



*International Civil Aviation Organization*

**FIRST MEETING OF THE COMMON REGIONAL  
VIRTUAL PRIVATE NETWORK TASK FORCE (VPN)  
OF APANPIRG (CRV TF/1)**

Bangkok, Thailand, 2 – 4 December 2013



**Agenda Item 3: Introduction session - sharing experience gained/lessons learnt from ICAO regions**

**ICAO/TCB PROCUREMENT PROCEDURES AND MECHANISMS**

(Presented by Secretariat)

**SUMMARY**

This paper presents the **ICAO/TCB Procurement Procedures and Mechanisms**.

**1. INTRODUCTION**

1.1 This paper presents the **ICAO/TCB Procurement Procedures and Mechanisms**.

**2. DISCUSSION**

2.1 The Appendix A introduces the ICAO TCB (Technical Cooperation Bureau) Civil Aviation Purchasing Service (CAPS).

**3. ACTION BY THE MEETING**

3.1 The meeting is invited to:

- a) note the information contained in this paper; and
- b) discuss in Agenda Item 5 any relevant matters as appropriate

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**CIVIL AVIATION  
PURCHASING SERVICE  
(CAPS)  
AGREEMENT**



*Published by authority of the Secretary General*

**TECHNICAL CO-OPERATION BUREAU  
INTERNATIONAL CIVIL AVIATION ORGANIZATION**



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**International Civil Aviation Organization**  
**Civil Aviation Purchasing Service (CAPS)**

**REGISTRATION FORM AND MEMORANDUM OF UNDERSTANDING**

*(To be completed in duplicate)*

1. \_\_\_\_\_  
*(Name of Government/Administration/Government Agency/Private Entity)*  

(hereinafter referred to as the “Government/Administration/Government Agency/Private Entity”) hereby registers with and agrees to participate in the Civil Aviation Purchasing Service (CAPS) of the International Civil Aviation Organization (hereinafter referred to as “ICAO”).
2. The Government/Administration/Government Agency/Private Entity agrees that participation in the CAPS will be in accordance with the conditions stated in this Registration Form and Memorandum of Understanding (hereinafter referred to as “RF/MoU”), and its Appendix A.
3. ICAO shall perform purchasing services in accordance with ICAO’s established rules, policies and procedures.
4. The Government/Administration/Government Agency/Private Entity undertakes to ensure that adequate funds are on deposit with ICAO either to cover equipment requisitions submitted or the related administrative overhead charges calculated in accordance with the Scale of Charges at Appendix B, and that in the event of ICAO notifying the Government/Administration/Government Agency/Private Entity that funds on deposit are inadequate to cover proposed purchases and the related administrative overhead charges, the amount requested will be deposited without delay. The Government/Administration/Government Agency/Private Entity accepts that until such time as adequate funds have been deposited, action in respect of the outstanding purchases will be held in abeyance.
5. If, after issuance of the purchase order/contract, additional funds are required to meet additional unavoidable costs, the Government/Administration/Government Agency/Private Entity shall deposit the additional sum required within thirty days of notification by ICAO.
6. ICAO shall maintain a CAPS Fund for the accounting of receipts and expenditures in accordance with ICAO Financial Regulations. ICAO will provide the Government/Administration/Government Agency/Private Entity with periodic unaudited financial statements showing the status of the Fund in US dollars at the end of March, June, September and December. The 31 December financial statement shall only be submitted when the ICAO accounts for the year have been audited by the External Auditor. In the event that the Government/Administration/Government Agency/Private Entity requests that a special audit of its account under this RF/MoU be performed by the External Auditor of ICAO, the Government/Administration/Government Agency/Private Entity shall bear the cost of such audit.
7. Unless stated elsewhere in this RF/MoU, the funds paid to ICAO by the Government/Administration/Government Agency/Private Entity shall be used only for expenditures incurred in respect of purchases effected for the Government/Administration/ Government Agency/Private Entity and for payment of administrative overhead charges due to ICAO in accordance with the Scale of Charges. Should an on-going Purchase Requisition approved by the Government/Administration/Government Agency/Private Entity be cancelled by the Government/ Administration/Government Agency/Private Entity before purchase is effected, ICAO will be entitled to recover its costs based on the amount of work that has been completed in the implementation of the said Purchase Requisition. An amendment to a Purchase Order/Contract shall not decrease the administrative overhead charges calculated upon issuance of the original Purchase Order/Contract.

8. Consignments and Transport

8.1 The consigning address of equipment shall be: \_\_\_\_\_  
\_\_\_\_\_

**If not yet known, notification by the Government/Administration/Government Agency/Private Entity must be made at the time of requisition.**

8.2 The title and address of the officer responsible for signing requisitions are:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8.3 The title and address of the officer, if different from those in 8.2, to whom shipping documents are to be sent are:

\_\_\_\_\_  
\_\_\_\_\_

8.4 Consignments are to be marked as follows:

\_\_\_\_\_  
\_\_\_\_\_

8.5 Special routing instructions, including preferred and alternative sea and airports of entry:

\_\_\_\_\_  
\_\_\_\_\_

8.6 Any special instructions relating to modes of transport and carriers to be utilized:

\_\_\_\_\_  
\_\_\_\_\_

9. When it is not clearly established that the equipment to be purchased is intended primarily for civil aviation purposes, ICAO reserves the right, after consultation with the Government/Administration/Government Agency/Private Entity, to decline to undertake the purchase of the equipment.

10. Following the "site" acceptance of the equipment by ICAO on behalf of, or directly by, the Government/Administration/Government Agency/Private Entity, title of ownership and all associated risks of loss or damage, shall pass automatically from the supplier of the equipment to the Government/Administration/Government Agency/Private Entity.

11. In performing the services referred to in this RF/MoU, ICAO acts solely for and/or on behalf of the \_\_\_\_\_ and the Government/Administration/Government Agency/Private Entity agrees to indemnify and hold harmless ICAO, including its personnel, from any and all actions, claims or other demands arising out of any act performed by ICAO pursuant or in relation to this RF/MoU. The obligations of this clause do not lapse upon completion or termination of this RF/MoU.

12. This RF/MoU shall come into force on the date of signature by ICAO and the Government/ Administration/Government Agency/Private Entity.
13. This RF/MoU may be terminated by either party on providing notice in writing to the other party.
14. Once such notice is given, the following conditions shall apply:
  - a) In the case of termination invoked by the Government/Administration/Government Agency/Private Entity, ICAO shall cease processing equipment requisitions with effect from the date of receipt of the written notice by ICAO.
  - b) In the case of termination invoked by ICAO, ICAO shall cease processing requisitions with effect from date of issuance of the written notice by ICAO.
  - c) ICAO shall, after all outstanding financial commitments and contractual obligations have been settled, return any unspent balance remaining in the CAPS Fund to the Government/Administration/Government Agency/Private Entity, together with two copies of the Financial Statement showing the final status of the CAPS Fund.
15. Any dispute, controversy or claim arising out of or relating to this RF/MoU, or the breach, termination or invalidity thereof, shall be settled, in the first instance, by direct negotiations between the parties. If unsuccessful, such dispute, controversy or claim shall be settled by arbitration in accordance with the United Nations Commission on International Trade Law (UNCITRAL) Arbitration Rules, as in force at the time of arbitration. The place of arbitration shall be Montreal, Province of Quebec, Canada, conducted in the English language. Arbitration shall be conducted by one arbitrator.
16. Nothing set down in the provision of this RF/MoU or related thereto shall be considered as constituting renunciation of the privileges and immunities of ICAO, a specialized agency of the United Nations.

Signature of authorized officer on behalf of the  
Government/Administration/Government Agency/Private Entity:

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(print name and title)

Witness:

\_\_\_\_\_  
(signature)

\_\_\_\_\_  
(print name and title)

Date: \_\_\_\_\_



**OFFICIAL SEAL**



**ACCEPTANCE OF REGISTRATION FORM AND MEMORANDUM OF UNDERSTANDING**

ICAO accepts the registration of

\_\_\_\_\_ *(Government/Administration/Government Agency/Private Entity)*

and agrees to provide a civil aviation purchasing service to the Government/Administration/Government Agency/Private Entity in accordance with ICAO's regulations and instructions and the terms and conditions of the ICAO Civil Aviation Purchasing Service.

Signature of authorized officer on behalf of the International Civil Aviation Organization:

\_\_\_\_\_ *(signature)*

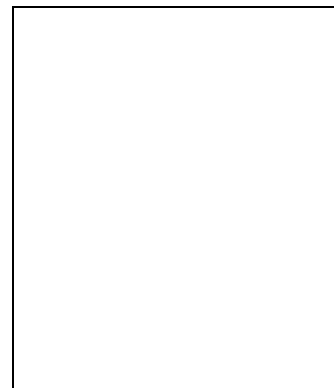
\_\_\_\_\_ *(print name and title)*

Witness:

\_\_\_\_\_ *(signature)*

\_\_\_\_\_ *(print name and title)*

Date: \_\_\_\_\_



**OFFICIAL SEAL**

## Appendix A

### General information

The Civil Aviation Purchasing Service (CAPS) was established by ICAO in mid-1974 to assist countries in the procurement of aviation equipment. The assistance is provided in both the administrative aspects of a procurement and, when necessary, the technical aspects.

Any Government/Administration/Government Agency/Private Entity might become a Member of CAPS by completing the registration form and the Memorandum of Understanding (see page 1 of this document).

CAPS is essentially a type of Trust Fund arrangement. The method of assessing administrative charges, however, departs from the traditional (across-the-board flat rate percentage), utilizing instead a progressively reducing scale of charges, according to the value of the purchase involved. Identification of the procurement and technical services and the Scale of Charges may be found in Appendix B.

A feature of CAPS is the flexibility to offer a CAPS Member the options of either a complete procurement service (from specification of the equipment through to its commissioning) or participation in specific stages of the procurement process, e.g.

- (i) preparation of specification;
- (ii) invitation of tenders, evaluation of tenders and preparation of recommendations;
- (iii) negotiations and award of contract;
- (iv) supervision of contract awarded by ICAO or awarded directly by a CAPS Member, up to final acceptance.

In such case, the cost for each stage is developed and quoted to the CAPS Member once the tasks required of ICAO are clearly identified.

The nature of purchases already undertaken under CAPS is varied and has included the procurement of flight and ATC radar simulation equipment, aircraft, navigation aids, air traffic control radar equipment and complex, large-scale activities associated with complete airport development.

*Note.— It should be noted that in performing the services described herein, ICAO acts solely for and/or on behalf of the Government/Administration/Government Agency/Private Entity (see particularly Article II of the Registration Form and Memorandum of Understanding).*

### CAPS' benefit to its Members\*

ICAO, as the specialized agency of the United Nations concerned with the planning and development of international civil aviation, has specialists available to it who cover virtually all the main aviation-related disciplines. The expertise of this staff in providing advice to permit the correct specification and proper selection of equipment has frequently proved invaluable in assisting CAPS Members in the acquisition of new or replacement equipment.

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\* Wherever "CAPS Member" appears in the text, it includes "Government/Administration/Government Agency/Private Entity".

The international status of ICAO ensures that agencies who register with ICAO for this service will receive impartial advice and assistance.

ICAO has had unique experience in worldwide procurement operations over a period exceeding 50 years. Thus, CAPS Members have access to and receive the benefit of the entire world market, on an objective and competitive basis.

Because ICAO is involved in extensive procurement operations, it has the ability to negotiate special terms with most suppliers. Benefits of this type are passed on to the CAPS Members. In addition, it is sometimes possible to obtain economic advantages; for example, by combining purchases, ICAO is often able to obtain special discount terms for the total requirements. Thus, in such circumstances, the financial benefit would, of course, be passed on proportionally to the CAPS Members involved.

At times, CAPS Members specify equipment requirements too stringently resulting in a higher cost than necessary. Substantial savings have sometimes been effected after an ICAO technical review of specifications which permitted the acquisition of equipment that fully met CAPS Member requirements but at a lower cost.

Through its knowledge of pricing structures within the industry, coupled with strict (but fair) contract conditions and close monitoring throughout the period of contract administration, ICAO has effected significant economies in the price of contracts placed on behalf of CAPS Members. More than one CAPS Member has noted that the administrative overhead charge levied by ICAO to cover the cost of administering CAPS is more than offset by the savings which ICAO has been able to make on behalf of CAPS Members.

### **Limitations to CAPS activities**

There is virtually no financial limitation on the procurement of aviation-related equipment other than the U.S. \$10 000 minimum purchase requirement for any individual procurement. In this regard, there are two exceptions to the U.S. \$10 000 limitation:

- a) For countries recognized by the United Nations as Least Developed Countries (LDCs), ICAO will process procurement requirements under U.S. \$10 000 at a CAPS charge of 10 per cent;
- b) For other countries, ICAO will process that part of the overall CAPS requirement below U.S. \$10 000 at a CAPS charge of 13 per cent to obviate the need for entering into a separate Trust Fund Agreement.

### **Registration**

Registration can be effected by completing the Registration Form and the Memorandum of Understanding (see page 1 of this document). To register, it is necessary only to complete paragraph 1 and the signature section following paragraph 16. If, however, the remaining paragraphs could be completed at the time of registration, this would facilitate effective use of the Service, once purchasing actually commences. There is no cost involved in registering under the scheme.

In cases where utilization of CAPS may not be contemplated within the near future, registration and subsequent acceptance by ICAO will ensure that the Service may be utilized at short notice when required.

## Operations procedures

The normal procedure under CAPS involves the following steps:

- a) Registration by using the ICAO CAPS Form '*Registration Form and Memorandum of Understanding*' (see page 1 of this document). ICAO is prepared to undertake a special mission to the applicant concerned for preliminary discussion, if deemed necessary. The cost of such missions is subject to negotiation and agreement between the applicant and ICAO.
- b) Notification of the description of equipment to be purchased. When advice and assistance are required in establishing the specifications, they are available from ICAO.
- c) Procurement action initiated on receipt of a deposit from the CAPS Member based upon the estimated price of the equipment requisitioned. The amount to be deposited is subject to prior agreement with the CAPS Member. Deposit of the necessary funds to cover the purchase is required in convertible currency.
- d) Notification by ICAO of the results of competitive tenders (bids) received or sole source as applicable. In appropriate instances, the CAPS Member representative, if desired, may also participate in the evaluation process. Depending on the scale of purchase and upon request of the CAPS Member, ICAO may make a presentation of the bid evaluation to the CAPS Members.
- e) Negotiation and preparation by ICAO of the contract and issuance to the contractor for acceptance. In the case of complex contracts, representatives of the CAPS Members may wish to be in attendance for consultation.
- f) Contract administration (follow-up on delivery, negotiating changes, settling disputes and claims, payments, etc.).

Notwithstanding the foregoing, if the CAPS Member wishes to retain certain aspects of the procurement process, this is acceptable. For example, if the CAPS Member wishes to make direct payments to the contractor, i.e. the contract to be signed between the CAPS Member and contractor, ICAO is prepared to process all necessary steps up to the signature of the contract and may also assume the responsibility of a contract administrator after its signature and up to its completion.

## Financial requirements

It is not necessary for the CAPS Member, unless there is an immediate requirement for certain equipment, to deposit funds at the time of registration. Once the registration process has been completed and when the CAPS Member wishes to take advantage of the service, a deposit of funds will be requested to cover the estimated service cost involved for placing the contract. However, CAPS Members will appreciate that no contract can be awarded until adequate convertible funds to cover the proposed purchase and related administrative overhead charges have been deposited with ICAO. It should be noted that undue delay in depositing funds may lead to the expiry of the terms of a tender. This may sometimes result in an adverse effect on price or delivery.

Charges for providing procurement service will be made in accordance with the Scale of Charges shown in Appendix B. Any technical services requested shall be in addition to the procurement services and will be negotiated with the CAPS Member (see Appendix B).

A separate CAPS Fund will be maintained to record the receipts and expenditures on behalf of each CAPS Member. The accounting of CAPS receipts and expenditures will be made in accordance with the ICAO Financial Regulations currently in force. The ICAO accounts are subject to internal and external audit. ICAO will provide the Government/Administration/Government Agency/Private Entity with periodic unaudited financial statements showing the status of the Fund in US dollars at the end of March, June, September and December. The 31 December financial statement shall only be submitted when the ICAO accounts for the year have been audited by the External Auditor. In the event that the Government/Administration/Government Agency/Private Entity requests that a special audit of its account under this "RF/MoU" be performed by the External Auditor of ICAO, the Government/Administration/Government Agency/Private Entity shall bear the cost of such audit.

In cases where the CAPS Member considers that the Service will be used on a continuing basis, ICAO will consult with the CAPS Member and agree upon a practical method of ensuring that an adequate level of available funds is maintained to facilitate rapid purchasing action.

Payments should be made to:

**International Civil Aviation Organization — CAPS**

**Account Code: \\ CC 000305101**

**Royal Bank of Canada**

**Ste Catherine & Stanley Br. Montreal, Quebec, Canada H3B 1H7**

**ICAO Pool Account 05101 404 6 892,**

**SWIFT Code: ROYCCAT2**

## Appendix B

### Scale of Charges

#### Procurement services\*

Charges for procurement services will be based on the known or estimated delivered value of each individual purchase order/contract above U.S. \$10, 000 as follows:

- 8 per cent on that part of the total purchase order/contract value from U.S. \$0 up to U.S. \$100 000;
- 6 per cent on that part of the total purchase order/contract value exceeding U.S. \$100 000, up to U.S. \$1,000,000;
- 4.9 per cent on that part of the total purchase order/contract value exceeding U.S. \$1,000,000, up to U.S. \$5,000,000;
- on that part of the total purchase order/contract value exceeding U.S. \$5,000,000, procurement service charges shall be negotiated, under the authority of the Director Technical Co-operation.

Individual procurements below U.S. \$10 000 will be processed:

- if they are part of an overall CAPS requirement, but at a CAPS charge of 13 per cent;
- for Governments/Administrations/Government Agencies/Private Entities of countries recognized by the United Nations as Least Developed Countries (LDCs) but at a CAPS charge of 10 per cent.

For the purposes of the foregoing, the total value of a purchase order/contract shall mean the price of the goods and/or services covered by it together with the actual or estimated insurance and freight costs.

The above-mentioned charges cover the provision of the following procurement services:

- identification of supply sources on a worldwide basis;
- call for tenders;
- commercial evaluation of tenders;
- commercial contract negotiations;
- drafting and award of purchase order/contract documentation;
- commercial administration of purchase order/contract.

The charge of administrative fees will be phased according to the degree of advancement of the procurement process (20% at the issuance of the tender, additional 30% when the evaluation process has been completed and the balance upon signature of the purchase order/contract).

In the event that ICAO is required to render services other than the above to meet special needs, such costs shall be fully recoverable and the fees subject to negotiation with the CAPS Member concerned. The charges for such services will be subject to agreement by the CAPS Member concerned and ICAO.

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\* Percentages applied on procurement services are subject to review based on ICAO/TCB administrative costs.

### **Technical services**

Charges for technical services in connection with any given procurement including the provision of services such as:

- preparation of detailed technical specifications;
- preparation of technical tender documentation;
- technical evaluation of tenders;
- technical contract negotiations;
- drafting of technical component of purchase order/contract document;
- review of system design document;
- site and equipment inspections;
- acceptance and commissioning activities, etc.,

will be charged at cost + 10% and estimated separately in advance of the procurement action to the extent possible. Should it become necessary for ICAO during the project implementation to incur additional expenses or should additional services be requested, these will be further negotiated with the CAPS Member concerned and ICAO.

**— END —**



International Civil Aviation Organization

# Procurement Process Briefing

## **ICAO/TCB Procurement Procedures and Mechanisms**



# Outline



1 ICAO/TCB/PRO Organization

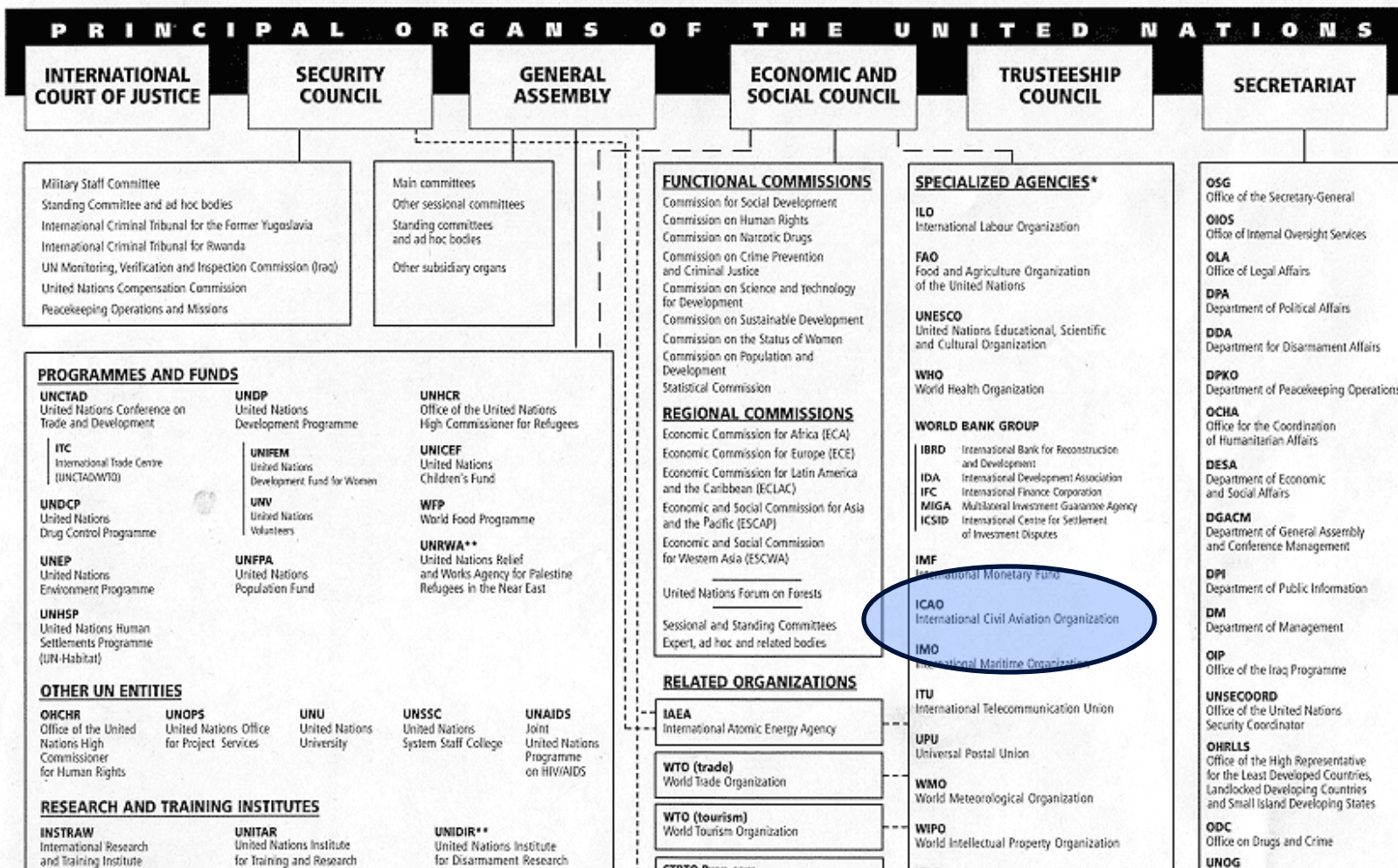
2 Principles of Procurement at ICAO as a UN Agency

3 Procurement Process

# ICAO as a UN Specialized Agency



## The UNITED NATIONS system



# ICAO Secretariat

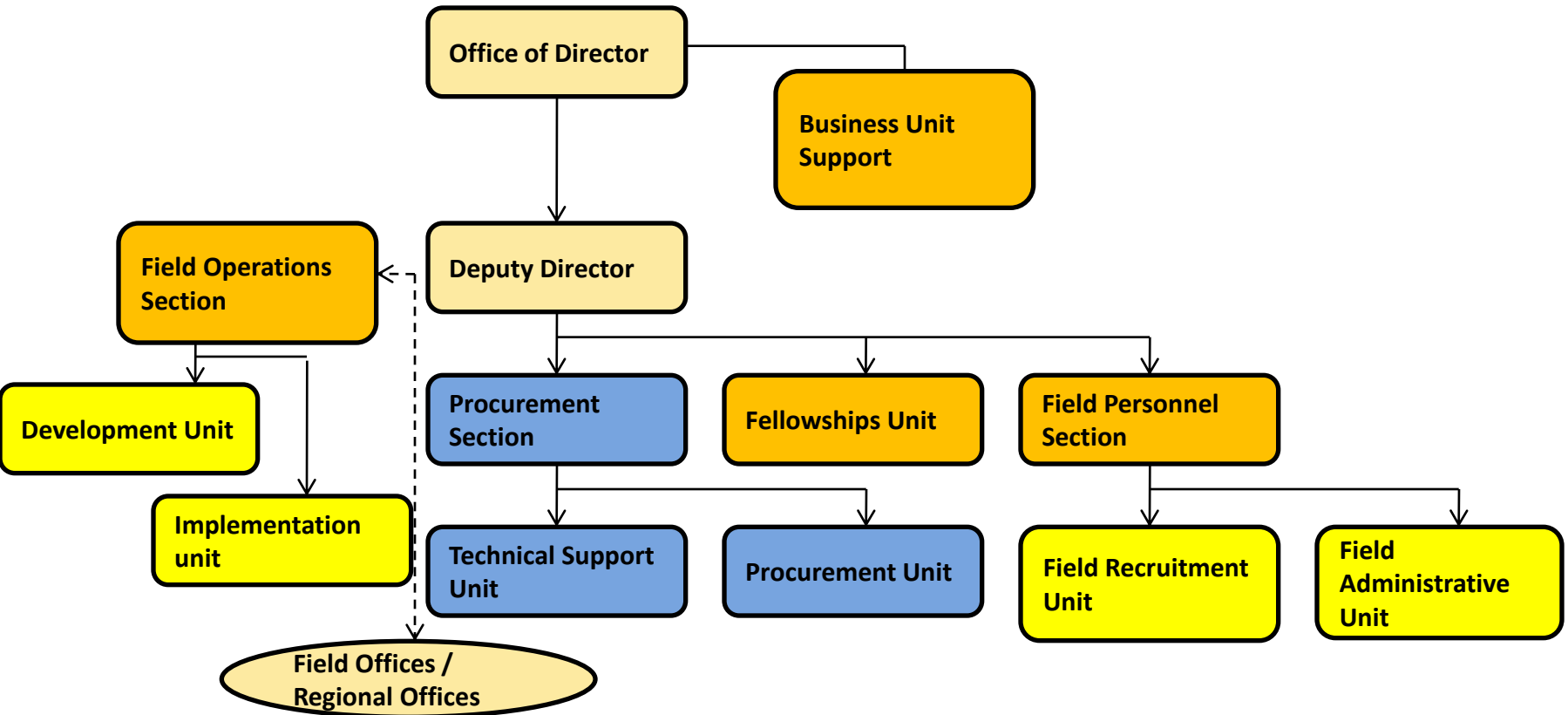


Managed by the Secretary General, nominated by the Council

Consists of five main Bureaux

- Air Navigation Bureau, ANB
- Air Transport Bureau, ATB
- Administration and Services Bureau, ADB
- Legal Bureau, LEB
- **Technical Co-operation Bureau, TCB**

# Technical Co-operation Bureau (TCB)



**Technical Support from other Bureaux of ICAO**

**Personnel: 60 in TCB**

**Consultants and Technical Experts: 560 international and 1,500 national annually**

# Procurement Section

## Technical Support Unit

- **Technical Specifications**
- **Budgetary Estimates**
- **Technical Negotiations**
- **Factory & Site Acceptance**
- **Field Support**

## Procurement Unit

- **Procurement of Goods & Services**
- **Tendering**
- **Contract Preparation**
- **Contract Administration**
- **Financial Management**
- **Liaise with Field Ops. / Field Staff**
- **Liaise with States & CAA**

# Infrastructure and Services



- Aerodromes
- Air navigation systems and equipment
- Security systems and equipment
- Airport management systems
- Maintenance programmes
  - Organization
  - Update



# Air Navigation Equipment

**TOWER EQUIPMENT**



**SIMULATORS**



**CONTROL CENTERS**



**RADARS**



**SAT COMM**



**NAV AIDS**



# Airport Equipment

- **Special equipment**
- **Boarding bridges**
- **Fire fighting equipment**
- **Automated systems**
- **Modernization works**





# TCB Implementation Program



**Over 200 Projects in more than 80 Countries \* 20 Regional Projects**





# The Civil Aviation Purchasing Service (CAPS)

- **CAPS** is a type of Trust Fund arrangement - progressively reducing scale of administrative charges, according to the value of the purchase involved.
- Established to assist countries in the procurement of aviation equipment (assistance is provided in both the administrative aspects of a procurement and, when necessary, the technical aspects).
- Any Government/Administration/Government Agency/Private Entity might become a Member of CAPS by completing the Registration Form and the Memorandum of Understanding. There is no cost involved in registering and advance registration and subsequent acceptance by ICAO will ensure that the Service may be utilized at short notice when required.
- Flexibility to offer a CAPS Member the options of either a complete procurement service or participation in specific stages of the procurement process

# Administrative Costs

- The operating costs of TCB are financed mainly by the **administrative cost** applied to technical co-operation projects, **between 5% and 10%**, always trying to make it the lowest possible.
- The **administrative costs** applied to the procurement of equipment and systems and/or contracting services that involve big amounts are usually **between 4% and 8%**.

# TCB is generating strong results



## Results for States beyond ICAO SARPs Compliance

Strengthened civil aviation institutions

Trained, developed and harmonized human resources

Transferred knowledge, technology, innovation and

Modernized infrastructure and services

# Principles of Procurement at ICAO as a UN Agency



- Best value for money
- Integrity (ethics)
- Accountability (audit trail)
- Fairness (vis-à-vis suppliers)
- Transparency (clear instructions/advertising)
- Effective competition (open tendering)

# The Procurement Process at ICAO for Field Projects



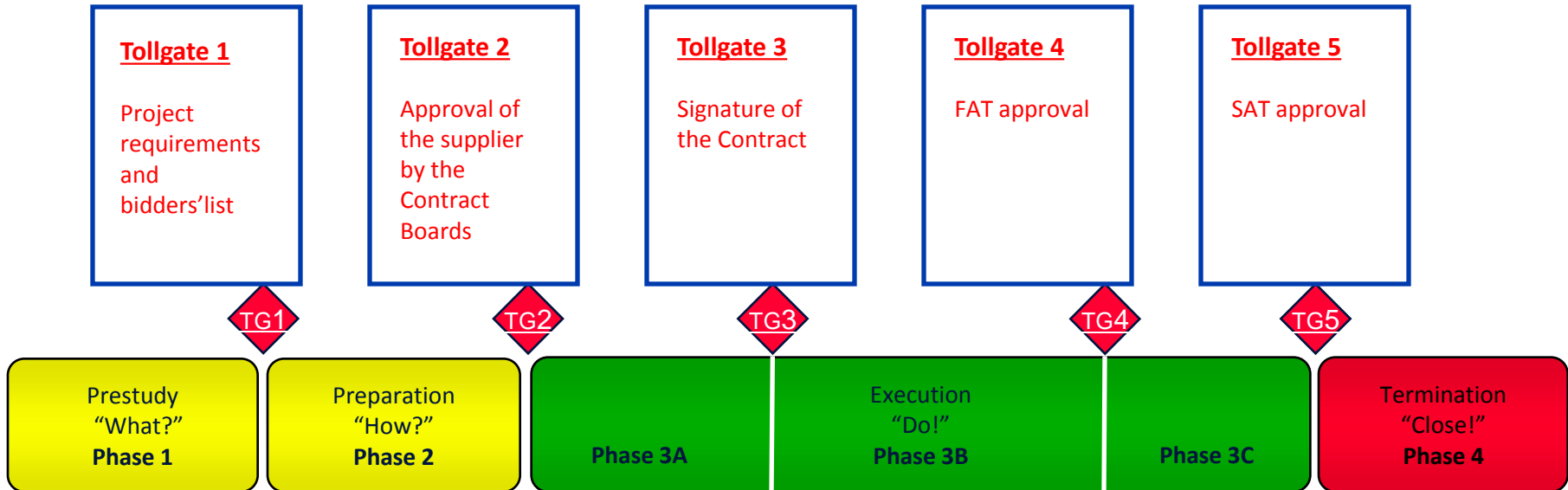
## Main Purpose with the Phase

<p>Initiate the procurement project</p> <p>Determine requirements</p> <p>Determine Bidders' list</p>	<p>Conduct the tender, evaluate and select the supplier</p>	<p>Prepare and negotiate the contract</p> <p>Get the signature of the Contract</p>	<p>Get the FAT approval and the equipment ready to ship</p>	<p>Get the SAT approval</p>	<p>Organise the after sale service</p> <p>Close the file</p>
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## Main Activities in the Phase

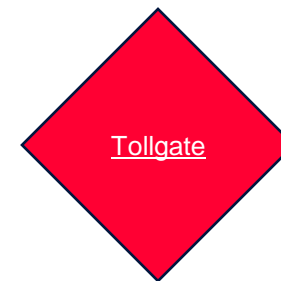
<ul style="list-style-type: none"> <li>• Develop the technical specifications</li> <li>• Establish budget</li> <li>• Determine the optimum bidders' list</li> </ul>	<ul style="list-style-type: none"> <li>• Prepare the tender and send it to bidders</li> <li>• Organise the possible site survey</li> <li>• Conduct the technical and commercial evaluations of tenders</li> <li>• Summarise the evaluations and select the supplier(s)</li> </ul>	<ul style="list-style-type: none"> <li>• Build the overall planning of the project</li> <li>• Prepare the contract</li> <li>• Circulate the contract (country, LEB, ...)</li> <li>• Negotiate with supplier</li> </ul>	<ul style="list-style-type: none"> <li>• Arrange the down payment</li> <li>• Write regret letters</li> <li>• Review the SDD</li> <li>• Review the FAT procedures</li> <li>• Attend FAT</li> <li>• Check the shipment</li> </ul>	<ul style="list-style-type: none"> <li>• Check the delivery</li> <li>• Facilitate the customs clearances</li> <li>• Review the SAT procedures</li> <li>• Attend SAT on site</li> <li>• Organize progress review meeting if needed</li> </ul>	<ul style="list-style-type: none"> <li>• Finalize the payment</li> <li>• Specify the warranty period</li> <li>• Follow the claims and their resolution during the warranty period</li> <li>• Assess customer satisfaction</li> </ul>
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# The Procurement Process at ICAO for Field Projects



## Tollgate

A defined point at which formal decisions are made about continuation of the project



# The Procurement Quality Assurance Process



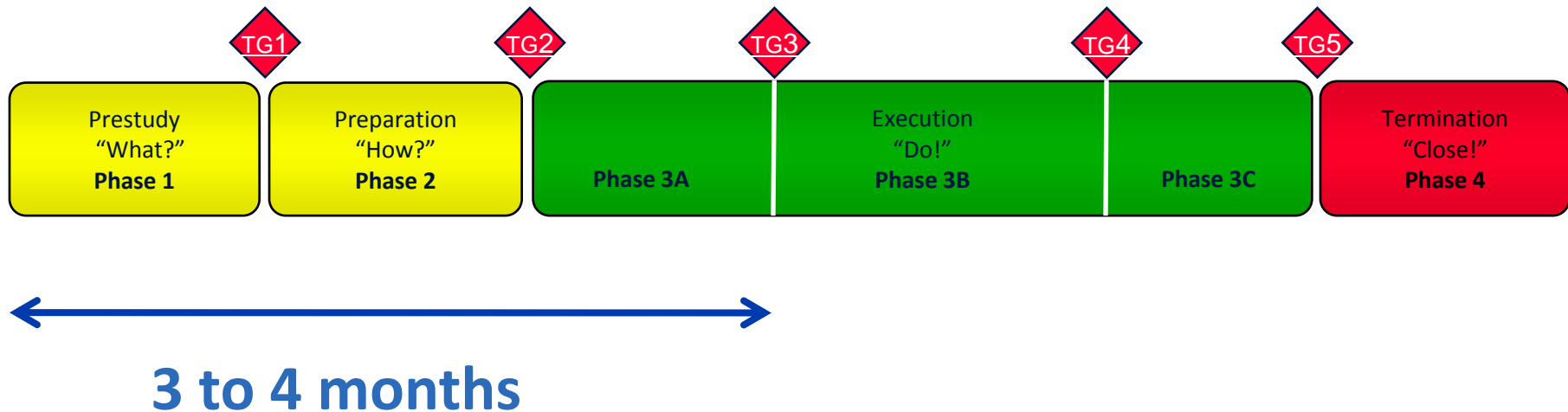
PHASE 1 : Pre-Study			
N°	ACTIVITY	END DATA	Check
<b>1</b>	<b>PROJECT FILE</b>		
1.1	<b>Determine the end-users needs</b>	Planning, key dates, quantities obtained from the customer Sole Source Determination form obtained from the customer if applicable: P-PRO-020-F1 Purchase Requisition obtained from Field Section: Agresso Category code and specific description of the Purchase Requisition reviewed for correctness	
1.2	<b>Structure the project</b>	Buyer designated for the project Money available on the project account to start preliminary procurement actions (to be requested if not) Sole Source Determination form approved by C/PRO if applicable: P-PRO-020-F1 TAR issued to obtain Technical Specifications and Technical Evaluation Criteria: P-PRO-100-F1 Formal criteria completed Expert and associated cost to write the specifications approved by the customer if applicable Budgetary price established (price of the equipment/service (with I&F) + O/H + TSS + PLI)	
1.3	<b>Obtain approval for the procurement</b>	Technical Specifications, evaluation criteria and budget sent to the customer: P-PRO-020-F2 Approval of the Technical Specifications, Evaluation Criteria and Budget by the customer	
1.4	<b>Review the project</b>	PR summary updated: G:\PRO\z - pr summaries Decision to end phase reviewed	
<b>2</b>	<b>TECHNICAL PART</b>		
2.1	<b>Analyse the need</b>	Basic technical needs obtained from the customer Expert requested to write the Specifications and Evaluation Criteria Suitable and qualified expert identified and engaged Site survey organized if needed	
2.2	<b>Define the solution</b>	Technical specifications with technical evaluation criteria written Technical specifications approved by TO	
2.3	<b>Estimate the cost</b>	Estimated price of the Equipment/Service defined TSS fee calculated: P-PRO-070 (in progress)	
2.4	<b>Define the bidders</b>	List of possible suppliers established (panel)	



# The Procurement Quality Assurance Process



- ISO 9001:2008 certified;
- Efficiency constantly monitored and subject to improvement;



# Involvement of the end-user

- At any stage of the procurement process (establishment of the requirement, tendering process, evaluation and contractual negotiation; project management);
- Can request one or more steps of the process or the whole procurement as turn key;
- Always the ultimate decision maker.

# Registration of Suppliers

- **ICAO database of more than 3000 suppliers of civil aviation equipment and/or services;**
- **Suppliers can self register on ICAO's tendering website:**  
<http://www.icao.int/procurement>
- **No registration fee**

# Supplier vetting



Ensure that the supplier has

- ✓ adequate financial resources to perform the contract
- ✓ comply with ICAO General Terms and Conditions
- ✓ a satisfactory performance record
- ✓ the necessary organization, experience, accounting and operational controls, appropriate insurance and technical skills
- ✓ the necessary technical experience, equipment, facilities, production capacity

# The TCB Advantages

- ✈ Impartiality and Objectivity
- ✈ Knowledge and Experience
- ✈ Economy of Scale
- ✈ No commercial interests
- ✈ Transparency
- ✈ Low costs

# Some successful examples

- Building a new airport in a period of 19 months
- Facilitation of the transition from military to civil aviation authority / Establishment of new autonomous civil aviation authorities
- Airport and air traffic management in conflict situations
- Rehabilitation of runways and construction of new hangar facilities
- Support to governments in the surveillance of airport concession processes
- Tendering process for regional satellite communication systems (involving several countries)
- Procurement of 55 ARFF vehicles and associated equipment, 22 PBB, 3 BHS, 4 ACC and flight simulators, 24 radars, 2 ADS-B, 35 VOR/DME, 5 ILS, 3 AMHS, two complete overhaul of aircraft, 2 complete country VSAT networks, more than 100 different security equipment and surveillance systems procured during the last 3 years.

# THANKS FOR YOUR ATTENTION !



Any questions?

[msingh@icao.int](mailto:msingh@icao.int)

[procurement@icao.int](mailto:procurement@icao.int)

## Reference material:

- ICAO Procurement Code
- ICAO Procurement Procedures Manual
- UNDP Procurement Certification Level 2 course material