**Annex GEN 6: Market Survey Form**

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 | | |
| **Local office registration** | | |
| Is the office VAT registered and tax exempted? | | |
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| **What can be purchased locally?** | | **Tick off √** |
| **Step 1** | From the project proposal draft the supplies, services and works required. Carefully go through all of the activities in the project proposal draft. |  |
| **Step 2** | Rough specifications for the items shall be drafted. Check if any of the products have a shelf life that needs to be considered (for instance food, chemicals, medicine, etc.)  Consider if there are social or environmental risks connected to a specific product or industry - consider alternatives. |  |
| **Step 3** | Check the local market for prices e.g. yellow pages, publish an advertisement of business opportunities or search the internet. Please refer to section 4.12.2 in the Manual for 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 |  |
| Be aware of the special requirements for procurement of pharmaceuticals (see section 6.5.1 in the Manual). Check if any of the local suppliers can provide the required documentation or alternatively if UNICEF, MSF or other HPCs can assist with the supply. |  |
| Investigate local 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 on the offers?  Survey of suppliers should cover VAT registration of potential suppliers Some suppliers may not be VAT registered. If you shortlist suppliers that are not VAT registered you should ensure that the donor allows you to do so.  Check if suppliers are correctly registered in accordance with national legislation.  Check the suppliers hold a company bank account in the name of the company. |  |
| Always make sure to 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 4** | Write name of suppliers and - collect 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). |  |
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| **Local distribution of supplies** | | |
| **Step 1** | Check when the items are required and if all can be supplied to the site in one go 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 plan). |  |
| **Step 2** | Based on the distribution plan 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 insert costs for warehousing in the budget.  In connection with warehousing check the security situation and if insurance coverage can be obtained. |  |
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| **Step 3** | If some of the supplies will be subject to open tenders, check what are the local common practices. Look in local newspapers to see examples. Check if it is standard practice to request tender guarantees. How are bank guarantees arranged? Is it usual to request a fee to receive a tender dossier (NOT allowed by NCA)? |  |
| **Step 4** | Collect information on the local market by talking to local partners e.g. NGOs and UN organizations. 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 ‘What can be purchased locally?’ step 3). |  |
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| **Import of goods** | | |
| **Step 1** | Contact the local clearing agent or a clearing agent of one of the local 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, satellite equipment, communication equipment, medicines, etc.)*   (insert the timeline in the procurement plan and costs in the budget) |  |
| **Step 2** | In addition, contact other local NGOs and UN organizations to learn more about their experiences with import of supplies. |  |
| **Step 3** | If the shipping agent requires an import license an export license from the country of export shall also be obtained. Check the procedure and time line for this with the supplier. |  |
| **Step 4** | Check international freight and insurance costs (insert 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. Consider which Incoterms are most suitable. |  |