
Service providers: Formalizing the Agreement

Choose the section you want to jump in

Part of preparing to use CBI is creating agreements, including long-term agreements (LTA), with selected service providers. Please ensure coordination with the Manila Supply Chain Unit (MSCU) and the Supply Chain Division when needed. When working with service providers or implementing partners, they should follow the IOM data protection principles if receiving beneficiary personal data or collecting personal data on behalf of IOM or in connection with the activity. When contracting a service provider to transfer money to beneficiaries, it is also possible to obtain insurance (or security) over the cash to be transferred to the service provider for coverage against loss.

Piggybacking on agreements of other UN agencies: Using existing LTA or service agreement of other UN agencies is recommended to reduce costs and time, and to benefit from preferential rates already negotiated.

- The procedure to piggyback from an LTA or service agreement should be the following:
- The requesting agency (the inquirer) gets in touch with the agency holding the agreement (the holder) asking for approval to negotiate with the supplier based on the clauses of this agreement and requesting a copy.
- After approval, the holder must fill out the [LTA Information Sheet](#) and have it signed by delegated authority (in IOM the Head MSCU in Manila). After it is signed, this document is sent to the inquirer who must also sign it on behalf of this organization.
- After complying with this formality, usually the holder sends a note to the supplier informing that the inquirer agency will make use of the contract based on the piggybacking clause. There is no standard format but a [sample](#) is available for reference.
- The inquirer should contact the supplier with reference to the note sent by the holder and begin negotiations, which may result in an LTA or service agreement.

[Collaborative procurement and best practices on piggybacking on existing UN agreements](#)

Contracts with an ICT component: Any projects with ICT components related to software, ICT consulting, website/applications development, or similar professional services above 40 per cent of the total project budget or above USD 250,000 in procurement contract value, whichever is lower, require review by the ICT Division. Such requests must be processed via ICTApprovals@iom.int as early as possible within the project and procurement planning process.

ICT Approval when working with FSPs, for example: Remember to share all relevant supporting documents with ICT, including the agreement with the service provider and all annexes, once the service provider has been selected. ICT would review an FSP proposal in which the FSP must

describe how they would "take all reasonable/necessary technological precautions to safekeep the data including, but not limited to, backup, virus protection, intrusion prevention, and data encryption in transit and at rest."

IOM may use the electronic platform of the financial service provider to do payments, check balances or add beneficiaries' data. For this reason, it is required from the procurement side to obtain the approval from ICT before signing an agreement.

The ICT approval code is required in cases **when IOM is directly purchasing a software or licence** to be used internally, for which the technical assessment of ICT is needed to ensure that the system adapts to IOM standards and regulations.



Caution: If you have an ICT system or platform, **ICT approval is required**. Once you have identified your FSP, launch this process as soon as possible; it **will take time!**

Once a project is reviewed by ICT and assigned an ICT review number, no further ICT review is required on procurement transactions that were within the scope of the ICT review, provided that there are no changes in the ICT components within the project (design, technology, etc.). If no prior review has been provided by ICT at the project level, ICT will review the transactions within the standard Manila Supply Chain Unit (MSCU) review process as appropriate.

Below is a checklist that explains the steps to follow when finalizing the selection and engagement of service providers. Ideally, this should be done **before** a programme is implemented to ensure CBI can be delivered in a timely fashion.

The procedure to obtain the ICT approval code is simple:

1. Send an email to ICT Approvals ictapprovals@iom.int requiring the approval code. Supporting documents such as project documents and technical specifications of the platform should be attached.
2. ICT will assign a reviewer to assign the ICT approval code.
3. ICT approval code is granted.

Relevant documents:

- [IN/267: Financial Management Rules and Procedures \(FMRP\)](#): Section E.1.05 Intangible (fixed) assets. This relates to the approval of ICT when IOM purchases software and licenses, since this should be centralized via IT Procurement.
- [IN/88: ICT Standards and Guidelines](#).
- [IN/123: ICT Policies and Guidelines](#).
- [IN/284: Changes to Procurement Implementing Partners Selection and Related Contracting Procedures](#).

- [Prev](#)

- 5.2/5.9

- [Next](#)