission deadline for the Disbursement Request are required to be included in the Procurement Performance Report. For example, if the Disbursement Request deadline is December 10, those procurements that officially began on or before November 30 must be included in that quarter’s Procurement Performance Report.

4 Quality and Cost-Based Selection

5 Quality Based Selection

6 Fixed Budget Selection

7 Least Cost Selection

8 Selection Based on Consultants Qualifications

Report Guidance

In the Procurement Performance Report, a single date of completion shall be indicated for any completed actions, with blank spaces for those actions not yet completed. If there are multiple dates (advertising, for instance), use the earliest date of advertisement. If a certain action is not contemplated and is therefore not applicable (i.e. – there will be no Expression of Interest notice issued), the MCA Entity should insert “N/A” in the appropriate space.

Deviations

Any deviation from the Procurement Plan, or non-compliance with the MCC Program Procurement Guidelines, must be explained in a document accompanying the PPR. If deviations or instances of non-compliance are not adequately explained, MCC will issue a formal notice to the MCA Entity outlining the issues to be resolved and a course of action to remedy those issues. Such actions taken may include revising the Procurement Performance Report, amending the Disbursement Request, putting a hold on the Disbursement Request, or ratification of the procurement action that deviates from the Procurement Plan.

Required Information

The following information must be included in the Procurement Performance Report using the attached format:

Procurement Plan (Level 1)

- Description (including unique ID)
- Requirement Type (Goods, Works, Services, Non-Consultant Services)
- Method of Procurement Planned
- Estimated Value of Procurement (USD)

Procurement Performance (Level 2)

- Method of Procurement Actually Used
- Final Contract Amount (USD)
- Name of Firm / Individual Contracted

Expression of Interest (if applicable)

- Date of MCC Approval
- Date of Publication in UNDB/DG and/or Local newspapers

- Deadline for receiving responses (EOI)

Pre-Qualification or Short List (if applicable)

Date of MCC Approval on Pre-qualification or Short list (as applicable)

Solicitation Documents

- Date of MCC Approval
- Date of Publication of availability in UNDB/DG and/or Local newspapers (or date sent to pre-qualified or short list as applicable)
- Deadline to Receive Offers or Open Bids

Evaluation of bids/proposals/quotes (as applicable to method of procurement)*

- Date of MCC Approval on Technical Evaluation
- Date Financial Proposal Opened
- Date of MCC Approval on proposed award

Contract Award

- Date of Notice of Award
- Date of MCC Approval
- Date that full eligibility verification completed and contractor/consultant was found to be eligible as per MCC guidance
- Effective Date of Contract

Implementation

- Date of Start of Work
- Date(s) of MCC Approval on Material Modification(s)
- Material Modification Description (Add rows as necessary)
- Completion Date

ANNEX

Guidance on Changes to the Procurement Performance Report (PPR)

In March 2008 MCC revised the format for the PPR. This guidance is designed to facilitate transition from the previous to the current PPR template.

The PPR is an integrated planning and reporting tool, which in the updated format combines both the Procurement Plan and the Procurement Performance Report in to one document. This guidance summarizes the differences between the previous and updated PPR.

Integration of the planning and reporting tools:

Section 1 consists of the Procurement Plan that is submitted to MCC for approval at least on a semi-annual basis. This level can be viewed alone and printed separately for easy use. Since the report is cumulative, all procurement actions in the currently active and approved Procurement Plan should include “(Current)” at the beginning of the Description column (e.g. – (Current) FIN-035 Payment System Design and Implementation). This change allows the preparer and the reviewer to immediately identify those procurements which are part of the approved plan currently being implemented.

Level 2 is an expansion of the same worksheet, revealing the Procurement Performance Report, tied directly to the rows of the Procurement Plan. The PPR is a cumulative summary of actual execution of procurement actions compared to the approved Procurement Plan.

Additional information required:

In the updated PPR there are two additional columns of information which must be added.

- The first is a new column for Type of Requirement, in which the MCA-Entity should enter whether the given procurement action is for the purchase of Goods, Works, Services, or Non-consultant services.
- The second added column is the seventh column of the expanded report, for which the MCA-Entity must input the name of the firm or individual contracted with in order to easily provide information about who is receiving MCA contracts for a given country.

Change in order of columns:

In the current version of the Procurement Performance Report, the Description column is followed by two complementary sets of columns. The first set compares the “Estimated value of Procurement in Approved Plan,” and “Final Contract Amount”. This is followed by the second set, which compares, “Method of Procurement in Approved Plan,” with, “Method of Procurement Actually Used.”

The updated Procurement Performance Report format brings the planning columns forward in to the Procurement Plan section. Therefore, an MCA Entity that is adapting their current excel file to the new format simply moves the information from the third of these four columns in the old format, “Method of Procurement in Approved Plan,” two spaces to the left making it the first of these four. This places the planned method column immediately to the right of the column requesting the requirement type and immediately to the left of, “Estimated Value of the Procurement”. The second order change involves a transfer of all the information in the column requesting the, “Method of Procurement Actually Used,” one spot to the left of, “Final Contract Amount.” These two moves will result in the column placement shown in the updated format.

Revised column headings:

There are minor changes to the text of the column headings. These are for the most part minor, and can be copied and pasted in to the corresponding cells. The information contained in those columns should be identical to that in the previous format and there are no further changes in column placement.