Letter of Agreement (LoA)

- A Letter of Agreement (LoA) is the contractual instrument that can be used to obtain services that are **NOT** generally available on the private-sector commercial market, from Eligible Entities (e.g. not-for-profits)

- LoAs are used to obtain services and **NOT** used to obtain goods or works which are regulated by FAO procurement rules (exception: small scale works such as community based rehabilitation works i.e. CFW)

- & LoAs are used as well for Capacity Development of the SPs/Beneficiary Groups and in support of Partnership agreements
Eligible Entity / Service Provider

Legally recognized not-for-profit (independent legal personality):
• governmental
• inter-governmental (e.g. other United Nations agency)
• non-governmental (i.e. NGOs)
• other not-for-profit entities

Could include: voluntary and community organizations, civil society organizations (CSOs), universities, academic institutions and public research institutions

Can not include: individuals, unregistered or informal groups, commercial companies
How FAO Somalia Selects partners?

- Registration of Potential Service Providers
- Pre-qualification
- Competitive selection
- Direct Selection
Registration of Service Providers.

- Send an email to SO-LOA@fao.org email address requesting to be registered.

- An application document will be shared with you. Duly fill in the application document with the requested information- The information requested in the application document allows FAO to understand more about your organization e.g Regions of operations.
• Once the dully filled, signed and stamped form together with all the requested for related documents are returned to FAO a verification, approval and registration process will follow; the service provider will then be registered in the FAO-Somalia database for any engagement.
Pre-Qualification Process

• Annually, FAO launches Invitations for Pre-qualifications (IPQs) to determine the qualified service providers under different tasks, (Livestock, Agriculture and Cash Based Interventions e.g., CFW and Unconditional Cash Transfers).

• The FAO registered service providers are invited to submit applications for the different Regions and Districts as distributed under the IPQs (lots).
Pre-Qualification Process

• Internal Evaluation then follows with ranking using a set standard and/or criteria for all the service providers who successfully apply within the given time limits. The service providers that score higher than the set technical threshold are considered prequalified. The service providers who score lower or less than the technical threshold are not considered prequalified.
Competitive Selection

• Prequalified service providers within specific IPQs are invited for solicitation of priced bids. Evaluation for solicited price bids is also; applying the best value for money policy, the service providers that submit the lowest responsive priced bids are ranked first and hence selected. In cases where one service provider has provided the lowest responsive priced bids for multiple lots, depending on their capacity, awards might be made to the next ranked bidder.
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Direct Selection

• This method involves the Responsible Officer (FAO) directly selecting the service provider best suited for a specific task based on a stipulated criteria and or guidelines for the specific task. The Responsible Officer will offer a valid justification in writing on why the selected service provider is most suitable for the task /role in comparison to other qualifies service providers.
QUESTIONS?

• Questions related to FAO-Somalia LoAs:
  SO-LOA@fao.org
  eliud.ngungi@fao.org

THANK YOU!