

Procurement Guidelines and Regulations

Kumasi Center for Collaborative Research in Tropical Medicine

Procurement Unit

Table of Contents

I.	Introduction.....	06
II.	Compliance of the Manual.....	06
III.	Definitions.....	06
1.	Scope of the KCCR procurement guidelines & regulations.....	07
2.	Procurement objectives and principles.....	07
2.1	Value for money.....	07
2.2	Competiton.....	07
2.3	Efficiency and effectiveness.....	08
2.4	Impartiality, Transparency & Accountability	08
3.	Procurement Standards.....	08
4.	Amendment and Exceptions.....	09
5.	Responsibility and Accountability.....	10
6.	Procurement Review Committee.....	10
6.1	Purpose and scope of the Procurement Review Committee	11
6.2	Procurement Committee Minutes.....	11
6.3	Internal Controls.....	12
7.	Role of User Departments.....	12
7.1	Functions of the Procurement Unit.....	12
8.	Purchase authorization	13
8.1	Authorization	13
8.2	Availability of Funds.....	13
9.	Procurement process regulations.....	14
9.1	Procurement process in KCCR.....	14
9.2	Purchase requisition.....	14
9.3	Requisition review & purchase order	14
9.4	Ordering and procurement process.....	15
9.5	Duty exemption/tax exemption for import of goods to Ghana.....	15
9.6	Assessment of the delivered goods.....	15
9.7	Invoice approvals and disputes.....	16

10. Documentation	16
11. Award procedures, method and threshold limits	17
11.1 Overview of threshold limits and awarding of contracts including deliveries and services.....	17
11.2 Special features on direct award.....	19
12. Tenders.....	20
12.1 Invitation of Bids.....	20
12.1.1 Request for Proposal (RFP).....	20
12.1.2 RFP Invitation.....	20
12.1.3 Responding to the RFP.....	20
12.1.4 Pre-Submission Conference.....	20
12.1.5 Deadline for Submission.....	20
12.2 Opening of bids.....	20
12.3 Evaluation of bids.....	21
12.3.1 Evaluation Criteria.....	21
12.4 Award of the Contract.....	21
12.5 Closing/Termination of order /Contract.....	21
12.6 Public Invitation to Tender.....	22
12.7 Restricted invitations to tender.....	22
13 Inventories and Assets Registration.....	22
14. Supplier Management.....	23
14.1 Supplier Management Policy.....	23
14.2 Approved Vendor List.....	24
14.3 Supplier Appraisal/Contract Performance Review.....	24
14.4 Vendor De-registration.....	24
15. Procurement Complaints.....	25
16.0 PROCUREMENT CODE OF ETHICS.....	26

16.1	Ethics & Conflict of Interest.....	26
16.1.1	Ethics.....	26
16.1.2	Conflict of interest.....	26

List of Annex'

Proc_01 Procurement of Material and Equipment by KCCR Logistic

Proc_02 Flow Chart Export of goods to Ghana

Proc_03 Export of Samples form KCCR outside the Country

Proc_04 General Terms of contracts purchases to KCCR

Proc_05 Decision Memo Procurement Committee

Proc_06 Documentation of Contract Awards over 1001 EUR

Proc_07 Pro forma invoice Services workmanship

Proc_08 Guideline overview for the contract award procedure for supplies and services

Ten_01 Shortlist of tenderers

Ten_02 Conditions for tender building firms

Ten_03 Guideline for opening tender's template

Ten_04 General company information from tender

Ten_05 Record of the opening of the tender's template

Ten_06 Tenders declaration for contractors

Ten_07 Minutes of opening tenders

Ten_08 Invitation for tender

Ten_09 Assessment Grid for Offers

Ten_10 Award documentation building

Ten_11 Award documentation services

Ten_12 Advance payment guarantee Annex A

Ten_13 Defects liability for building contractors Annex B

Ten_14 Taking over certificate Annex C

Procurement Guidelines and Regulations

I. Introduction

The purpose of this Guideline is that, KCCR obtains the best value for money in the procurement of goods, services and works by applying these Guidelines and Regulations as given below. As an institutional recipient financed mainly by Funders who receive their funds out of government funding or private Institutions, KCCR is obliged to observe the Procurement Guidelines of the Funders and the relevant awarding and contracting regulations in all procurement measures.

II. Compliance of the Manual

The Head of Procurement/Logistics has the primary responsibility to ensure the acquisition, supply/delivery as well as the disposal of goods and services in the most cost-effective, timely, expeditious and efficient method.

III. Definitions

Invoice (or bill) - a commercial document delivered by a vendor to the customer, detailing the products, quantities, and agreed prices for products or services the vendor has provided the customer. An invoice implies the customer must pay the supplier, according to the payment terms.

Local Purchase Order (LPO) - This is an official document (signed and stamped on letterhead) requesting specific products or service be provided at the quoted price.

Procurement Review Committee (PC) - Group comprised of recommended including a representative from finance and operations, programs and procurement,

Procurement Officer (PO) - The person who is responsible for ensuring good practice in procurement. This is the officer who co-ordinates the supplier's selections.

Purchase Request (PR) - The purchase request is the initial document outlining the products and services needed. The purchase request includes all the information needed to initiate the procurement process, including the quantity, description, price, budget codes, and approvals. The PR is prepared by the requesting party and approved prior to submittal to Logistics.

Services – The useful activities that are performed by individuals (Project/KCCR) or companies for KCCR that does not produce property.

Supplier - Any person or entity external to KCCR, which offers goods, services or works required by the organization.

User Unit - This is the Unit, (department or project) that requests for the goods, service and works.

Request For Quotation (RFQ) - A formal process where a company solicits suppliers and contractors to submit price quotes and bids for specific tasks or projects.

Request for Proposal (RFP) - An RFP is a business document that announces a project and solicits bids from qualified suppliers or consultants to complete it.

1 Scope of the KCCR procurement Guidelines & Regulations

This Procurement Guidelines shall govern the procurement of goods (capital equipment and consumables), services (such as air travel, security, printing, equipment maintenance, grounds maintenance, and freight, forwarding and clearing services, accommodation & outside conference facilities rentals, banking, insurance, etc.) and works by and on behalf of KCCR and serves as a framework for decision making with respect to such procurement. All procurement measures for KCCR and Projects may only be carried out on legal basis which are binding for as buyers as well as retailers. Further, it regulates the administrative and institutional arrangements for tendering procedures. It does not claim to be comprehensive, should specific regulations take precedence, then these apply. The KCCR Management is responsible for ensuring the effective implementation of this Guideline.

2. Procurement objectives and Principles

The principle of best value for money must be observed in all procurement measures. For all financially effective measures, "appropriate" profitability investigations must therefore be carried out. A procurement order is to be given to the most economical provider on a regular basis. When assessing an offer, it is not the lowest price that is decisive, but the best price-performance ratio of all order-related. The following principles will apply:

2.1 Value for money

- Direct and indirect cost of the goods/services for the entire procurement cycle and beyond must be considered e.g., follow – up cost
- Quality of the goods/services
- Delivery and supply time-frame for the goods/services
- Reliable goods /services
- Sustainability and Environmental Aspects
- Uniformity of equipment esp. for Laboratory machines

2.2 Competition

- Procurement shall be carried out on a competitive basis to the maximum practical extent. However, the implementation of this practice must be compatible with the deadlines set in the project implementation.

- Competition thresholds, the extent of competition required in the procurement of goods and/or services is based on thresholds specified in this Procurement Guideline. Such thresholds are established by reference to the estimated value of goods and/or services to be procured. In addition, specific competitive processes may be established in the Procurement Guideline for particular categories of goods and/or services based on risk management considerations.
- Exceptions to competition thresholds and processes shall be allowed in rare exceptional situations only. Such exceptions can only be approved by the KCCR Management (SD & HoA). It is anticipated that the establishment of a portfolio of pre-qualified suppliers especially for the procurement of Laboratory machines and consumables supply, as well as timely procurement planning on the part of KCCR and Project responsible, will minimize the need for exceptions to competition.

2.3 Efficiency and effectiveness

- The maximal efficient use of the Funds of KCCR or the project funds have to be ensured. All goods and services procured effectively meet the full requirements of the KCCR and Projects requests.

2.4 Impartiality, Transparency & Accountability

Procurement shall be conducted in an impartial, transparent and accountable manner.

- In ensuring impartiality, potential suppliers of goods and/or services shall be afforded equitable treatment and their offers shall be evaluated based on their legal, technical and financial abilities.
- In promoting transparency, information relating to procurement process shall be documented in a manner that facilitates appropriate scrutiny of procurement activities.
- In encouraging accountability, KCCR Procurement Review Committee shall be accountable for their awarding with respect to procurement, based on lines of accountability established in the Procurement Guidelines.

3. Procurement Standards

3.1 Every procurement made by KCCR for goods, works, or services will be in compliance by all applicable laws, funding partner regulations, and rules and procedures. The conflict of interest policy, that governs the performance of individuals involved in the selection, award, and administration of procurement operations, should be adhered to by all KCCR staff.

3.2 The following are the specific policy statements of KCCR:

- a) Clear specifications, evaluation methods and criteria shall be defined before the commencement of the procurement process.

- b) The decision to award a contract to a supplier will be made after taking into consideration price (the total cost that is incurred for the goods) while also considering other factors like reputation, integrity, timely delivery, past performance records, warranty, financial and technical strength, responsiveness to technical requirements, and hire vs. buy decisions.
- c) The procurement review committee will evaluate, select, amend, add and remove consultants or suppliers from the process.
- d) The procurement procedure shall be thoroughly documented and comply to the the authorization policy.
- e) The procurement decision-making process shall include technical units or other experts.
- f) KCCR/Project shall adequately plan their requirements and submit an authorized purchase request to the procurement officer in the manner described below. This will help the Head of Procurement/Logistics fulfill these obligations and assist in handling purchases in a systematic and structured way.
 - 1. Large value items -at least one month before the need.
 - 2. Regular items, between 2 days to 1 week

4. Amendment and Exceptions

- 4.1 This Procurement Guidelines shall govern the procurement of goods, services and works by and on behalf of KCCR and serves as a framework for decision making with respect to such procurement. All procurement measures for KCCR and Projects may only be carried out on legal basis which are binding for as buyers as well as retailers. Further, it regulates the administrative and institutional arrangements for tendering procedures. It does not claim to be comprehensive, should specific regulations take precedence, then these apply. The KCCR Management is responsible for ensuring the effective implementation of this Guideline
- 4.2 In the event that certain issues arise during implementation of procurement which have not been considered fully in this guidelines, the KCCR management, based on the recommendations of the Procurement Committee will consider and introduce such modifications and amendments as may be required.

5. Responsibility and Accountability

5.1 There shall be a clear separation of duties, or authority between the procurement initiation, selection of suppliers, commitment, and receipt of the goods, in order to ensure the use of good procurement practices and mitigate against any malpractices in the procurement process.

5.2 All approvals shall be in writing and no retrospective approvals will be allowed. Various committees that management has established to carry out these tasks shall handle procurement within KCCR, adhering to the established guidelines.

6. Procurement Review Committee

The procurement review committee (PRC) is a KCCR internal composed body. It's members are appointed by the Scientific Director. It has **six (6)** members, which are the Head of Administration HoA, the Head of Laboratory, the Head of Accounts, the Head of Logistics, **Head of I.T** and the Office Manager.

The task of the Committee is to manage and follow procurement best practices on the bases of KCCR Financial & Procurement Guidelines. The PRC evaluates and propose the procurement on basis of Price Quotations (pro forma Invoices). On procurements with high values and special complex technical requirements, external technical expertise shall be consulted.

In order to satisfy the needs of the scientific projects on the KCCR platform as best as possible and promptly, the decision-making process is created on the basis of a written protocol (Decision Memo). The decision protocol is circulated between all members. Decisions must be justified according 1-6.

- 1 Best quality product/service
- 2 Best offer
- 3 Urgent needed, shortest delivery time
- 4 Most economical price with regard to follow-up costs
- 5 Sole/single supplier (special experienced, standardized type needed)
- 6 Two (2) suppliers only
- 7 Maintenance and repair service nearby and guaranteed

The committee's secretary will immediately notify the requesting department or project in writing of the decision of all approved procurements. In case the procurement is rejected, the procedure will either need to start over or the required information will need to be supplied in order to finish the process.

6.1 Purpose and scope of the Procurement Review Committee

- Review and make recommendation of the proposed award of a contract/procurement of goods and/or services.
- Review requests for exceptions to competitive thresholds processes
- Scrutinize documents of procurement orders
- Reviewing and accessing the pro formas/tendering documents mathematically and determine the correctness of the content.
- Seek for clarification in a response from a vendor e.g., warranty, certification of technical items
- Evaluate and endorse the procurement on the basis of the provided cost estimation and technical specifications It could include testing products offered.
- Responsible for accountable recommendations and transparent decisions which will be supported by the records of the evaluation process
- Assures that the proposed award of the contract for goods /or services is in the best interests of KCCR based on the principles of this guideline.
- Approves the purchase requisition with a simple majority.
- In the absence of a panel member, his or her replacement decides.
- The PRC documents its decision in a circular document.
- The KCCR Management (SD and HoA) are responsible for contract and agreements (national & international) and will decide about purchase of items / Services or contractual agreements.

6.2 Procurement Committee Minutes

6.2.1 The minutes shall be recorded by the secretary of the committee. The following details shall be recorded:

- a) Names, designation and signature of the members present.
- b) The date of the meeting.
- c) List of all items considered.
- d) The decisions made on each item, including any major issues discussed, the reasons for any rejections and any clarification or minor amendments to which the recommendation is subject.
- e) The prices recommended for each item.
- f) Any dissenting opinions among the PC members.

6.2.2 The Head of Finance shall review the PRC report and forward the same to the S/D or HoA for approval. The S/D or HoA, shall, on behalf of the KCCR Board, make the final decision on all procurements based on the recommendations of the PRC. The S/D or HoA may reject the recommendation of the PRC, giving reasons for such rejections. Should this happen, the matter shall be referred to the committee for review.

6.3 Internal Controls

Procurement regulations stipulate appropriate internal controls to cover the establishment of supplier contracts. An independent, documented procurement survey on selected vendors, using a list of known vendors will be initiated by KCCR Management bi-annual. The results are communicated, discussed and documented by the PRC.

7. Role of the User Departments

The KCCR/projects shall be involved in the various stages of the procurement process. Their obligation will include the following:

- a) Prepare quarterly procurement plan and submit to the procurement/Logistics department for consolidation.
- b) Initiate procurement and disposal requirements.
- c) Prepare technical specifications to be submitted alongside the procurement request.
- d) Ensuring that goods, services and works delivered are as per the stipulated requirements and signing the delivery notes where necessary.

7.1 Functions of the Procurement Unit

7.1.1 The Procurement Unit shall manage the procurement process and specifically undertake the following functions:

- a) Maintain the list of prequalified suppliers
- b) Draft and publish invitations for expression of interest or for prequalification.
- c) Receive, file, maintain, and protect submissions for expressions of interest and prequalification.
- d) Issue bid documents and coordinate evaluation of bids.
- e) Participate in the evaluation of bids.
- f) Ensure that all procurement documentation is appropriately created, kept up to date, and maintained on accessible media.
- g) Implement decisions of the Procurement Committee (PC).
- h) Undertake advertising for any procurement.
- i) Ensure that each department follows the approved annual Program of Work and Budget (PWB) while preparing and submitting its yearly procurement plans.

- j) Consolidate procurement plans for reference by the PRC, evaluate and recommend purchases for the authorized person to approve.
- k) Make sure that purchased items and/or services are delivered on time by communicating with service providers, if applicable.
- l) Communicate with the end user to ensure that the procurement meets their needs.
- m) Coordinate to ensure that approvals are obtained promptly.
- n) Conduct market survey regularly to ensure goods and services are obtained within market prices.
- o) Ensure compliance with the procurement policies and procedures; and
- p) Coordinate and ensure the periodic assessment of the procurement rules and procedures to make sure they are up to date and comply with best practices at all times.

8. Purchase Authorizations

8.1 Authorization

The Scientific Director delegates to the Head of Logistics the authority to procure goods/and services in accordance with the thresholds defined in the Procurement Guideline and in accordance with the ‘Accountability Framework’. Such authority shall be determined based on the estimated value and nature of the goods and/or services to be procured.

8.2 Availability of Funds

The availability of funds to finance the procurement of goods /services by KCCR or Project funds shall be verified prior to purchase by the accounting department.

The KCCR Management or PI’s have to determine the need within the framework of the available budget of their projects. The following criteria must be observed:

- How high is the actual requirement?
- Are there cheaper technical alternatives to the intended purchase item?
- Is it possible that it (goods, machines & services) can be shared by or at other institutes (e.g. large plants).

9 Procurement Process Regulations

9.1 Procurement process in KCCR

The Procurement process is the series of activities that are essential to get goods, services and works for requisition and to invoice approval and purchase order. This process begins with identification of needs by the KCCR/project. Needs are those items or services that should be procured to help KCCR/Projects achieve its strategic plans and goals. All required items must be budgeted for and their total value is what is referred to as the "annual procurement plan".

While purchasing is the overarching process of obtaining goods and services for KCCR, procurement describes the activities involved in obtaining them.

9.2 Purchase Requisition

A purchase request is the initial document(request memo) that details the goods, services and works needed. The purchase request communicates such items as quantity, description, price, budget codes and approvals needed in order to initiate the procurement process. When the purchase requisition (request memo) is placed by the KCCR or Project responsible person whether written or electronically, must be signed/approved by Pi's or KCCR management. The signed/approved purchase requisition must then be forwarded to the logistics department to be worked on.

It comprises key information that is required to procure the right goods, services & works.

A clear and accurate description of technical requirements for the supply, equipment or service has to be provided. A description of these (technical) requirements in terms of functions to be performed including the range of acceptable characteristics must be listed. Specific features of "brand name or equal" required of the supply, equipment or service must be provided.

In the event that only a certain supplier comes into question, this must be justified by the requester. If offers from a manufacturer are included, we ask for a meaningful and comprehensible justification of exclusivity for the selected product. If complex technical devices are involved, the delivery, installation and operation of the device must be clarified with the KCCR management in advance.

9.3 Requisition Review & Purchase Order

Before every purchase, a price and market research must be carried out (e.g., catalog price research, internet research, telephone / written price inquiries, etc.), since only then can the approximate costs be realistically estimated and thus **the award procedure (Proc_8) to be applied can be determined**, or it can be seen whether a procurement measure is being carried out due to its peculiarity, or can only be carried out by one provider or by a limited number of providers. The price and market research must be documented by the Logistic department.

The procurement process will start only after the purchase requisition is approved and cross checked by the PRC (Proc_6). Approved purchase requests become Purchase Order PO (Proc_08). Rejected requests are sent back to the requisitioner with reason for rejection.

9.4 Ordering and procurement Process

After the requisition is approved and the Purchase Order (PO) is generated, the HoA/or SD will sign the PO. By signing the PO the KCCR Management assures that enough funds are available for the payments of goods and services. Logistic will purchase or place the orders for goods/services/works. This includes correspondence letters for vendors, workplans, and set out time for deliveries. The vendors deliver the goods/services/or within the stipulated timeline. Logistic will inform the requesters about the status of the purchase /delivery.

Purchases on the international market will follow the same procurement procedure. The imports of goods are declared under the state agreement and tax exemption process. Those shipments (air or sea) need special prior arrangements in logistics and close cooperation between the consigner forwarding agencies and the Consignee (Proc_2). The Export of Samples for Research purposes underlines special regulations and must be coordinated with the responsible Principal Investigator and the Head of Laboratory of KCCR (Proc_3).

9.5 Duty exemption / tax exemption for Import of goods to Ghana

KCCR or Project purchases of goods from outside Ghana are generally duty-free imports under the bi-lateral state agreement framework.

In justified individual cases, this can be deviated from if duty-free procurement would lead to unacceptable damage to the program or study activities due to the time delay. The approval of the responsible Person (SD/HoA) or Principal Investigator must be obtained and documented.

9.6 Assessment of delivered goods

All ordered goods are delivered to KCCR. KCCR Logistic must check and examine the order immediately upon receipt of the goods:

- Is the packaging in perfect condition?
- Correct goods delivered?
- Goods delivered completely (Numbers ordered)
- delivered in the stipulated promised timeline

If the packaging is damaged or the wrong goods have been delivered, acceptance of the goods should be refused and a corresponding note should be made on the delivery note. The supplier must be informed of this immediately so that a replacement can be delivered in good time. For goods supplied from outside Ghana the same procedure applies. The damage / or incompleteness must be reported immediately in writing to the KCCR / project manager.

If the damage to the packaging is minor and the goods appear to be intact, the delivery can still be accepted, especially if the product is urgently needed. In this case, however, you should write a corresponding notice of defects on the waybill or delivery note in order to have proof in the event of a later complaint.

As a rule, delivery notes and shipping documents should be sent to the requester of the goods together with operating instructions, guarantee documents as CC. KCCR Logistic will archive all Manuals and Warranty declarations.

Goods purchased for projects must be inspected by a project responsible and countersign on the Bill/invoice with “received”.

Logistic informs the Vendor/or Consignee abroad about the received goods and in case discrepancies were discovered matters should be addressed.

9.7 Invoice approvals and disputes

After receiving the goods, unpacking and operating the machines the final payments (if applicable) will/can be approved by SD/HoA if there are no substantial discrepancies. In case of substantial discrepancies in Quality and Quantity the Logistic has to be reported (in written) to the PRC. PRC will review the order and seek for settlement or dispute solution.

Before signing, the person responsible must check the invoices to ensure that they are mathematically correct: The person who determines the mathematical correctness assumes responsibility for ensuring that the figures, the calculations and the amount to be paid or accepted are correct.

In KCCR, the accountants are entitled to determine the mathematical correctness. The SD or HoA is responsible for the factual determination of the correctness. The assessor of the factual correctness assumes the responsibility that the procedure has been carried out according to the existing regulations and procedures and according to the principles of economic efficiency.

10. Documentation

KCCR Logistic will produce a report in the form of a standardized documentation (Proc_6) after awarding any contract above the relevant procurement threshold limits including tenders. This documentation including all required documents must be archived and kept for 5 years and made available to the Auditors on request.

11 Award Procedures, **methods** and threshold limits

11.1 Overview of threshold limits and awarding of contracts including deliveries and services

Important: Procurement of Goods and Services may not be split for purpose of falling below the threshold limit if they are financed by the same funding organization.

Contract Value	Award Procedure
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Up to 400.00 EUR	Direct Order , no documentation of the market research or price determination is required.
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Direct Orders “for reasons of administrative economy” are generally awarded by hand. Proceed as follows:

In the case of procurement of goods/Services up to a **total value of 400,00 EUR**, the order can be placed directly without comparison of offers however under the premise of cost efficiency.

400.01 up to 1,000.00 EUR	Direct Award , a comprehensible price determination (e.g., by telephone, via the Internet, catalogue) from at least three price offers / providers must be documented. Decision Memo Procurement Review Committee is required. Orders with a value of 401.01 - 1,000 EUR, three comparable offers (preferable as pro-forma invoices) must generally be obtained (e.g., via telephone price inquiries, internet price research, catalogue price comparison) A hand signed Notice about the comparison of offers (telephone) must be provided to the PRC.
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1,001.01 up to 20,000 EUR	Direct Award at least 3 written offers for comparison Purposes. Documentation according (Proc_6) From 20,000.01 upwards public or restricted invitation to tender compulsory. The procedure follows the Tendering Guideline.
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20,000.01 to 200.000 EUR	Public or Restricted Tender for all order with a value over 20,000 is required. In the case of a restricted invitation to tender, the order documents (tender documents) are sent directly to a pre-selected limited number of companies with an invitation to tender without prior public announcement. However, a restricted invitation to tender should only take place if: • the delivery / service can only be provided by a few highly specialized companies • a public invitation to tender would cause an expense that is disproportionate to the achievable advantages or the value of the service • a previous public tender had no economic result • a public invitation to tender is inappropriate for other reasons (e.g., urgency, confidentiality) Here, too, the offers received are to be treated according to the strictly formalized requirements in accordance with KCCR Tender opening Guideline.
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Over 200,000.00 EUR	International Tendering Process. Public or restricted Tender subsequent to a public prequalification round. All Order Value over 200,000.00 EUR require International Tender or restricted tender subsequent to a public prequalification round. In the case of public tenders, the most economical offer should be determined in unrestricted competition. KCCR publicly announces to large as possible number of companies (e.g., Tender Invitation) that they want to purchase a certain delivery / service. Interested companies can request the actual tender documents after the public announcement, calculate their offer and submit this to KCCR in a specially marked and sealed envelope, observing the tender deadlines. The offers received are to be recorded, checked and finally assessed according to the strictly formalized KCCR guidelines for tendering process. The most economical offer is accepted, and the entire procurement process must be recorded
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For the documentation the `documentation of Contract Awards for supplies and services has to be used.

11.2 Special Features on Direct Award

This discretionary award procedure of **direct awarding** may be used in exceptional circumstances and need justification and documentation. However: the procurement measure does not exceed the fixed value limit for the direct award over € 20,000 EUR

In the case of **direct award**, the contract is awarded without a prescribed formal Invitation of Tender award procedure. KCCR can freely select possible providers, ask for an offer in direct dialogue and negotiate individual contractual conditions or prices even after the offer has been submitted. Proof of the offers and the justification for the award of the contract are sufficient as award documentation. However, a direct award should only take place if one of the following facts applies:

- only a certain company is considered
- e.g. , only this company has exclusive patent rights, or copyrights, or industrial property rights, or trademark rights to the goods / services to be procured
- e.g., only this company has the exclusive sales license for the goods / services to be procured (e.g. general agency, general distribution)
- e.g., only this company can provide the goods / services to be procured exclusively the Ghana, because there is a follow-up order for development services)
- Subsequent to previously awarded development orders (e.g. development of special technical equipment, special software, etc.),
- e.g., if the procurement of spare parts and / or accessories from other providers is objectively uneconomical (e.g., freight costs that are too high, etc.),
- e.g., if, due to compatibility reasons (due to existing devices or systems), only one supplier can offer the acquisition goods in the case of supplementary purchases

A particular urgency can exist:

- because there is an acute need due to an unforeseeable failure of data processing and telecommunications equipment (security and guarantee of domestic and foreign communication, crisis management)
- e.g., because, due to an unforeseeable acute need, the ability to work or conduct Project activities have to be interrupted for an unreasonably long time due to the time required for a tender process (e.g. failure of generators, laboratory equipment)

It is an advantageous opportunity

- an advantageous opportunity is given if it is a one-off or only short-term, inexpensive procurement option and the procurement price is significantly (10 to 15%) below the usual purchase price. (e.g., stock closures, insolvency assets, sales due to product or model changes, sales of inventory goods, special offers / sales promotions that are only available at short notice.
- e.g., if, after a tender has been canceled, a new tender does not promise a more economical result. This can also be the case, for example, if the comparison price in Ghana is significantly below the price of the tender offer determined by a foreign bidder/supplier.

12 Tenders

12.1 Invitation of Bids

The procurement officer shall use the proper procurement method to request bids based on the kind and value of the procurement demand.

12.1.1 Request for Proposal (RFP)

RFPs are documents that invite proposals from suppliers or consultants looking to work on specific tasks. It lists all the tasks and deliverables expected of a consultant and provides a way to compare consultants' potential for doing the necessary job. For the purchase of commodities, non-consultancy services, and labor, the RFP procedure applies to that of sealed bids or tenders; the selection process, however, will be distinct. This RFP procedure will be used by KCCR to choose consultants.

12.1.2 RFP Invitation

The RFP shall be sent to at least three (3) consultants who are qualified to perform the work. The procedure must be transparent in any event, and any individual who wants to respond to the request for proposals must be given the chance. Consultants should be contacted to assure their interest in submitting a proposal. Once this is done, the RFP shall be issued to all those who have indicated interest in responding.

12.1.3 Responding to the RFP

Consultants will be allowed sufficient time to respond to the RFP. The length of time can vary depending on the nature of the proposal. The minimum time period shall be 14 days and maximum 21 days.

12.1.4 Pre-Submission Conference

This may be conducted, and the purpose will be to discuss and clarify the project, scope of work/service, terms of reference (TOR) and other details such as insurance requirements, the budget, billing procedures etc.

12.1.5 Deadline for Submission

Generally speaking, proposals should be received two to three weeks following the pre-submission conference; however, timeframes may differ based on the specific project being considered.

12.2 Opening of bids

The procurement review committee shall open the bids and file the minutes following the closing date.

12.3 Evaluation of bids

An evaluation is conducted by the Procurement Review Committee (PRC) using the criteria stipulated in the bidding documents. The Procurement Review Committee shall not propose any additional criterion.

12.3.1 Evaluation Criteria

Proposals will generally be judged on the following criteria:

- a) **Quality of Proposal:** The proposal should be indicative of the type of work a consultant will do. If a proposal is drawn up carefully and thoroughly, it is an indication the consultant is concerned about doing a good job.
- b) **Track Record:** The consultant should have completed similar studies or products (copies of these should be available for review if requested), preferably recently.
- c) **Time:** The consultant must have the ability to complete work within the requested time frame.
- d) **Staff and Staff Resumes:** The consultant should give names and backgrounds of those to be working on the project; resumes should also be included.
- e) **Cost:** The cost should be reasonable, and commensurate with the time, staff and production costs involved. It should also be viewed in relation to the other submitted proposals.
- f) **References:** Other past completed contracts should be investigated to ensure a good working relationship was established with clients and that they were satisfied with the work performed

12.4 Award of the Contract

The terms of reference, specifications, scope of work, bills of quantities, payment terms, deadlines and delivery schedules, reporting requirements, applicable law and dispute resolution procedures, and any other relevant information will all be included in the contract that will be awarded.

12.5 Closing/Termination of order /Contract

Purchase orders/Contracts will be closed when the quantity has been delivered in full or the contract period has elapsed whichever comes first.

12.6 Public Invitation to Tender

All Order Value over **200,000.00 EUR** require Public Tender **or** restricted tender subsequent to a public prequalification round.

In the case of public tenders, the most economical offer should be determined in unrestricted competition. KCCR publicly announces to large as possible number of companies (e.g., Tender Invitation) that they want to purchase a certain delivery / service.

Interested companies can request the actual tender documents after the public announcement, calculate their offer and submit this to KCCR in a specially marked and sealed envelope, observing the tender deadlines.

The offers received are to be recorded, checked and finally assessed according to the strictly formalized KCCR guidelines for tendering process. The most economical offer is accepted and the entire procurement process must be recorded.

12.7 Restricted invitations to tender

All Order Value from 20,000.00 EUR upward requires public of restricted Tender.

In the case of a restricted invitation to tender, the order documents (tender documents) are sent directly to a pre-selected limited number of companies with an invitation to tender without prior public announcement.

However, a restricted invitation to tender should only take place if:

- the delivery / service can only be provided by a few highly specialised companies
- a public invitation to tender would cause an expense that is disproportionate to the achievable advantages or the value of the service
- a previous public tender had no economic result
- a public invitation to tender is inappropriate for other reasons (e.g. urgency, confidentiality)

Here, too, the offers received are to be treated according to the strictly formalized requirements in accordance with KCCR Tender opening Guideline.

13 Inventories and Assets Registration

When the invoice is received, the logistics department checks whether it is an asset in accordance with the KCCR guidelines. If so, the item is recorded as an asset (device name, delivery date, asset account assignment type, location, device group key, depreciation type and period, cost center). An asset (inventory) number is then assigned and reported to the Senior Accountant for registering in the central asset register of KCCR. An inventory number is affixed to the item before it is issued to the end user.

Spatial relocations and changes to the user cost center must be reported to the asset accounting department in writing. The relocation of goods/devices must be documented sending a Memo from the end-user to KCCR logistics. If the devices are unusable due to tear and wear and have to be removed from the system inventory, a disposal request (see Guideline of management of movable and fixed Assets) must be approved by KCCR Management. The whereabouts of the objects are also documented.

14 SUPPLIER MANAGEMENT

14.1 Supplier Management Policy

Suppliers must be examined at least once every two years. This may be conducted in addition with an invitation for bids. The primary criteria for pre-qualification or pre-selection will be the prospective firms' finances and ability to complete the contract satisfactorily. It shall assess factors including but not restricted to the following:

- a) The ability to enter into contracts legally by presenting a certificate of incorporation or registration.
- b) Financial capability through the provision of bank and audited account statements
- c) Experience from the past by mentioning instances in which they completed assignments of similar type in the past (attach copies of work orders, certificates of completion, etc.).
- d) History of legal action
- e) A VAT and tax compliance certificate to verify that the organizations comply with tax obligations
- f) Certificates of registration provided by relevant regulatory authorities; etc.

14.1.1 Procurement Committee shall be in charge of supplier qualification. Representatives from the user department/project, finance, etc., will also be on the team. The supplier qualification process will consist of five stages:

- a) Advertisement
- b) Receipt of vendor registration form(s)
- c) Registrations forms evaluation/analysis
- d) Field/site visits/reference taking
- e) Short listing

14.2 Approved Vendor List (AVL)

14.2.1 The head of Procurement shall maintain a list of qualified suppliers, to ensure competition by category of goods/services. All suppliers are subject to a prequalification process and continuous monitoring of their performance. The Procurement Review Committee (PRC) examines the Approved Vendor List (AVL) every two years in compliance with the authorization policy.

14.2.2 The Suppliers will be required to provide the following information:

- a) Name, email addresses, telephone and fax number, physical address of the supplier
- b) Type of goods/services they can provide
- c) Delivery and payment terms
- d) Contact persons
- e) Banking information

14.3 Suppliers Appraisal /Contract Performance Review

The procurement Officer shall maintain a record of all the contracts issued to suppliers. Supplier appraisal shall be conducted throughout the contract lifetime. This shall form basis for supplier appraisal and contract extensions or termination of contracts and de-registration.

14.4 Vendor De-registration

14.4.1 When a vendor fails to deliver the required goods or service satisfactorily, the Head of Procurement after securing authorization from the KCCR Management will de-register the supplier.

14.4.2 Reasons for de-registering a vendor from the registration list are:

- a) Debarment by any national government or the World Bank Group, United Nations.
- b) Unsatisfactory performance of product or services.
- c) Failure to comply with KCCR procurement guidelines and procedures.
- d) Repeated failure to make satisfactory effort to render competitive prices and service.
- e) Refusal to replace products failing during warranty.
- f) Financial difficulties (e.g., insolvency).

g) Involvement either in fraudulent, corrupt, illegal and unethical practices in the performance of contracts.

15. Procurement Complaints

Any bidder or contractor who feels aggrieved in connection with the solicitation or award of a contract by KCCR may file a complaint to the Head of Procurement.

Procurement complaint is defined in this context as any allegations made by an individual or entity with respect to failure of KCCR or any of KCCR staff to comply with relevant procurement procedures and uphold the basic principles and standards of integrity, transparency and fairness expected in the public procurement context.

The Head of Procurement will consider the weighty of the complaint and set a committee that will review that procurement proceeding and provide a report. The Head of Procurement will then provide feedback to the supplier. Timelines are not given for how long it should take to acknowledge receipt of the complaint and the proceedings.

16.0 PROCUREMENT CODE OF ETHICS

All transactions involving KCCR must be carried out with highest standards of ethics and adhere to the highest degree of public trust, as the organization's funders, partners, and the general public have committed funds to it.

16.1 Ethics & Conflict of Interest

- a) It is the policy of KCCR that all procurement activities are carried out ethically and that every person who influences or is accountable for procurement decisions within the organization implements those decisions in a fair and transparent way.
- b) Every decision made throughout the procurement process must serve KCCR's interests rather than your own. This policy applies to every employee who participates in the procurement process or makes decisions for KCCR.
- c) Every employee participating in the procurement process must sign copies of the conflict of interest policy, copies of which are retained by the procurement department.

16.1.1 Ethics

- a) Every procurement activity must be carried out in accordance with the highest moral, ethical, and professional standards.
- b) Individuals involved with the procurement function and making decisions for KCCR must practice honesty and fairness in the performance of their duties, and they are not permitted to utilize their positions for personal benefit.

16.1.2 Conflict of interest

Any employee or a member of a committee of KCCR who has conflict of interest with respect to procurement activities or decisions:

- a) shall provide a written declaration of any interest in the procurement being considered.
- b) Is not permitted to participate in procurement processes.
- c) Shall refrain from participating in any decision pertaining to the procurement or contract after a procurement contract has been signed.

All KCCR staff who are involved in procurement must sign the conflict-of-interest declaration papers certifying that they will not have a conflict of interest.