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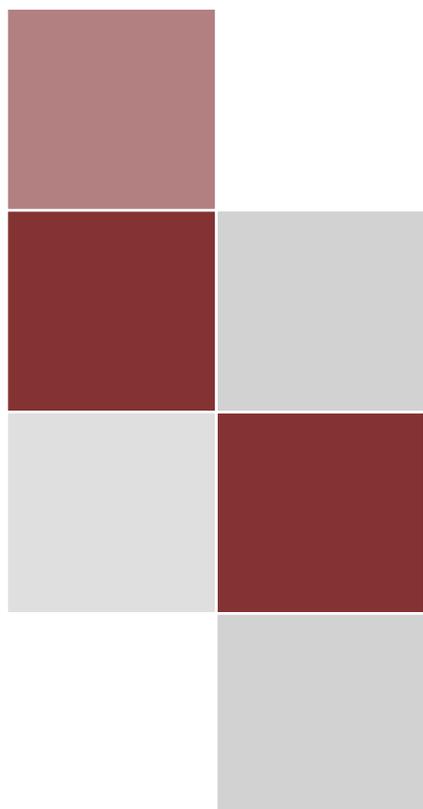
ILRI

INTERNATIONAL
LIVESTOCK RESEARCH
INSTITUTE

ILRI supply management policy

Procurement of
goods and services and
inventory management

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1. Objectives of the manual

The objectives of the Supply Management Manual are to

- Acquaint the staff of International Livestock Research Institute (ILRI) and hosted institutions with essential procurement policies and procedures.
- Provide fundamental guidance on best practice in conducting procurement and inventory management activities.

This manual is a detailed description of the entire process necessary to meet user needs for goods, works, services and consultancies. It therefore covers the end-to-end management of third party spending, which is comprised of two key activities: *Procurement* (identification of business needs, vendor selection and management, ordering) and *Inventory management* (receipt, storage and issue to the end user).

2. Scope of the policy

2.1. Processes covered by this policy

The principles and processes outlined in this manual apply to:

- Procurement of goods (equipment and consumables)
- Consulting contracts
- Outsourced services such as printing services, equipment maintenance, vehicle rental, ground services, cleaning services, freight forwarding and clearing (in cases where ILRI has a choice), accommodation, outside conference facilities rentals, external catering, banking, insurance, actuarial and investment services and other professional services.

In cases where a donor may require procurement procedures different from those outlined in this manual, donor restrictions shall prevail.

This manual is generic to some degree and the supply chain manager(s), the head of administration in Ethiopia, the head of finance and supply chain, and the director of corporate services are always available to assist budget holders, requesters, or any interested ILRI staff to define the most appropriate process to adopt. This is particularly true for service contracts or in the case of construction contracts.

While many of the principles developed here apply to the award and administration of competitive grants, this manual is not written specifically with this in mind. The categories to which the procedures do not apply are listed below:

What	Who handles them at ILRI
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Employees, temporary, casual workers and individual consultancies and where ILRI prefers a certain consultancy firm because of qualities of a specific staff in that organization.	People and Organizational Development department
Students and trainees.	Capacity Development Unit
Subgrants from ILRI to another entity (non-competitive)	Deputy director general and Finance
Rental agreement for offices	Contact Corporate Services for samples and guidance.
Rental agreement for residences	Contact engineering manager and chief security officer for samples and guidance

2.2. Applicability to Kenya, Ethiopia and field offices

The present manual applies to procurement and inventory operations in Kenya and Ethiopia fully (unless donor requirements differ from the present policy for a specific grant). It serves as a basis for the management of the procurement and inventory functions in the field offices as explained in the Guidelines for field office management.

Where relevant, cost-effective and possible, ILRI field offices may rely on the procurement and storage facilities of host institutions and, when this is the case, the policies and procedures of those institutions are to be followed.

2.3. Applicability to hosted institutions

Unless otherwise stated in writing, these ILRI procedures are to be followed in procurement for ILRI's hosted institutions

2.4. Complementarity with other ILRI policy documents

This manual should be read in conjunction with the following policy documents.

- CGIAR Procurement of Goods, Works and Services Guidelines: Financial Guidelines Series no.6
- Environmental, Occupational Health & Safety and Standard Operating guidelines
- Authorization policy
- Finance policies
- Conflict of interest policy.
- Personnel procedures manual
- Transport policy
- Asset management policy
- Travel management policy
- Guidelines for field office

3. Policy scope and overview

3.1. Role and objectives of the supply management function

It is important to note that this policy is based on the following general understanding of the role of the supply management function (the roles of the procurement and inventory units are detailed in Chapter 5):

Procurement and inventory management are considered as one integrated function as their primary role is the same: ***Making sure that goods that correspond to the requester's needs/requirements are provided in the most cost-effective, efficient, timely and ethical manner in accordance with all policies and legal and donor-imposed regulations.***

The procurement function has the additional responsibility of ***procuring services as well with the same objectives—services that correspond to the requester's needs/requirements are provided in the most cost-effective, efficient, timely and ethical manner in accordance with all policies and legal and donor-imposed regulations.***

The supply function's role is to add value to the activities at ILRI through:

- Procuring goods and services that are cost-effective for ILRI, are of the required quality and are usable in a timely manner, including on a continuous basis.
- Running very efficient operations.
- Managing internal and external relationships effectively, including maintaining a reliable supply base (suppliers and other institutions such as government entities and the clearing agent).
- Bringing best procurement and inventory practice to ILRI.
- Complying with all applicable policies and regulations.
- Limiting risks to ILRI.

3.2. Overview of policies on procurement of goods and services

Risk management as an essential component of managing the function

Procurement policies and practices are reviewed regularly in light of annual risk analysis for the supply management function at ILRI, which may lead to changes in policies or processes.

Transparency and ethics in procurement are essential

- Clear specifications, evaluation methods and criteria are defined before the start of the process.
- The decision to award a contract to a vendor is based on a variety of factors including responsiveness to technical and other requirements, total cost of ownership (goods), characteristics of the vendor and financial criteria (including hire versus buy decisions).
- The first consideration is given to open competition when determining the procurement method to be used.

- Procurement activities adhere to the highest professional, ethical, moral and legal standards.
- The duties within the procurement unit (except for the manager) should be uniform for succession purposes; each officer will support a specific department. Strict segregation of functions between finance, procurement and stores is respected.
- All staff engaged in ILRI procurement activities must be familiar with, and abide by, the Conflict of Interest policy (CI), Anti-Fraud and Anti-Corruption Policy and the ILRI Human Resource Policies (code of conduct in the Personnel Policy Manual (PPM)).
- The procurement process complies with the Authorization policy and is well documented. This implies that all large procurement actions are subject to approval by the procurement committee. Input from technical units or other expert is also brought to bear in the decision-making process.

Thresholds

Thresholds define the process to be followed in the acquisition of goods/services depending on the amount involved.

ILRI procurement thresholds are explained in details in Appendix 10. Therefore, refer to this appendix for specific details.

Authorization matrix

The authorization matrix shows the different levels of approving procurement documents depending on the request amount. Similarly, for specific details concerning ILRI authorization matrix refer to Appendix 9

Note: The Institute Management Committee (IMC) may revise both ILRI thresholds and authorization matrix if/when need arises.

Sound management of vendors is required

- Goods and services are procured only from pre-qualified vendors.
- The performance of vendors is monitored and regularly reviewed by the procurement committee
- Professional conduct in relation to vendors should be exemplary
- Provision of services (except consultancies) is managed through well-crafted and carefully monitored Service Level Agreements (SLAs).

Planning is essential for effective and efficient procurement

- Regular planning of needs for goods and services is conducted so as to optimize the effectiveness and efficiency of the procurement processes.
- Such planning may involve as many locations across ILRI as possible and may involve other CGIAR centres.

Long-term contracts are recommended but need to be re-tendered regularly

- To reduce administrative costs and efforts associated with duplicating procurement of identical goods, long-term contracts (six months to one year) are awarded whenever advantageous and possible.
- Service contracts will usually not be in effect for more than three years without going through a re-tendering process.

Standardization is a guiding principle

- Standard specifications for goods intended to meet the same user needs are defined to facilitate procurement and management of the items.
- Whenever cost-effective for ILRI, certain categories of goods may be standardized as per the recommendations of the relevant technical unit (e.g. ICT).

Roles are clear enhancing efficiency, effectiveness and accountability

- Users may procure emergency purchases and non-stock items as per Appendix 10 of the procurement threshold.
- The Procurement Unit procures all services, stock and non-stock items irrespective of value. However, depending on values, the processes of procuring items may differ as laid out in Appendix 10 of procurement thresholds.

Respecting Environmental, Occupational Health & Safety (EOHS) considerations and striving for green procurement are important

Procurement practices respect EOHS guidelines and try to incorporate increasingly green procurement practices.

Regular evaluation of performance is essential

The Procurement Unit seeks continuous improvement and manages its performance through regular reporting and the feedback of its customers, suppliers and other interested parties. This process also includes leveraging technology whenever possible and carrying out internal audits regularly or on request.

3.3. Overview of inventory management policy

When to keep items in stock at ILRI versus procuring directly

- Stocks are held only when it is critical to business continuity and holding costs are lower than the costs of non-availability.
- Where feasible ILRI sets up vendor managed or consignment stocking arrangements within the premises to reduce funds tied up in working capital.

Roles need to be respected

- The supply chain manager is the main custodian of inventory items with oversight responsibility for the main and sub stores.
- Goods held at the supplier's stores are the responsibility of the supplier until physically handed over to ILRI.
- No one person or function is responsible for the recording and processing of a complete transaction (material issue, stock adjustment or receipt).
- Only goods procured through the Procurement Unit and matching the specifications in the purchase order (PO) are received into ILRI stores (except for donated goods).

Criteria for determining optimal stock levels including minimum and maximum levels, determination of reorder level

- Stock levels are kept at the lowest level necessary to meet ILRI requirements.
- The minimum, maximum, reorder and safety stock levels are arrived at using the economic order quantity model unless needs planning indicates otherwise. The stores manager needs to interact frequently with current and potential users to determine optimal levels of consumables in stores.

Access and organization of storage space

- Access to ILRI stores is limited to stores staff, who escort any other person who needs to enter in the course of conducting ILRI related business.
- stores staff must wear appropriate protective clothing (as recommended by the health and safety officer) for the items they are handling.
- Items of similar classification are located together regardless of differences in size, weight and source.
- Valuable items that are subject to pilferage are kept in lockable cabinets.
- Other items needing special treatment are handled according to the appropriate EOHS standard operating procedure.

Management of substores

- Items inventory should ideally be centralized. Sub stores may be maintained for items which require special storage facilities due to their hazardous nature (e.g. laboratory chemicals) or because they may be contaminated if stored amongst other items (e.g. foodstuffs). The procedures used in the main store for receiving, storage, issue and documentation apply.
- All EOHS guidelines have to be adhered to in the management of the store space.

Valuation of stock

- Inventory items are valued at historical cost in line with the ILRI finance policy.
- Provisions are also made in line with the ILRI finance policy.

Movement of goods

- A system of 'first in, first out' (FIFO) is followed where deterioration/expiry may result from holding materials for an extended period.

- Slow moving and obsolete items are identified at least on an annual basis and the appropriate action (disposal or transfer) is taken.

Verification of stock levels versus records (stock counts) and prompt reconciliation are essential

- Adhoc physical counts as well as quarterly systematic counts are organized.
- Reconciliation reports are promptly prepared and approved. Records are promptly adjusted accordingly.

Disposal policy

Budget holders in coordination with the Stores Unit identify, on a quarterly basis, items to be disposed and complete the details in a summary sheet. The supply chain manager coordinates the disposal committee (please refer to the Asset Management Policy for more details).

4. Ethics

The following principles on procurement should be read together with the Conflict of Interest Policy and the Personnel Procedures Manual (PPM).

4.1. Code of ethics

A conflict of interest will arise where staff's ability to perform their duties effectively and impartially is, or could be seen by others to be impaired by an outside appointment, relationship or activity.

Staff involved in procurement are prohibited from engaging in any activity, whether directly or indirectly, which is or might be construed to be in conflict with or prejudicial to the interests of ILRI. This obligation (to avoid conflicts of interest) means that staff may not place themselves in a position in which they have or can have a personal interest conflicting with or which may possibly conflict with their duty to act in the interests of ILRI.

Where the existence of a conflict of interest is unclear or open to interpretation, the director general (DG) should be consulted.

A special declaration will be required for staff or other participants sitting on the procurement committee or any task force convened to conduct a tender for services (See suggested format in Appendix 1).

Set out below are some guidelines to staff on how they should act in situations that might give rise to a conflict of interest.

Situation	Rules
Outside business appointments/undertakings	Employment by or undertaking work for any organization that has business dealings with ILRI is prohibited.
Outside non executive directorships	In any organization that has business dealings with ILRI is prohibited.

Situation	Rules
Ownership of equity	<p>In any privately owned organization that has business dealings with ILRI is prohibited.</p> <p>DG should be notified if holding shares in publicly quoted companies could cause conflict.</p>
Family interests	<p>DG should be notified if staff member is to be involved in procurement from an organization in which the staff's family and relatives have interests.</p> <p>Staff should disqualify themselves from any involvement in the entire procurement process. This includes participating in drafting specifications, scope of work or terms of reference.</p>
Gifts and offers of gifts or gratuitous goods or services (whether accepted or rejected).	<p>Should not be offered (except token gifts in appreciation of services rendered, at year end for instance).</p> <p>Should not be solicited from third parties currently doing or planning to do business with the organization.</p> <p>Token gifts should not exceed USD50 in value (ILRI policy on gifts applies).</p>
Entertainment	<p>Excessive and regular entertainment, free air tickets, paid holiday and other situations that could influence staff when making business decisions are unacceptable.</p>
Bribes, inducements, discounts on personal purchases, commissions	<p>Bribes and all forms of inducements are at all times unacceptable.</p> <p>ILRI anti-fraud and anti-corruption policy applies.</p>

4.2. Anti-fraud and anti-corruption

'Corrupt practices' means soliciting or accepting, directly or indirectly, gratuity, gifts, favours, entertainment, kickbacks, commissions, employment or promise of employment to self, family and relatives, or things of monetary value from anyone.

'Fraudulent practices' means a misrepresentation of facts in order to influence a procurement process to the detriment of ILRI and for personal gain, and includes collusive practices among vendors designed to establish prices at artificial, non-competitive levels and to deprive ILRI of the benefits of competition.

ILRI holds proper ethical conduct in the highest regard. If it is discovered that corrupt or unethical practices have been undertaken or attempted by the vendor, the vendor will be disqualified from further work with ILRI.

All ILRI staff involved in procurement activities should be aware of standard policies relating to conflict of interest and acceptance of gifts and gratuities as set out in the ILRI People & Organizational Development (P&OD) manual.

4.3. Confidentiality of the process

- Any confidential information about ILRI 's affairs shall not be disclosed to unauthorised persons (inside or outside ILRI) or used or appear to be used for the benefit of self or others.
- ILRI staff should not enter into discussion or correspondence with a vendor after bid submission and during the bid evaluation process until the award for the contract is announced.
- Staff and consultants shall not allow vendors' access to information on a specific procurement before such information is available to the business community at large. This includes procurement planning data, vendor registration and pre-qualification information, etc.
- All vendors' price information is proprietary and should be held in confidence by ILRI staff (and consultants) and should be disclosed only to those individuals with a need to know.

4.4. Protests, complaints and whistle-blowing

- Complaints should be dealt with in a prompt, careful, consistent and structured manner. This should first be reported to the supply chain manager and if the issue is not addressed, then to the head of finance and supply chain or head of administration in Addis Ababa (for Ethiopia purchases) and if the same issue is not addressed, then the director of corporate services should be made aware.
- In case of an allegation or suspicion that a vendor has been involved in or is suspected of practicing fraud or corruption, staff shall forward all information to the procurement committee (or the DG if appropriate), which shall investigate the matter. Where it is found that there are grounds for the claims, the procurement committee, in consultation with the legal unit, will recommend the terms of debarment when the complaint involves a vendor. The supply chain manager shall notify vendors of any such debarments. Procurement-related protests and complaints from vendors or suppliers shall be addressed to the director general, director of corporate services, head of finance and supply chain and the supply chain manager.
- Upon receipt of any other type of complaint, the Procurement Unit (or any other relevant department/ staff appointed by the director general including the Internal Audit unit or even external parties) will initiate an investigation of the protestor's allegation and

following the conclusion, in consultation with the legal staff, if necessary, submit the course of action and the proposed response to the director general for consideration. The director general will provide the protestor with formal written notification of the decision reached and the basis upon which this was made. A communication to the protestor shall not compromise the confidentiality of the procurement process or of other bids.

4.5. Addressing cartels

It is not always possible for all goods or services to consider both international and local sources because of their nature. In the case of locally-only supplied goods, the Procurement Unit may realize that bidders have formed a cartel to control prices and especially prices offered to ILRI. In such cases, the unit should try to destabilize the cartel going for instance for face-to-face negotiations, splitting orders among the bidders or ensuring the prices charged are the true market prices.

5. General roles and responsibilities

5.1. Composition of the procurement committee

The procurement committee is a permanent body whose exact composition may vary according to the task at hand and value. Its roles are detailed in section 5.2. The membership of the committee is comprised of the following:

For values between USD 10,000–30,000

Chairperson	Supply chain manager or designate
Permanent members	Supply chain manager or procurement officer, finance manager
Other members	Representatives of the relevant technical unit and representatives of user groups A staff representative if the service is universal (e.g. transport services, catering etc.).
Quorum	All permanent members and one other member

For values *above* USD 30,000

Chairperson	Supervisor of supply chain manager or designate
Permanent members	Supply chain manager or procurement officer, finance manager
Other members	Representatives of the relevant technical unit and representatives of user groups
Quorum	All permanent members and one other member

The review of the **vendor list** is carried out by permanent members of the procurement committee who may seek advice from others in the process.

5.2. Roles of stakeholders of the procurement process

Who	What
ILRI trustees	Approve budget, oversee effectiveness and integrity of procurement process including through supervision of Internal Audit Unit and approve procurement actions as per the authorization policy.
Director general	Oversees compliance generally with institute policy and approves procurement actions as per the authorization policy.
Requisitioner	<ul style="list-style-type: none"> • Plans needs. • Fills in a requisition with all the required information proper specifications, delivery time and locale, budget ceilings and accounting information. • Submits this requisition for the budget holder's approval. • Is kept informed of the progress of the purchase. • Gives feedback to the procurement unit on the performance of the good/service that was purchased.
Budget holder	<ul style="list-style-type: none"> • Provides information for procurement plan purposes in line with the approved budget. • Approves the purchase requisition ensuring proper specifications, delivery time and locale, budget ceiling and accounting information are provided and also ensuring that options such as leasing or renting are considered before purchasing. • Submits requisition to others as per authorization policy • Approve the bid analysis whenever required as per the authorization policy. • Keep informed of the progress of the purchase. • Give feedback to the procurement unit on the performance of the good/service that was purchased.
Procurement unit	<ul style="list-style-type: none"> • Engages the user departments and any other entity requiring services from the unit to identify and clarify goods and services requirements (including the option of renting or leasing as opposed to purchasing). • Aggregates these requirements at the highest level for maximum leverage. • Develops and implements, with the user departments and any other entity requiring services from the unit, annual procurement plans and contracts that provide holistic solutions to business problems involving third party spending. • Implements simplified and standardized procurement processes to enable speedy delivery of customer requirements on time, every time. • Knows and understand the markets for the goods and services ILRI requires most.

Who	What
	<ul style="list-style-type: none"> • Selects vendors who will deliver value to ILRI and maintain an updated vendor list with input from relevant other units/individuals including Finance and Stores. • Should be functionally excellent with competent and dedicated professionals providing services of recognized value to the business. • Procures materials and services from reliable sources using robust terms and conditions with respect to quality, pricing, technical and safety requirements and delivery as well as environmental impacts (green procurement). • Manages the organization’s external relationships to ensure maximum benefit of these relationships for parties involved. • Develops and abide by well-defined performance standards. • Leads regular risk assessment for the supply function together with the Inventory Function. • Identifies leading practices governing procurement globally and making these available to internal and external customers. • Reviews and develops contracts to reflect business needs as agreed with the user departments. • Acting as custodian for the procurement manual, reviewing existing standards and procedures, developing changes where appropriate and, once implemented, ensuring compliance. • Develops, documents, implements and improves procurement policies, processes and systems, procedures, guidelines, and standards, including inventory management and creditors. • Prepares and delivers procurement management information to a variety of internal and external stakeholders. • Monitors legislation as it affects contracting generally, and agreements for specific services, and provides advice to the user departments accordingly. Providing professional negotiation support in high value categories. Provides independent advice on individual contracts for the users. • Prepares and collates bid/quotation documents, and coordinating all aspects of the bid/quotation process, including bid/quotation qualification, commercial evaluation and clarification. • Collates and edits the final contract documents, scheduling the contract for legal review, ensuring that the contract is signed by ILRI and the vendor without delay so

Who	What
	<p>execution of any work only takes place with contractual cover.</p> <ul style="list-style-type: none"> • Acts as focal point for handling all contractual claims and disputes and maintaining the Claims and Disputes Register. • Provides relevant contract management information such as spending, expiry and renewal dates, and other records held in the Contract Log. • Functions as secretary of the procurement committee and screen all submissions for compliance and quality before the committee sees them. • Acts as the custodian of all contract documents.
Stores unit	<ul style="list-style-type: none"> • Works closely with the Procurement Unit to achieve common objectives especially in terms of selecting items to be kept in stock. Assist Procurement Unit in all roles above as required. • Manages inventory levels optimally in view of present and future needs. • Manages physical inventory optimally, including EOHS considerations. • Receives goods, ensure they conform to requirements and document the process effectively. • Interacts with end users as necessary. • Assists in the vendor evaluation process.
Finance department	<ul style="list-style-type: none"> • Maintains the vendor database in the One Corporate System (OCS) and ensure that it corresponds to the vendor list maintained by the Procurement Unit at all times. • Processes payments accurately and efficiently. • Verifies that the procurement policy is being followed and that procurement actions are properly documented • Adequately insures inventory items against possible risks. • Assists in the vendor evaluation process.
Legal advisor	<ul style="list-style-type: none"> • Reviews terms and conditions to be used in contract documents. • Provides advice in handling contractual claims and contract termination procedures.
Security unit	<ul style="list-style-type: none"> • Organizes the thorough inspection of all vehicles making deliveries to ILRI. • Ensures adequate security measures for the stores after working hours. • Investigates any losses or damage to goods when requested by ILRI management.

Who	What
Environment, occupation health and safety officer	<ul style="list-style-type: none"> • Classifies goods according to their health and safety criticality and ensure the acquisition, storage, transfer and disposal processes give adequate consideration to ILRI's health and safety requirements. • Provides health and safety advice during vendor pre-qualification. • Regularly evaluates contracted vendors for health and safety-critical goods and services categories and advise Procurement Unit on their eligibility for continued registration in the vendor's list. • Organizes training on health and safety aspects of contract management to Procurement Unit and other users.
Procurement committee	<ul style="list-style-type: none"> • Ensures that procurement processes are applied in the procurement of goods and services to maximize value to ILRI without compromising controls and ethics and in compliance with this policy. • It is especially in charge of approving all procurement actions above the threshold defined in the authorization policy. • Reviews the vendor list annually. • Blacklists and adds new vendors from the website portal and from the larger market. • Reviews bids above USD 10,000.
Technical managers (ICT, lab manager, engineering, etc.)	<ul style="list-style-type: none"> • Reviews the specifications given by the requester. • Assists Procurement in evaluating tender documents. • Is a member of the relevant procurement committee. • Assists Stores in receiving the item or acknowledging proper receipt of the services. • Assists the Procurement Unit in evaluating the performance of the vendor.

6. Overview of process and responsibilities in procuring goods

Steps/stages in procuring goods	Responsible person/unit
Developing procurement plans	Initiated by the various requesters/budget holders, assisted by technical managers and coordinated by the Procurement Unit
Determining and writing specifications/ requirements for goods	Requester with support from relevant technical manager
Approving requisition	As per Authorisation Policy
Convening the procurement committee	Procurement Unit with requester's input
Organizing meetings and actions to:	Procurement Unit with requester's support

Steps/stages in procuring goods	Responsible person/unit
<ul style="list-style-type: none"> • Determine the procurement process and method specific for those goods in line with the procurement policy • Ensure no conflict of interest exists • Determine criteria for selection of tenders (technical, financial) • Finalize tender invitation documents 	
Sending requests for bids/tenders	Procurement Unit
Opening, analysing tender documents and make a recommendation on the selection	Procurement Unit or procurement committee as per authorization policy limits
Approving recommendation on tender analysis	As per authorization policy
Documenting the process at each step of the way	Procurement Unit
Preparing purchase order	Procurement Unit
Authorizing purchase order	As per authorization policy
Ensuring supplier agrees to purchase order	Procurement Unit
Receiving, storing and issuing stock items	Stores
Receiving non-stock items	Stores and requester
Updating Sun system with receiving details	Stores and requester
Managing performance of goods provider	Procurement Unit
Evaluating performance and documents	Procurement Unit with the support of the requester or the relevant technical unit
Initiating payment	Budget holder (for purchases below USD 1,000) or Procurement Unit in all other cases
Approving payment request(s)	As per authorization policy (budget holder generally or Procurement Unit if all steps performed satisfactorily)
Maintaining file on contract and goods provider; assisting auditors, handling claims and disputes	Procurement Unit
Providing management information	All (Procurement Unit, Stores, Finance)
Maintaining documentation to support transactions	All (Procurement Unit, Stores, Finance)
Providing feedback on process and/or good itself	User, budget holder, Stores

7. Overview of process and responsibilities in the procurement of services, including consultancies

Services encompass a very wide range of requirements that ILRI needs in the various facets of its operations. Some examples are travel services, consultancies, equipment maintenance, security services or construction contracts.

A major difference between the procurement of services and that of goods is that the Procurement Unit cannot always be delegated the full responsibility for the procurement of a service as it will

often not have the necessary expertise for the selection process as well as for the receipt of services which often extend over a period of time. Services often require a high degree of specialized technical knowledge that only the requester may have, such as in the case of consultants, or that a part of the organization may have, such as in the case of a construction contract.

The greater involvement by the requester or technical units does not mean at all that the requester or the technical unit should be responsible for every step of the process. The role of the Procurement Unit, in this case, is to facilitate the process and ensure that the contracting process is consistently as open, transparent and fair as possible and that administrative quality is maintained.

Additional guidelines on consultancies are detailed in Section 13.

Steps/ stages in procuring services	Responsible person/unit
Determining and writing specifications/ requirements for services	Requester
Convening the appropriate procurement committee/ task force (Procurement, Finance, Technical group, user group, external parties as appropriate)	Procurement Unit with requester's input
Organizing meetings and actions to: <ul style="list-style-type: none"> • Determine the procurement process and method specific for those services in line with the procurement policy • Ensure no conflict of interest exists in the task force • Determine criteria for selection of tenders (technical, financial) • Finalize tender documents (one, two or three iterations may be necessary depending on the complexity of the contract) • Open and analyse tender documents • Make a recommendation on the selection 	Procurement Unit with requester's support
Documenting the process at each step	Procurement Unit
Finalizing contract	Procurement Unit with requester's support
Authorizing contract	As per authorization policy
Managing performance of service provider (as detailed to the extent possible in the Service Level Agreement)	Requester or relevant technical unit with the guidance and proactive support of the Procurement Unit. Procurement Unit has to ensure this is done systematically and regularly.
Evaluating performance and documents evaluation	Procurement unit with the support of the requester or the relevant technical unit
Preparing payment request(s)	Requester/relevant technical unit
Approving payment request(s)	As per authorization policy (budget holder generally)

Steps/ stages in procuring services	Responsible person/unit
Maintaining file on contract and service provider; assists auditors	Procurement Unit

Changes to an existing contract require a joint effort of the requester or relevant technical unit and the support of the Procurement Unit to ensure that the proposed amendment is appropriate and handled effectively in all respects. The same applies for ends to contracts.

8. Vendor management

The objectives of vendor management are to identify, qualify, develop and work with vendors who provide goods and services to meet ILRI'S business needs cost effectively efficiently and at the right quality.

8.1. Registered vendor list

The Procurement Unit maintains a list of qualified vendors, sufficient to ensure competition by category of goods/services. All vendors are subject to a pre-qualification process and then continuous monitoring of their performance. The Registered Vendor List (RVL) is approved according to the authorization policy and reviewed by the procurement committee continuously and as need arises but at least annually.

For each category of goods/services, the vendor list lists at least three vendors. All things being equal, manufacturers are preferred over authorized dealers. If three reliable vendors cannot be found, other less qualified vendors may be added with a qualification to ensure that an alternate solution could be easily found if the main supplier was not able to respond to ILRI's request for whatever reason. Both local and international suppliers should be listed. A categorization of vendors may be put in place depending on the evolution of the market and the vendors (e.g. partner, preferred vendor).

The vendor list will contain the following information:

- Name, email addresses, telephone and fax number, and physical address of the supplier.
- Type of goods/services they can provide.
- Any limitation on the list of goods they can provide to ILRI standards.
- Delivery and payment terms.
- Start date of the relationship with ILRI.
- Contact persons and contact information.
- Banking information.

The Procurement Unit needs to ensure that the approved vendor list is reflected in the vendor list maintained in the financial system. Finance will ensure that:

- This latter list is current and accurate and corresponds to the vendor list held by the Procurement Unit
- Accounts for vendors with whom ILRI has not placed orders for the last one or more years are blocked.
- No miscellaneous or suspense vendor accounts are maintained, and no duplicate vendor records exist unless supported by valid/legal requirements.

- Vendors' accounts will be blocked rather than expunged as long as the vendor is not debarred.

Vendor addition: Following the annual pre-qualification list, it may be necessary to add a new vendor to the list during the financial year. In this instance, the procurement committee will be mandated to identify and set up the new vendor. The new vendor is identified through;

- References from other international non-governmental organizations, including the United Nations, the World Bank and CGIAR centres.
- From Chambers of Commerce
- Self-introductions subject to background checks.
- Web portal where interested vendors file their profiles subject to background checks.

8.2. Pre-qualification of vendors

Pre-qualification of vendors will be reviewed every year and a website portal will be introduced where suppliers can continuously update their profiles. These profiles will then be reviewed by the procurement committee every six months for consideration in the pre-qualified list. This may be done in conjunction with a tender process. Pre-qualification for service contracts will take place when a large contract is initiated or has to be re-tendered.

A cross-functional team led by the Procurement Unit shall drive vendor pre-qualification. The team will also involve representatives from the user department, relevant technical units, Finance etc. A representative of a hosted institution may participate in vendor pre-qualification for goods and services if the provision of those goods or services impacts their operations (e.g. travel services). All members should complete a declaration of conflict of interest (Appendix 1).

Pre-qualification of a vendor takes place in five stages:

1. Advertisement
2. Receipt of vendor registration form
3. Desk review
4. Field visits
5. Reference taking

This policy also allows for a pre-qualification exercise to be outsourced.

8.2.1. Advertisement

The pre-qualification process for international suppliers will usually start with an advertisement, in the newspaper and other relevant means, for a specific category of goods or services. If all suppliers are known, invitations can also be issued.

The companies that respond to the advertisement will be requested to fill a vendor pre-qualification form (Appendix 2) and a vendor disclosure form (Appendix 3).

8.2.2. Desk review

The vendor registration form will be analysed for each potential vendor. Vendors will be disqualified in the following circumstances;

- Vendors engaged by ILRI to provide technical consulting services, and any of its affiliates, shall be disqualified from providing goods, works or services connected (other than a continuation of the earlier consulting services) directly or indirectly with the consulting services.
- Government-owned enterprises in the country in which ILRI is located may participate only if they are legally, commercially, managerially and financially autonomous (at least in the countries where that is possible).
- Vendors declared ineligible by the World Bank, United States Agency for International Development (USAID) and the United Nations or prohibited by CGIAR centres because of their involvement in corrupt or fraudulent practices in procurement.
- Vendors with a consistent and significant history of excessive contract disputes.
- Where a conflict of interest with ILRI exists
- Vendors previously blacklisted by ILRI due to non-performance or unethical practices.

If the potential vendor does not fall in the above category, the following criteria will be used:

Criteria	Qualifications
Legal compliance	Required licenses to be able to legally conduct business in the country and possibly the city for which it is registered.
Compliance with tax obligations	Compliance with tax obligations for the last three years should be provided.
Health and Safety	Robust health and safety management systems, including internationally recognized quality or health and safety systems certification, and certification according to local industry norms or national regulations.
Financial capability and stability	A minimum average turnover for the past three (3) years supported by audited annual financial statement. A minimum cash flow (or access credit facilities) for a specified period in order to implement the contract satisfactorily.
Technical experience, reliability, reputation, service management and past performance on similar contracts	The vendor's capabilities should be related to the nature, size, value and complexity of goods to be procured. Minimum experience should be stipulated as an average value of contracts carried out over the past three (3) years. The vendor must provide references for contracts that have been performed within the last two years.
Qualifications of key staff	Requirements on staff capabilities should be related only to key personnel of the vendor. Criteria should be based on minimum number of years of experience at a similar position, and a minimum number of years of experience on similar contracts. For certain executive and managerial positions, the vendor may be asked to provide personnel with sufficient management skills or positions.
Physical resources	Adequacy of equipment, storage and transport facilities for the goods or services to be procured.
Quality assurance	Evidence of product quality assurance process. E.g. ISO certification

Criteria	Qualifications
Litigation history	List of all contracts over the last three (3) years that resulted in litigation proceedings with an indication of the months and amounts in dispute. The criteria for rejection of pre-qualification should be one of numerous arbitral awards or court decisions against the vendor.
Past experience with ILRI or other CGIAR centres or similar organizations	Proof of at least three (3) similar contracts with ILRI or other CGIAR centres or similar organizations. References may be sought by the Procurement Unit and responses evaluated accordingly.

8.2.3. Field visit to vendor facilities or customer facilities

In addition to a desk evaluation of the criteria listed above, field visits to the vendor's facilities or to the facilities of existing customers may be made to verify the information submitted and to ensure that they are qualified and capable of delivering the desired product or services to a consistent quality. A systematic checklist should be established prior to the visit.

8.2.4. Use of references

References provided by the potential vendors are visited and asked a number of standard questions so that the information provided by the vendor can be verified and information on key performance indicators can be collected.

8.2.5. Final steps and opening of a vendor file

A cross-functional team makes recommendations on the vendors to be included in the registered vendor list. This list will be approved as per the authorization policy and reviewed annually by the procurement committee.

A file is opened for each selected vendor in which all the documentation leading to the decision to select as well as the forms completed by the vendor are consigned.

The information is provided to the Finance Unit for update of the vendor management information in the financial system.

8.3. Continuous evaluation of vendor performance

Vendor evaluation is systematically conducted for purchases above USD 10,000 and documented in file. Other incidents (positive or negative) are documented in file as well. A formal evaluation is undertaken continuously and at least every year.

Documentation should be kept for as long as the supplier is registered with ILRI and for three years thereafter.

The objective of vendor performance management is to determine whether ILRI is receiving the quantity and quality of the specified goods and services that it is paying for.

8.3.1. Vendors of goods

The Procurement Unit, assisted by the technical supervisor and users of the goods as needed, is accountable for the day-to-day management of the vendors' performance and relationship with ILRI. A formal evaluation should take place for each vendor at least once a year before the list is presented to the procurement committee.

The criteria for assessing vendor performance are at a minimum:

- Whether delivered goods match the specifications on the purchase order (PO).
- Whether packaging is of sufficient quality to ensure the good arrives undamaged.
- Delivery is made as specified in the PO.
- Timely submission of adequate supported invoices and statements
- Accuracy of invoices and statements
- Number of partial deliveries against PO (stock availability).
- Compliance to PO terms and conditions, including return of goods and financial conditions
- Service orientation/problem-resolution

If the results of the evaluation are not up to standards, the Procurement Unit meets with the supplier to understand the causes of the problems and then decides whether to keep the vendor on the list, put them under probation or deregister them.

8.3.2. Services (except for consultancies)

The key part of large service contracts is the service level agreement (SLA). It is a tool to manage expectations, clarify responsibilities and improve communication between a service provider and a service recipient. It explains:

- The exact nature of the services to be provided and how they will be delivered
- Performance measurements (Key Performance Indicators that help define success and measure progress towards achievement)
- How performance will be tracked and reported
- Problem management (methods, escalation)
- Customer duties and responsibilities

Other aspects such as the timely submission of adequate supported invoices and their accuracy will also be taken into account.

Monthly meetings should take place regularly between the provider and the unit responsible to manage the services and minutes taken. The Procurement Unit (a procurement officer or the supply chain manager) should also attend these meetings especially at the beginning of the contract and whenever a problem arises. The Procurement Unit is responsible for drafting and exchanging any official correspondence with the service provider.

8.3.3. Consultancy services

An evaluation is provided with each final payment (form available on the ILRINET) and given to the Procurement Unit, which then records it in its database. Once this process is automated in OCS, all procurement process and workflows will be followed. (From requesting to contracting)

8.4. Vendor deregistration

When a vendor fails to deliver the required goods or service to ILRI's satisfaction, then Procurement Unit, after securing authorization (from the person who authorizes registration as per the authorization policy), can deregister the vendor. The procurement committee will be updated on an annual basis on any such deregistration. The unit will advise the system administrator to block the vendor account once approval to deregister is secured.

Some possible reasons for deregistering a vendor are:

- Unsatisfactory performance of product or services.
- Repeated failure to make satisfactory effort to render competitive prices and service.
- Misconduct.
- Refusal to replace products failing during warranty.
- Financial difficulties (e.g. insolvency).
- Debarment by any national government or the World Bank Group or United Nations or other CGIAR centres.
- Involvement either in fraudulent, corrupt, illegal and unethical practices in the performance of contracts.
- Consistent or very serious failure to comply with ILRI procurement guidelines and procedures.

8.5. Preferred supplier

This is a vendor ILRI has established an agreement with via the preferred vendor agreement form. This vendor is identified to supply frequently purchased goods for a limited period not exceeding two (2) years. The price charged is agreed in advance with 5% variation allowed to take care of market fluctuations, although procurement staffs are supposed to ensure that the prices charged are market rates (current prices for a particular good). Once the preferred vendor is established, purchases can be made from the vendor without obtaining competitive prices up to USD 10,000.

A preferred vendor is selected through a competitive sealed bid process subjected to the prequalified suppliers in the categories ILRI wants to establish preferred suppliers. In addition, the preferred vendor can be identified through a negotiated process with suppliers who have big market shares such as Safaricom, Nakumatt and so on.

8.6. Framework agreements

For products, which have monopolized markets, for example some laboratory products/equipment, ILRI can enter into long-term contracts with these suppliers. The relationship is based on win-win situations, where price to be charged can be agreed in advance and a 5% variance is allowed to take care of market price fluctuations.

8.7. Hotel vendors

For hotel accommodation and hotel conference facilities within the countries and areas where ILRI operates, the Procurement Unit will prequalify hotels by negotiating/agreeing prices in advance with those hotels. Selection of the hotels will be based on price, location and security. All hotel

reservations will be carried out through housing and conferencing and first priority will be given to ILRI guesthouses if a workshop is held in Nairobi or Addis Ababa.

For workshops in countries or areas where ILRI does not have a presence, ILRI choice of hotels will be middle class hotels. For more details, refer to the Travel Policy.

Based on procurement threshold as per Appendix 10, if hotel accommodation costs are above USD 10,000, the prequalified hotels will be subjected to a price competition unless there are compelling reasons for sole sourcing from a particular hotel. In that case, sole sourcing procedures will apply (See Section 22).

Where a CGIAR centre hosts ILRI, the hotel guidelines of the centre are applicable, in countries where ILRI is not hosted and it has no presence, the travel policy applies.

9. Planning and requesting goods and services

9.1. Procurement plans

Procurement plans are designed to decrease the unpredictability of procurement needs to the extent possible. They are complemented by purchase requisitions as urgent or unpredictable needs arise.

Once the plans are received, the Procurement Unit determines the procurement method to avail those goods to the requester on a timely and cost-effective basis.

The requisition form is used to produce the plan by the unit or project. The Procurement Unit then compiles all received requisitions into an overall procurement plan by category of items.

9.2. Procurement requisition

9.2.1. All goods and services except consultancy services

Needs that cannot be or have not been planned will arise. For those, user departments will indicate their needs for goods by raising a purchase requisition in the OCS. The requisition should include:

- A clear and full description of the item or service. For services, applicable terms of reference or requirements, including nature, scope, format, and applicable standards of the deliverables are required.
- The quantity and types of units (e.g l ml, box of 5 etc).
- The delivery date or required-on-site date or time frame for services.
- Detailed specifications including appropriate references. Materials safety data sheets, drawings and catalogue number should be attached to the requisition.
- Suggestions on technical and other evaluation factors.
- The maximum cost of the proposed requisition and budget information (account or grant). The estimate is based on historical cost benchmarks where available, or other reliable sources, including direct and informal price solicitations from vendors with no commitments.
- Technical and other criteria and their weight.

- Suggested vendor(s) if known. However, Procurement Unit has the responsibility of inviting bids/quotes and may reject user's recommendations on vendors.
- Key contact person who will interact with the provider.
- Indications of any specific terms and conditions of payment the requester will want to see.

All purchase requisitions (PRS) irrespective of origin will be raised in the OCS to generate a workflow. The Procurement Unit will receive the PRS in the system and send request for quotations in the system to only prequalified vendors.

Requesters/budget holders can view the workflow of their requisitions in the system. Requests not raised through the system will not be processed or ordered.

9.2.2. Request for consultancy services

Until the request for consultancy services is automated in OCS, a special form is required for consultancy services. It is available on the ILRINET page for the Procurement Unit.

9.3. Special note on the standardization of goods

Below is a list of goods whose specifications can be standardized. Cross-functional teams, each led by a member with specialist knowledge of different classes of goods should be formed for this purpose. Recommendations should regularly be justified by the appropriate technical manager. This list is not exhaustive.

Description	Suggested team leader	Frequency of justification
IT equipment, peripherals and supplies	IT manager	Yearly
Office consumables	Supply chain manager	Yearly
Cleaning supplies	Housing, catering and conferencing manager	Yearly
Catering supplies	Housing, catering and conferencing manager	Yearly
Gasoline and LPG	Supply chain manager	At every contract renewal
Lab supplies and instruments	Lab manager	At least yearly or as the case arises
Vehicles	Supply chain manager	Every three years
Furniture	Engineering and facilities manager	Yearly
Hardware, sanitary and electrical items	Engineering and facilities manager	Yearly

10. Bidding and selection process

10.1. Bidding methods that may be used at ILRI

Method	Characteristics	When to be used
Open competition (open national /international tenders)	<ul style="list-style-type: none"> • Involves advertising in international and/or local newspapers and other media as appropriate (e.g. specialized websites) for all eligible bidders to compete. • Requires formal bidding procedures and documentation • A multi-stage bidding procedure (pre-qualification, unpriced technical proposals are invited and after technical clarifications and adjustments, final technical proposals and priced bids are submitted. Also includes facility visits, reference takings, presentations and question and answer (Q&A) sessions for goods with complex technical specifications and standards. • A sealed bid tracking sheet is used. • Upon receipt of the sealed bid, the receptionist or other non-procurement staff will place the bid in a double locked tender box. This is documented in the receipt section of the sealed bid tracking sheet. Note that two independent senior staff that is the head of finance and supply chain or head of administration for Addis and the supply chain manager keep the keys to the double locked tender box. • For international tenders where it is not possible to physically deliver a quotation to the tender box, a closed email will be used to receive the bids and the email is only opened after the closing date. 	<ul style="list-style-type: none"> • The first consideration should be given to open competition in determining the method to be used for procurement of goods. • Other methods will be used where open competition is not the most economical and efficient method of procurement. This will be decided by supply chain manager. • When procuring services, open competition will be used where <ul style="list-style-type: none"> ○ ILRI is not familiar with the market ○ A large contract is being tendered (above USD 100,000) or ○ The donor specifies method to be used. ○ For tenders of service contracts engaged through framework agreements. ○ During pre-qualification of suppliers.

Method	Characteristics	When to be used
Restricted competition (sealed bid process)	<ul style="list-style-type: none"> • Involves competition by direct invitation for goods and works which are of a specialized nature or available from a limited number of vendors. • Bids may be invited from three (3) to five (5) potential firms. • The Procurement Unit prepares a letter requesting quotations from prequalified vendors with assistance from technical staff. The letter should be sent to all vendors simultaneously with technical specifications for the goods/services, timing of the delivery, payment schedules and amounts, deadline for submission of quotations. A bid closing date is clearly indicated in the letter. • To document the list of vendors requested to quote, procurement staff will prepare a list of vendors that were invited to quote. A sealed bid tracking sheet is used. • The vendors return their quotations in a sealed plain envelop. • Upon receipt of the sealed bid, the receptionist or other non-procurement staff will place the bid in a double locked tender box. This is documented in the receipt section of the sealed bid tracking sheet. Note that two independent senior staff that is the head of finance and supply chain and the supply chain manager keep the keys to the double locked tender box. • Vendors selected must already be registered in the vendor list. • Request for sealed bid quotations should be sent simultaneously and all vendors should be given the same information, conditions and deadlines. 	<ul style="list-style-type: none"> • Used in all other cases when procuring services are not procured via open competition. • For goods between USD 10,000-100,000 from only prequalified vendors. • For all engineering works of any amount up to USD 100,000 from prequalified vendors and if the category is not in the pre-qualified list section 8.1 will apply. • In identifying the preferred supplier for frequently purchased goods from the prequalified vendors. • For purchase of goods whose category does not exist in the pre-qualified categories and the vendors are identified as per guidelines given in 8.1 above
From a preferred supplier	<ul style="list-style-type: none"> • Involves asking one quote from a preferred supplier who is identified 	<ul style="list-style-type: none"> • Refer to procurement threshold on when one quote from a

Method	Characteristics	When to be used
Single-source contracting	<p>through a sealed bid process from prequalified suppliers.</p> <ul style="list-style-type: none"> • Involves direct appointment of one vendor to supply goods or services. 	<p>preferred vendor will be obtained.</p> <ul style="list-style-type: none"> • Is suitable where <ul style="list-style-type: none"> ○ Standardization of spare parts and goods is required for compatibility with existing goods hence items must be procured from the original vendor. ○ The required item is of proprietary nature and obtainable from only one source or only one firm is fully qualified with clear cost advantages or has the exceptional experience. Supply chain manager has to verify. • For emergency purchases. These are defined as; <ul style="list-style-type: none"> ○ A life-threatening situation ○ Where there is significant impact on ILRI's reputation ○ When there is a clear and present threat to assets of strategic value ○ An urgent requirement to comply with legislation ○ The need for business continuity <p>(The Procurement Unit will use a form designed for this purpose)</p>
Direct purchase (use of petty cash)	<ul style="list-style-type: none"> • This is allowing programs/units to purchase goods/services directly without necessarily going through the Procurement Unit. Staff may directly purchase without purchase request, solicitation of quotations or purchase order. 	<p>Applies as per threshold given in Appendix 10.</p>
Procurement agents	<ul style="list-style-type: none"> • Procurement agents will be selected and engaged on the basis of their professional experience and proven ability to carry out the work 	<ul style="list-style-type: none"> • Importation of goods that overseas vendors do not want to supply (because the values are small or they are unwilling to supply to the region).

Method	Characteristics	When to be used
	<p>to the highest ethical and technical standards.</p> <ul style="list-style-type: none"> • A contract will be signed with the procurement agent and should not exceed three (3) years. • The responsibilities for drafting specifications rests with ILRI procurement unit. • Procurement Unit will ensure that it is getting a competitive offer by soliciting other offers. • Agents will be paid on unit rate based on transactions handled or on a flat fee per year irrespective of number of transactions handled. 	<ul style="list-style-type: none"> • Where the agent is the sole distributor/agency of certain products • When it is cost-effective to consolidate purchases for sourcing, transport or clearing • When there are legal requirements for the supplier to export the goods to ILRI that the procurement agent can assist with. • In situations where procurement through specialized agencies of the United Nations may be the most economical and efficient way of procuring items.

10.2. Bidding process

Most requests, especially for bids for goods take place through a simple tendering process. Tenders are sent in a prescribed format to vendors selected from the registered vendor list.

For large or unusual contracts, the bidding may take place in several rounds such as:

- Pre-qualification of bidders: Includes pre-qualification questionnaire and disclosure form (Appendix 3).
- Full request for proposals (for the bidders who have been pre-qualified).
- Visits to reference customers and to vendor premises (if applicable).
- Presentation and Q&A session.
- Request for best and final offer (for the leading bidders).

10.3. Bid documents

The following should be clearly defined in bidding documents.

- Requirements—the specifications (for goods) or terms of reference (for services). These should be as precise and complete as possible.
- The key performance indicators should be all reflected in the requirements.
- Deadline and location of delivery (for goods) or time frame (for services).
- Bidding period (at least 10 days for open competition should be allowed).
- Preferred bid validity period (should be sufficient to enable ILRI to complete the evaluation and award contract).
- Process and place for bid submission and opening.
- Mode of bid submission i.e. hand delivery, mail, fax or email.

For large contracts:

The overall cost is one of several factors to be taken into consideration while evaluating bids:

Minimum factors to be considered include:

- Responsiveness to requirements
- Proposed delivery date
- Total cost of ownership as described below or total cost of ownership per year used
- Availability of goods/expected date of delivery to ILRI premises
- Reliability of vendor
- Type of vendor (manufacturer, authorized distributor, reseller)
- Ease and cost of maintenance
- Suitability with current other goods of the same type or that need to be used together
- Warranty conditions
- Environmental friendliness of the proposed purchase
- Payment conditions (payment terms, discounts)
- Expiration date of proposed goods (if appropriate)

The total cost of ownership approach recognizes that there are many factors that make up the cost of owning a good or service in addition to the purchase price.

For high-value equipment in particular, the **selection checklist** shown in Appendix 8 has to be filled by the relevant unit managers (engineering/IT, lab manager and others).

10.5.2. Bid evaluation—services

As explained above, for service contracts, the selection may take place in several rounds, with an initial round of pre-qualification from an advert placed in the newspaper and on the website for instance, followed by several rounds involving only bidders having passed the pre-qualifying round.

The process should include site visits whenever applicable and reference checking. In the same vein, a presentation to staff (either general or selected depending on the nature of the services) by the finalists is advisable. The presentation should answer some precise questions and be part of the evaluation process.

Once a final decision has been made, the Procurement Unit will start the negotiation with the selected firm/company/individual.

The standard contract provided by the selected company may be used as long as it includes all the standard clauses ILRI expects to see in a contract (the Procurement Unit keeps a standard contract format) and as long as the terms of the contract are equitable and not biased towards the provider.

10.6. Post-bid negotiations

Post-bid/quotation negotiation is strongly discouraged on grounds of ethics and the inordinate amount of work it entails. However, in the following situations it may be the pragmatic option:

- Post-bid negotiations can only take place after the completion of a fair and open process carried out in line with the present policy.

- The Procurement Unit should lead all negotiations with vendors with assistance from the technical department, Finance, etc.
- Negotiations should be prepared for properly and professionally. Target(s), strategy and roles should be defined up front.
- At least two ILRI employees should be present/involved during all negotiations.
- All meeting proceedings should be minuted.
- Negotiation should not include undertaking of responsibilities for work not stipulated in the bidding package, modification of the bid substantially, change of the resources offered, or reduction in the unit prices as originally submitted.
- It can only take place where there is an urgent and critical business requirement leaving little or no time for rebid/quotation.
- It can only take place when there is reasonable gap between the lowest bidder and the second lowest and if the former declines the award. The next ranked firm can be invited for finalisation of the contract.
- If the supplier is the manufacturer and the Procurement Unit has information indicating that they can offer a better price.
- If the Procurement Unit suspects a cartel situation and wishes to attempt at breaking it. In such cases, the negotiation may take place with a bidder who is not the overall lowest bidder.

In all the above cases, the negotiating team shall obtain approval in line with the authorization policy.

11. Contract award, fulfilment and closing for goods

11.1. Issuing purchase orders

The bid analysis is prepared by the Procurement Unit and approved as per the authorization policy. A purchase order is then prepared by the unit. All procurement for goods of a total value above USD 500 or above USD 1,000 (subject to conditions given in Appendix 10) are executed in the form of purchase orders.

11.1.1. Call-off contracts

To help reduce administrative costs and efforts associated with duplicating procurement of identical goods, Call-off contracts between ILRI and a vendor may be awarded. Such contracts define fixed prices and other terms for six months to one year, thereby facilitating uninterrupted flow of supplies and value for money. The format will be the same as for other purchase orders.

A person designated by the budget holder will request for delivery in writing to the supplier and will keep track independently of how much has been ordered and received.

11.1.2. Purchase order processing

A system generated and signed purchase order (PO) is a legal document committing ILRI to a purchase transaction as specified therein, and the vendor to the terms on the face of the order document, and the general terms and conditions printed at the back.

- Order details will be entered into the procurement information system by the designated Procurement Unit staff. The unit may choose to issue a PO for lower values depending on the specifics of the case (e.g. the supplier requires a PO to deliver).
- POs will either be scanned/mailed, faxed or collected by the designated vendors representatives.
- A PO always has to be acknowledged by the vendor; preferably by counter signing the PO.

11.1.3. Internal control measures on purchase orders.

All POs are generated in the system after going through an approval process in the OCS system depending on the threshold. The PO number is automatically generated by the system and rights to raise purchase orders in the system are limited to only staff in the Procurement Unit.

Procurement Unit should ensure that all open POs are either facilitated for receipt or cleared from the system. The Procurement Unit should review all outstanding POs at least once every six months and should decide:

- Whether to keep the PO open or close it. In the latter case, the supplier should be informed that the PO has been cancelled in line with the standard provisions.
- POs may be cancelled/deleted in instances where incorrect purchasing details (price, vendor, account etc.) have been made or where goods are not going to be received.
- In these cases, Procurement Unit shall ensure the deletion of POs so that the whole process of raising another PO can be restarted. In all other cases (e.g. non-performance of vendors, force majeure etc.), approval from the person who authorized the PO shall be obtained before the cancellation or deletion of procurement documents.

Where an overseas vendor is identified and purchase terms and price have been agreed upon, the vendor is requested to send a pro forma invoice and the bill of lading/ airway bill. The Procurement Unit, on receipt, completes all the required steps to import the goods duty-free. The Procurement Unit may retain clearing agents to process the importation on its behalf.

11.2. Receipt of goods by the Stores Unit

The Stores Unit receives all stock items (detailed receiving procedures are discussed in section 15 on inventory management) and issues a goods received note.

The requester and the Stores Unit jointly receive non-stock items, and the unit raises a non-stock receipt document and updates the financial system accordingly.

11.3. Warranty and after sales service

Ownership, risk and responsibility will pass to ILRI on receipt of goods. The risks associated with goods include defects that render them unfit for the purpose for which they were intended. These risks can be reduced by:

- Defining thorough specifications and product standards.

- Developing long-term relationships with vendors.
- Inspection and testing of products immediately after receipt.
- Awarding of contracts to bidders providing the most favourable after sales service, maintenance and warranty terms in line with the concept of total cost of ownership (TCO).

Before signing a contract/purchase order, the Procurement Unit should confirm the warranty cover is suitable i.e.

- Liability by the vendor if defects in goods, other than those arising from fair wear and tear, appear within a specified period from either the date of delivery or after the goods have been put into use, whichever comes first.
- Extension of the warranty cover by the period during which goods are out of operation.
- Liability by the vendor for costs incurred by ILRI in repair of goods due to failure by the vendor to replace/repair them within a reasonable period.
-

11.4. Payment

The vendor shall only issue its invoice to ILRI for payment after delivering the goods ordered and obtaining receipt confirmation from ILRI. The invoice will be processed against the matched PO (three-way match). The following guidelines should be observed.

- ILRI's standard payment terms are thirty days (30 days) from the receipt of invoice or goods whichever is later.
- Pre-payment should be avoided. All purchases other than petty cash purchases should be on credit.
- Payments should be made to the payee as specified on the PO or contract.
- No invoices will be processed for which there is no PO/contract unless the purchase is for less than USD 500 or USD 1,000 with special conditions given in Appendix 10. The Procurement Unit shall continuously remind vendors to include the PO number on their invoices before it can be processed.
- On a monthly basis, the Finance Unit will review the vendor's statement, reconcile it with the creditors ledger and advise the vendor of any disputable transactions.

Goods valued at less than USD 500 will be paid:

- From petty cash funds up to the limit allowed by cash management policy. An invoice and proof of receipt should be attached. If it is a reimbursement, proof of payment should be presented.
- By cheque/bank transfer based on an invoice and proof of receipt. If it is a reimbursement, proof of payment should be presented,

The cash taken in advance must be accounted for within two (2) business days.

To ensure that splitting of purchases is avoided, a thorough review of the receipts and justification for cash purchase will be undertaken by Finance before reimbursement. The Procurement Unit will also review payments on a random basis.

11.5. Closing of order

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

11.6. Assessing customer satisfaction

The Procurement Unit should try to receive feedback from the customer systematically when a large procurement has taken place. Other more general ways of receiving feedback are detailed elsewhere in this manual.

Clients may also wish to fill the feedback form in Appendix 4 whenever an issue arises with the item that was purchased.

12. Contract award, fulfilment and closing for services

Contracts for services should generally not be longer than three (3) years. A tendering process shall take place at least every three (3) years. In exceptional cases, where the contractor has made a substantial investment that it cannot easily withdraw, a longer contract may be considered but the performance and the market should be tested regularly and carefully.

The standard contract provided by the selected company may be used as long as it includes all the standard clauses ILRI expects to see in a contract (the Procurement Unit keeps a standard contract format) and as long as the terms of the contract are equitable and not biased towards the provider. The Service Level Agreement is the centrepiece of a service contract as it clearly details the requirements on all aspects of the performance of the vendor ideally detailing the expected standards, the relevant performance indicators for each standard and how this indicator will be measured.

As described in the chapter on 'Vendor management', the quality and timeliness of the services will be assessed through the regular review of the performance defined in the service level agreement and more generally the contract. The user unit and the Procurement Unit conduct this review jointly. Regular meetings with the service provider also take place and are minuted.

The user unit will request payments as per the contract specifications.

13. Guidelines on managing consultancies

13.1. Recruitment of consultants

13.1.1. Consultants vis-a-vis employees

A consultant is a highly specialized expert who possesses outstanding qualifications and high degree of achievement in a scientific or technical field. Certain criteria can help decide what ILRI really requires:

- A consultant determines their own method of completing the work while the employee receive instructions about how, where and when work should be done.

- Consultants use their own methods to complete the job and do not receive training from ILRI on how to do the job except on matters relating specifically to ILRI.
- Employee services are substantially integrated into ILRI 'business' operations while consultants are not subject to direction or control of ILRI as an integrated employee is.
- Consultants may or may not have a continuing relationship with ILRI.
- Consultants are free to set their own hours, working when and for whom they choose.
- Consultants have more than one client.
- Consultants are generally paid by the value of the work they have delivered more than by the time they have spent, as an employee would be.
- Consultants usually use their own tools (laptop, phone etc) rather than expect ILRI to provide them.
- Consultants invest in their business undertaking (tools, licenses, insurance etc.).
- Consultants aim to make a profit, not to earn a wage.

13.1.2. Terms of reference

The process starts with clear and precise terms of reference (TOR) for the consultancy, which should outline in simple, clear, and detailed terms and quantify, as much as possible, the following:

- The objective of the consultancy
- The key contact persons for the consultant and the frequency and mode of interaction with the person supervising the consultant
- The deliverables-formats, specific contents
- The calendar of activities for the consultant
- Where the work is to be done and how
- Key reference documents

13.1.3. Fees

It is especially important that the fees be based on historical data considering the specifics of the present consultancy as well. A budget is an upper limit for the cost of a consultancy, not a guide to the actual fee. Other indicators to make a decision about the fees include comparable consultancies already commissioned by ILRI that are in the database maintained by the Procurement Unit.

Consulting fees should be paid on the basis of deliverables. Advances are not advisable. Penalties for delay due to the consultant's actions (or lack thereof) should also be considered.

The requesting unit will manage the consultancy, including payments.

13.1.4. Other administrative aspects of the contract

The request form for consultancies (available on the ILRINET) must be filled completely and precisely so that evidence can be provided that all practical issues (e.g. travel) are taken care of and that due diligence was carried out by ILRI and that the institute's resources are being used wisely, carefully and in a usual manner.

ILRI employs a large number of consultants who offer very specialized services. While the responsibility for selecting the consultant stays de facto with the requesting unit, this process

should not be abused to allow consultancies where more competition would be sound. As the Procurement Unit retains the responsibility to vouch for the integrity of the procurement process, it may question the lack of competition in cases where it would seem both feasible and desirable.

The Procurement Unit may also advise the requester on the terms of the contract and the administrative arrangements, including immigration, insurance and tax considerations.

It should be noted that consulting contracts may sometimes be subject to specific donor rules. The Procurement Unit may revert to the requester and the Budgets and Grants Unit in such cases. The Procurement Unit may also refer the requester to the P&OD Unit if a contract other than a consulting contract would be more appropriate.

The Procurement Unit may also call upon the legal officer for advise when required.

The Procurement Unit will be responsible for issuing the contract and ensuring it is signed in accordance with the authorization policy. It will ensure the contract is also signed in time by the consultant.

13.1.5. Evaluation of the consultant

It is important that the requesting unit provides feedback on the consultancy to the Procurement Unit who can then update the consultant database. Criteria include quality of the deliverables, adherence to TOR, timeliness of the deliverables, how self-directed the consultant was and their ability to work with people and other important aspects of the performance.

13.1.6. Extension of consultancy contracts

Extensions to consultancy contracts should be exceptional and only in response to a case of force majeure or some major event that came in, and affected the consultancy greatly, after the initial contract was signed. If an extension has to be provided because the consultant is late by his/her own fault, then the clause for lateness of deliverables should be invoked.

14. Contract variations and claims

14.1. Contract variations

Variations usually arise from one or more of the following contractually agreed situations:

- Changes to the scope of work, i.e. an unforeseen or unforeseeable increase in the quantity of goods or services to be delivered.
- Changes to contract period or contract price.

Once the contract is signed, any fundamental change in the goods and services to be delivered must be treated as a potential amendment and approval sought in the same way as the original purchase.

Where a variation clause that provides for increasing rates is in the contract there is no further requirement to seek approval as this is deemed obtained when the contract award was supported.

- Variations must be in writing and signed by both parties in the form of an addendum or other document that legally and effectively varies the original contract.
- Variations cannot cover additional costs incurred to remedy defects attributable to the vendor.
- The procurement committee shall, wherever applicable, suggest a review limit for variations within the contract manager's sanction. Under normal circumstances this shall not exceed 10% of the initial authorized contract value/ price(s) (ACV).

14.2. Claims and disputes

14.2.1. Approach

The first reflex should always be to settle claims and disputes amicably, in a fair and open manner that protects ILRI's present and future interests to the maximum. Legal advice may be sought from ILRI's legal advisors as required.

If this fails, seeking arbitration is the second alternative. Legal recourse should be avoided to the extent possible and only after all other means have been exhausted.

14.2.2. Definition of a claim

This is a demand made for a defined consideration, that is, a compensation or recompense, during or after the performance of a contract by ILRI or the vendor.

A claim may be contractual, extra-contractual, or ex gratia and these are briefly explained below:

- Contractual – when the demand is based on the exercise of provisions of the contract (i.e. demand made in accordance with the terms and conditions of the contract).
- Extra-contractual – demands made by a party which, although not in accordance with any particular contractual provision, has a legal basis (e.g. misrepresentation, mistake)
- Ex gratia – a demand by a party without either a contractual or legal basis.

14.2.3. Procedure for handling claims or disputes

The supply chain manager must make every effort to dispose of claims expeditiously. This includes responding to claims correspondence within two weeks of receipt even if the initial response is a holding note. Outstanding claims must be detailed in handover notes during temporary or prolonged absences to ensure that action is not delayed or left. The recommended steps in handling claims or disputes are:

1. Receive claim or dispute notice and acknowledge receipt
2. Try to solve the claim/dispute by amicable means
3. Register claim and notify legal adviser who will establish the technical and commercial merits of the claim
4. Seek supply chain manager's supervisor's approval to negotiate and settle claims or disputes with the Vendor.
5. Hand over to the legal adviser if there is notice of arbitration or court proceedings.
6. Details of all claims, whether settled by ILRI or not, must be maintained by the supply chain manager
7. Claims not submitted in accordance with any time limitation stipulated in the contract document, or existing in law, should not be considered.

8. When meetings are held with the contractor in respect of claims, at least two people should represent ILRI. Minutes of such meetings shall be documented.

15. Inventory management

15.1. What is inventory management?

The stores manager is the process owner for stock management. The stock management accountability shall include, but not be limited to:

- Identifying items for stocking on the basis of criticality and business need.
- Identifying stock classification and management parameters (organization of stores, stock levels, reorder levels, etc.).
- Identification of non-moving and obsolete stock items.
- Forecasting consumption levels, especially changes from the historic levels.
- Collaborating with Procurement, Finance and end users as required to carry out the other responsibilities effectively.
- Managing storage locations and space.

15.2. What needs to be kept in stock and where?

Stock levels are kept at the lowest level necessary to meet ILRI operational and financial requirements. The decision to put and keep an item in stock is one that requires careful attention, balancing the benefits of having an item ready for use by the users who may need it with the costs of holding it in inventory. It is a continuous decision as needs and markets evolve and span the procurement-disposal cycle.

Stocks should be held only when they are critical to business continuity and the value exceeds the costs of non-availability. By buying foreseeable requirements in large batches, ILRI may reduce its purchasing costs and may be able to buy at reduced prices by taking advantage of discounts for bulk orders and optimizing shipping costs and transportation. Holding stocks also implies costs, both costs of maintaining the item in stock and opportunity costs as the market for that item evolves.

To determine when to hold stocks, careful consideration should be given to the costs of having to defer work and make alternative plans, the cost of rush ordering and the cost of downtime.

Where necessary or feasible ILRI will set up vendor managed stocks or consignment stocking arrangements within materials storage facilities.

Reorder levels should be arrived at using the economic order quantity (EOQ) model and then comparing the result to projected needs as the needs may evolve fast for certain categories of goods.

15.3. Managing store locations and space

- All inventoried items should be preferably stored together in central stores. As required, sub-stores may have to be created to facilitate operations or respect EOHS guidelines.

- Stores should be kept clean and well-organized at all times.
- Storage space should have good roofing, good ventilation, dry and solid walls, a flat and strong floor and reinforced windows. It should be adequate for the volume of items kept.
- Items of similar classification are located together regardless of differences in size, weight and source. Valuable items that are subject to pilferage are kept in lockable cabinets. Other items that need special treatment are handled according to the appropriate EOHS standard operating procedure.
- Fast moving items are located near the exit while slow moving items are located in the interior.
- Bulky items that are difficult to handle are located at the ground level near the point of receipt. Light items are located at the upper shelving.
- Items must be well arranged on shelves and kept on pallets when required. No item should be left directly on the floor. No item should be close to the ceiling or light bulbs either.
- Items should be arranged to facilitate access, control and count.
- Only the stores manager or his/her official delegate and security personnel have access to the keys to the main stores
- Access to stores is limited to stores staff, who escort any other person who needs to enter in the course of conducting ILRI-related business.
- stores staff should wear protective clothing as recommended by the health and safety officer for the items they are handling.

15.4. Stores operations

15.4.1. General receipt of stores items

All deliveries must be accompanied by the supplier's delivery note quoting the purchase order (PO) number against which supply is being made. The receiving stores staff will retrieve the stores copy of the PO and inspect the goods to verify that the quantities, specifications and quality of items delivered are consistent with the PO.

Where the stores unit is not competent to verify the technical aspects of the goods, they will obtain the originator of the requisition's or the relevant technical manager's input before stamping and signing the delivery note to confirm acceptance.

Where goods delivered are accepted, the stores staff will raise a goods received note (GRN) for stock items and non-stock issue/receipt for non-stock items starting the three-way matching process in the financial system. The copies will be distributed as follows:

- Original copy to Finance Unit for payment processing
- Duplicate to be retained by Stores Unit.
- Triplicate copy to Procurement Unit

Detailed receiving procedures for specialized goods (fuels, nitrogen and LPG) are in Appendix 5.

15.4.2. Rejection of items

Goods delivered to ILRI will be rejected for the following reasons.

- Deliveries without an official purchase order.
- Delivery of poor quality goods
- Delivery of excess goods
- Goods delivered way beyond the agreed delivery date.

Partial deliveries may or may not be accepted. This decision is made on a case-by-case basis by the supply chain manager.

The stores staff will raise a material return note and indicate the reason for rejection on them. The stores staff and the supplier's agent will sign the form and the original copy issued to the supplier and a copy to Procurement Unit. The stores manager will issue a gate pass.

15.4.3. Loss or damage report

A loss or damage report is used to document and claim for any losses or damage to materials received from the vendor for imported materials (local materials presenting a problem should not be accepted into the stores at all). The stores staff will raise the report for all items, in consultation with the user in the case of non-stock items and forward the report to Procurement Unit for follow up with the vendor.

Where possible, claims should be supported by photographic evidence. The Procurement Unit shall number and track each report using a simple spread sheet and treat claims expeditiously, and aim to close out each as soon as possible.

15.4.4. Issuing general stock items

- If the item is in stock, the user will raise a material issue note (MIN) approved as per the authorization policy.
- The stores staff will check the quantities requested against the stock available. Where the requested quantities will adversely affect the stock levels, the stores manager's approval is sought.
- Items will be issued per the MIN and the quantities, unit cost and total cost of the items requested inserted in the appropriate columns. The authorized staff from the user department signs to confirm receipt.
- The stores staff uses the receipt to update the inventory module in the financial system and files the MIN.

Detailed issuing procedures for specialized goods are in Appendix 6.

15.5. Mandatory stock takes

15.5.1. Weekly stock takes

On at least a weekly basis, the stores manager will review the stocks movement report and organize a stock take on a sample basis especially for fast moving or high value items that have

moved or any other item they may feel a stock take is required for. The count will be compared to the records as soon as possible. This process will be documented. Exceptions will be addressed by the stores manager who may wish to escalate the issue depending on the seriousness of the difference.

Detailed procedures for control of specialized goods are in Appendix 7.

15.5.2. Quarterly/year end stock take

- The stores manager in liaison with the property accountant will schedule and supervise a stock take on a quarterly basis to independently count all physical stocks.
- Stock verifiers will be appointed from staff of other departments.
- The property accountant will manage stock input control and other designated staffs as per the stock take schedule.
- stores staff are enlisted as observers during this exercise.
- The property accountant will produce a variance report for the custodians to explain. The report is forwarded to the stores supervisor , supply chain manager and head of finance and supply chain / designate for review. The report is then updated once reconciling items are identified. Any further adjustment that is required is approved as per the authorization policy.

16. Monitoring performance of the supply function

16.1. Monitoring the performance of the procurement function internally

Performance will be measured using the following indicators.

Criteria	Frequency	Responsible unit
Turnaround time compared to benchmarks from requisition, order and delivery dates for orders delivered that month.	Monthly	Procurement
Number of outstanding orders beyond their delivery date.	Monthly	Procurement
Number of active vendors (PO done in the last six months) compared to total number of vendors on the vendor list.	Monthly	Procurement
Number of purchase requisitions received outside of the plans.	Monthly	Procurement
Payments made 30 days after invoice is logged into Sun system.	Monthly	Finance
No of inactive vendors whose accounts not blocked.	Monthly	Finance

Criteria	Frequency	Responsible unit
Cost of unit per volume of procurement (expenses to date/value of procurement to date) and trends thereof.	Monthly	Procurement
Outcome of meetings with customers to assess their satisfaction and analysis of customer feedback forms.	Quarterly	Procurement
Number of services categories without contracts.	Quarterly	Procurement
Goods or services received not invoiced: This is a report that lists all receipts in the financial system awaiting vendors' invoices for matching and payment. It should show the ageing profile of these incomplete transactions to draw attention to long outstanding cases.	Monthly	Finance
Advance payments: This is a report indicating all advance outstanding payments to vendors.	Weekly	Finance
Vendor analysis: This will provide the Procurement Unit and their Finance counterparts relevant transaction management information e.g. purchasing statistics by vendor, aging etc.	Monthly	Procurement
Small procurement analysis: The Procurement and Finance Units will review small procurement actions undertaken by units to assess whether those units have purchased goods and services in a cost-effective manner and if procurement needs to organize a combined procurement action for certain goods or services.	Quarterly	Finance and Procurement

16.2. Monitoring the performance of the stores function internally

Criteria	Frequency	Responsible unit
Comparison of quantities in financial system vs. physical count.	At least quarterly	Stores and General Accounts together
Turnaround time compared to benchmarks from receipt of request to delivery of items.	Monthly on a sample basis	Stores

Criteria	Frequency	Responsible unit
Outcome of meetings with customers to assess their satisfaction and analysis of other communication.	Quarterly	Stores
Number and value of losses except for fuel.	Quarterly	Stores
Loss/gain for fuel.	Daily	Stores
Number and nature of stock-outs.	Quarterly	Stores
Provisioning levels (after stock take).	Quarterly	General Accounts
Stock balances (normal, nil and safety stock) balances and values: This report will show the inventory items with nil/safety stock balances to enable stores staff decide whether or not to reorder. It should also highlight number of requests made by users against nil balance items.	Monthly	Stores
Slow moving item report: This report on slow moving inventory items will assist stores staff to isolate obsolescent items and investigate reasons behind slow movement.	Monthly	Stores

16.3. Information to customers

The information provided by the Procurement Unit to other ILRI units includes:

Open requisition report

This report will list all requisitions received from various cost centres awaiting fulfilment and their status until the PO is raised. The Procurement Unit shall prepare and circulate this report at least monthly.

Open order report

This is a report that lists all Purchase Orders that are active and awaiting fulfilment and closure and provides updated information on the status of the delivery. It gives a picture of ILRI's potential financial commitments. The Procurement Unit shall run this report fortnightly.

17. Record keeping

ILRI should also maintain the following records for audit purposes. The documents should be retained for at least seven (7) years.

Record	Responsibility
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	<i>Original</i>	<i>Copy</i>
The requisition	Procurement Unit	Requester
Advertisements	Procurement Unit	
Bidding / quotation documents and addenda	Procurement Unit	
Bid analysis and summary rating sheets	Procurement Unit	Finance
Minutes of procurement committee meetings	Procurement Unit	
Complaints and protests against procedures or award recommendation.	Procurement Unit	
Signed copy of contract / LPO	Procurement Unit	Finance, Stores and user department
Correspondence exchanged with bidders/contractors/consultants during the bidding and contract administration period	Procurement Unit	
Goods receiving note, non stock receipt	Finance	Stores
Material issue notes, non stock issue	Stores	Finance and user department
Contractual notices issued by parties	Procurement Unit	
Claims and disputes	Procurement Unit	
Changes and variations in contract affecting scope, quantity, timing or price of the contract	Procurement Unit	
Invoices	Finance	
Certificates of inspection and acceptance	Stores	
Stock adjustment form	Stores	Procurement Unit and Finance
Materials data safety sheet	Stores	EOHS

18. Risk management

Risk is the potential probability of occurrence of undesirable factors that unfavourably affect the achievement of ILRI business objectives. They are part of procurement activities that may be unavoidable and therefore must be managed. The aim of risk assessment is to define the

boundaries for risk taking and apply fit-for-purposes risk responses or controls to mitigate the adverse consequences whenever these unfavourable factors occur.

Each risk should be ranked in terms of impact and the probability of occurrence. The rating of the risks should determine the mitigation actions.

All functions in the procurement and inventory management processes (Procurement Unit, Stores and Finance) should use the risk assessment tools provided by ILRI to identify higher-priority risks that are unacceptable and recommend appropriate measures. This should be conducted at least yearly ideally at the same time as the planning process to incorporate the results into the work plans of the concerned units.

19. Environmental, occupational health and safety (EOHS) considerations in procurement and inventory management

This section is an outline of processes by which the Procurement Unit and stores functions contribute to the realization of ILRI's Environmental, Occupation Health and Safety (EOHS) objectives, especially in the qualification, classification and selection of vendors.

Detailed procedures for the assurance of EOHS are contained in the EOHS Standard Operating Procedures. These procedures provide guidance on standards, guidelines and obligations. EOHS objectives in the contracting process and in contract management are to ensure that:

- Goods and services are classified according to their EOHS criticality.
- EOHS requirements form an integral part of vendor evaluation, bid/quotation evaluation, and contract award and documentation.
- Contract managers, users, Procurement Unit and stores staff understand and apply EOHS requirements in the procurement process.
- Procurement Unit's vendor qualification, registration, and technical bid/quotation processes include meeting ILRI's EOHS requirements.
- Inventory management procedures give adequate consideration to all EOHS risks.

20. Green procurement

ILRI procurement activities will gradually incorporate the ethics and methods of green procurement. 'Green' procurement is the selection of products and services that minimize environmental impacts. It requires an organization to carry out an assessment of the environmental consequences of a product at all the stages of its lifecycle. This means considering the costs of securing raw materials, and manufacturing, transporting, storing, handling, using, and disposing of the product. It means evaluating purchases based on a variety of criteria, ranging from the necessity of the purchase in the first place to the options available for its eventual disposal.

Green products are generally produced in a manner that consumes less natural resources or uses them more sustainably, as with sustainable forestry. They may involve less energy in their manufacture and may consume less energy when being used, and they generally contain fewer hazardous or toxic materials.

Green products are also generally designed with the intention of reducing the amount of waste created. For example, they may contain recycled material or use less packaging, and the supplier may operate a 'take-back' program.

Green procurement can also offer cost savings. In particular, buying 'green' usually involves products that are easily recycled, last longer or produce less waste. Money is therefore saved on waste disposal. In addition, green products generally require fewer resources to manufacture and operate, so savings can be made on energy, water, fuel and other natural resources.

Moreover, green products generally involve fewer toxic or hazardous materials, reducing associated expenses such as permit fees, toxic materials handling charges and staff training.

ILRI will strive to purchase:

- Energy-efficient equipment and appliances.
- Low emission vehicles.
- Timber products that originate from sustainable and legal resources.
- Recycled paper products whenever possible.
- Other products with evidenced sound environmental performance.

ILRI will strive to avoid:

- Excessive packaging.
- Purchasing goods with non-rechargeable batteries.

To the extent possible, tenders/bids will include a section on environmental standards and submitted bids will be evaluated taking into account the environmental impact the procurement action or the procured good/service could have.

21. Online procurement

For specialized purchases like consultancies, staff can use e-procurement and other online platforms to procure direct for these services without going through the Procurement Unit, they may use credit cards as advised by the Finance Unit to purchase for these services.

For specialized consultancies that fall within the threshold for preferred suppliers, preferred supplier strategy will apply, where renowned online platforms and websites will be preferred to source specialized consultancies on behalf of ILRI, in this case users who know these websites will share with procurement for vetting before preferring them.

Once a website has been preferred, users can use the site to source for specialized consultants without going through the procurement process of getting quotations/proposals.

For reasons of getting approvals from budget holders, the process will be initiated by a purchase requisition in the OCS system and followed by a purchase order after getting the consultant from the preferred site. Payment will be done by the finance manager via credit card after the agreed consultancy deliverables have been met.

Should any audit be required, administrative rights to access the site and review the process of sourcing the consultant using the preferred website will be given.
For consultancies that are above the preferred category, the ILRI consultancy guidelines will apply.

22. Sole source and emergency procurement

Sole sourcing means purchasing from a vendor (including consultants) without competitive quotes when competitive quotes are otherwise required as per policy. Although sole sourcing is discouraged, it may be necessary to purchase on the basis of single quote in some instances. In this case, the sole source justification form (appendix 11) is prepared and approved as per the authorization policy.

Emergency procurement: Emergency interventions are defined as unforeseen or unexpected circumstances that call for immediate action. Emergency purchases require that the requester to prepare an emergency purchase justification form and obtain approvals through emails from the final approver depending on the amount as per the authorization policy. Once the approval is sought, procurement procedures are waived and goods can be acquired without quotations.

For reasons of payment, a purchase request is retrogressively raised, follows the normal OCS Agresso workflow, approvers approves based on the email approval sought for the emergency. Failure to plan does not constitute an emergency and does not qualify for an emergency.

Upon the approval of the emergency justification the following would occur:

- Procurement processes are waived.
- Additional personnel may be added.
- Bidding thresholds are waived.

Appendix 1: Conflict of interest: Confidentiality and disclosure agreement for procurement committee members

I..... a member of the procurement committee convened for the award of xxx:

1-Conflict of interest (check 1.a or 1.b)

1.a. Declare that I have no 'conflict of interest' as per the definition below. I will also disclose any conflict of interest I could become aware of in the course of this tendering process.

A conflict of interest arises when the outside activities and interests of an ILRI staff member prevent or may prevent them from performing their work in an objective, unbiased manner, especially when they are in a position to influence ILRI's business, research development or research work, or other decisions or policies in ways that could lead directly or indirectly to a financial gain or any other type of gain (favour, gift, recognition, free use of ILRI facilities or services), for the staff member, his/her family, close friends, business or professional associates or give improper advantage to others to the detriment of ILRI.

This includes seeking personal gain from the use of information or material received in a confidential context or from the use of ILRI's assets.

1.b. Declare that I have a conflict of interest and therefore decline to be a member of this task force.

2-Confidentiality clause

Agree to the following confidentiality clause:

As a member of the task force, information provided by ILRI, potential service providers and other interested parties (e.g. companies contacted for reference-checking purposes) will be made available to me either in writing or verbally. I hereby commit not to reveal any of that information to anyone who is not a member of the task force other than the director general or especially mandated members of the internal audit team, including the CGIAR internal audit team, either during the tendering process or after it is finalized. I understand that ILRI management may wish to disclose some information to staff to explain the decision that will be made. That will in no way relieve me of this confidentiality clause. I also understand that disciplinary measures could be taken against me if I breach the confidentiality clause.

3-Disclosure clause

Agree to share with the task force any information that I may become aware of during this tendering process, including contract negotiation, and that may be of interest to the work of the task force.

Signed:

Date:

Appendix 2: Vendor pre-qualification form

This is a suggested form. It should be used as a minimum requirement.

Introduction

Instructions for completion:

1. Your answer will be treated in the strictest confidence.
2. Please answer all questions; printed or typed in the space provided.
If there is insufficient space to answer any of the questions, please continue on a separate sheet.
3. Any vendor who does not properly answer and submit the questionnaire on or before the advertised period will not be accepted to provide its services to ILRI.
4. Please return completed questionnaire to:

ILRI.....
 on or before.....

1. Corporate details

- 1.1 Name and address of company

- 1.2 Telephone number fax numberemail address

- 1.3 Date established (enclose a copy of your certificate of registration).....

- 1.6 Type of company (private limited, limited by share, etc.)
- 1.7 Name of parent company (if any).....
- 1.8 List your main business activities:
- Geographic span
 - Category of goods, works or service you provide

2. Staff details

2.1 Name, position of key personnel who would be handling the ILRI account

Name	Position
A Management
B Supervisory / administrative

- C Field staff
- D Others (please state)

Provide a summary of the experience of your management and technical staff, and their competences in managing contracts for which you are seeking registration

3. Financial details

3.1 Provide the following information;

- Capital employed (total assets less total liabilities)
- Average annual turnover for the last three (3) years.
- Net current assets (current asset less current liabilities)

3.2 Name and address of vendor's bankers or financial institutions

4. Technical capability

Does the company have experience of working with ILRI? Yes/No

If yes please provide a summary using the format below. An example has been provided.

<i>Year</i>	<i>Nature of contract</i>	<i>Contract value</i>	<i>Name of contract manager</i>	<i>Reason for termination</i>
2005	Supply of stationery	Kshs. 15 million a year	Purchasing manager	Contract still running

List similar contracts to other clients carried out over the last five years using the format below. Indicate each the contract value against the client's name.

<i>2005</i>	<i>Supply of stationery</i>	<i>Kshs. 15 million</i>	<i>ABC Ltd</i>

List the resources the company has to be able to perform contracts requirements effectively for the specific area of interest. Use the format below.

<i>Resource type</i>	<i>Capacity</i>	<i>Location</i>	<i>Owned or rented/ leased</i>
Warehouse	Xxx sq feet	Warehouse on Dunga Road	Owned

Litigation history

List all contracts over the last three (3) years that have resulted in litigation proceedings.

<i>Year</i>	<i>Nature of contract</i>	<i>Client name</i>	<i>Amount in dispute</i>

6. Business principles

6.1 ILRI insists on honesty, integrity and fairness in all aspects of the business relationship with your company. Direct or indirect offer, payment, soliciting and acceptance of bribes in any form are unacceptable practices.

Please confirm your agreement to the above.

Yes / No

6.2 To avoid conflicts of interest between their private financial activities and their part in the conduct of company business, ILRI employees or members of their immediate family or relatives should not acquire financial interest in any company or organization with which ILRI has commercial relationship.

Is a member of your immediate family or relative an ILRI employee?

Yes /No

If yes, please provide details.

7. References

Please provide details of the current or previous clients that we may approach for references

Number	1	2	3	4
Company				
Telephone				
Name				
Position				

Declaration

The information given in this questionnaire is to the best of my knowledge correct. I understand that any false statement will preclude further consideration of this application.

Name of the person completing form:.....

Position:

Signature: Date:

Appendix 3: Vendor disclosure form

This is a suggested form. It should be used as a minimum requirement.

Disclosure form

To ensure that the contractor has no conflict of interest with ILRI and that the contractor is able to provide the quality of services required, please submit the original of this form together with your quotation.

The information you provide will be handled on a strictly confidential basis and is for the use of ILRI only.

This form must be fully completed. For those questions not applicable to your company, please fill in the blank with 'N/A' or 'NONE'. Should the space provided after each question be insufficient, please record the information on a separate typed page and attach to the original.

1. List below the names and nationalities of all the directors, shareholders and/or Partners of your company.

2. List any other companies, holding companies or other organizations and their addresses who hold a substantial interest in your company.

3. List the name of the chairman and the managing director of the company.

4. Do any of the company employees, particularly those in management positions, have family members or friends employed by ILRI?

Yes

No

If yes, list their names and position in both organizations.

5. Do you have a code of conduct or ethics governing your directors and employees' behaviour?

Yes

No

If yes, please attach a copy with your offer.

6. List below the banks or credit institutions with which your company has accounts if this is not presented in your audited financial statements.

7. Does the company have branch offices which are owned and operated solely by the company?

Yes

No

If yes, list below the company owned branch facilities and their physical addresses:

8. Are the company's owned or leased premises insured against fire, theft, storm, etc.

Yes

No

If yes, list below the company's insurer(s), classes of policies held and amounts insured.

9. Are you insured for all third party or consequential liabilities?

Yes

No

If yes, what is the limit of your liability? _____ Kshs

10. Will any other parties or companies be authorized to act as your agents?

Yes

No

If yes, list their names and physical addresses below.

Certifications

The following certification statements must be signed and submitted with the vendor's offer on this original form.

I, _____, the chairman/director/managing director of (company) _____, hereby agree to all provisions and caveats governing the submission of our offer.

II. I further certify that request for quotations, has been offered with the full intent of this company to supply the services as described at the rates we have indicated, which are guaranteed for the purposes of negotiating a Blanket Purchase Agreement with the ILRI mission to Kenya for the period _____ through _____ and that all of the rates and charges have been verified, and are correct as indicated herein, and do not require any further amendment(s).

III. I further certify that all of the information we have supplied in the disclosure form is full and complete and true, to the best of my knowledge.

IV. In addition, I certify that I have all of the necessary authority conferred upon me by this company to guarantee the rates and charges in this offer, and all other information contained herein.

Name: _____ Title: _____

Signature: _____ Date: _____

Appendix 4: Customer feedback form

Date:

To: Supply chain manager

From: (Name and Unit)

I am writing to you in reference to the following purchase:

Purchase order	
Item that is the subject of this feedback	
Supplier	
Date of arrival/commissioning of the good	

I am writing to you for the following reason :

Compliment

Complaint

Details of the compliment

Details of the complaint	Tick as appropriate	Please explain
Item does not match the specifications I gave		
The item arrived too late		
The item arrived damaged		
The item was not installed properly		

	The supplier is not complying with the terms of the warranty		
	The item is of poor quality		
	I found that we overpaid for this item		
	Other reason		

Appendix 5: Receiving procedures – specialized goods

Receipt of perishable goods

Perishable goods are shipped either in wet or dry ice. The gross weight of the package is indicated on the clearing agent's delivery note or on the airway bill.

- The stores staff will verify the weight and certify that the packed ice is sufficient at the time of receipt.
- Where the goods are received with insufficient dry or wet ice, the stores staff will reject the delivery, note the same on the delivery note and inform the originator and the Procurement Unit. The latter will inform the supplier, requesting for fresh delivery at the supplier's cost.

Receipt of fuel products

These include petrol and diesel for vehicles and generators, and industrial oil for boilers.

- The stores staff and the authorized staff from the relevant user department i.e. engineering or transport should witness the dispensing process.
- Upon arrival of the delivery trucks at the main gate, the security officer will inspect them. This to confirm that product seals are intact and match those on the invoice. The fuel delivery form will be signed and stamped before the truck is allowed to proceed to the off-loading site.
- At the off-loading site, the stores staff will also inspect the truck seals to ensure they match those indicated in the delivery note. The stores staff will also inspect the calibration certificate from the supplier to ensure it is within calibration dates before any offloading can commence valid. (Trucks meters should be calibrated at least every six months as ILRI relies on truck discharge meters to confirm volume delivered).
- The truck fuel level gauge is also checked to confirm that the volume on the tank matches that on the delivery note.
- Continuous checks should be made to ensure that there is no fault in the equipment being used or any leakage during the exercise.
- The stores staff shall carry out a joint tank dipping with the supplier's agent prior to and after product receipt. The dipping is inclusive of product dip, water dip and product temperature. The stores staff will shut the tank valve after the discharge is completed.
- Dip readings and quantity received shall be recorded on an ILRI fuel delivery form and the supplier's delivery note, both of which are signed and stamped by both parties.
- The stores staff retains one copy of the delivery note against which the Good Received Note (GRN) is raised.

Receipt of liquefied petroleum gas (LPG)

- The stores staff and the authorized staff in the Catering department should witness the dispensing process.
- Upon arrival at the main gate, the security officer will inspect the delivery trucks seals to ensure they are intact.
- At the offloading site, the stores staff will also inspect the truck seals to ensure they match those indicated in the delivery note. The stores staff will also inspect the calibration certificate from the supplier to ensure it is within calibration dates before any loading can commence valid. (Trucks meters should be calibrated at least every six (6) months as ILRI relies on truck discharge meters to confirm volume delivered).
- The truck fuel level gauge is also checked to confirm that the volume on the vehicle compartment is similar to that on the delivery note.
- The supplier's agent shall give instruction on when the receiving tank shall be opened. When this is done the stores staff shall open the tank inlet. The truck will then be connected to the vapour and liquid inlet. Continuous checks should be made to ensure that there is no fault in the equipment being used or any leakage during the exercise.
- The stores staff shall carry out a joint tank dipping with the supplier's agent prior to after product receipt. The stores staff shall then monitor the dispensing; it should not go beyond 85%. THIS IS THE MAXIMUM SAFE CAPACITY.
- After offloading is complete as noted from the sight glass, the compressor is then shut down and all the opened valves closed.
- The opening and closing truck meter readings, quantity received, temperature, the time the dispensing process began and ended and ILRI's tank gauge readings are recorded on the supplier's delivery note. The stores staff stamps the note for signature by both parties.
- The responsible stores staff shall use the original of the delivery note for conversion of litres to kilograms using the weight conversion factor advised by the supplier. The custodian will call the supplier and confirm recorded volume and weight and if in agreement adopt the figures. If not in agreement, all the relevant figures on the delivery report will be checked and volumes recomputed until a consensus is reached.
- The received volume will be indicated on the GRN, which is forwarded to the stores clerk in charge of updating inventory.

Receipt of liquid nitrogen

- At the offloading site, the supplier's agent shall give instruction on when the receiving tank shall be opened. When this is done the stores staff shall open the tank inlet.
- The stores staff shall carry out a joint tank dipping with the supplier's agent prior to and after the dispensing process and shall jointly record the contents readings and pressure meter readings of the liquid nitrogen storage tank.

- The truck will then be connected to the vapour and liquid inlet. Continuous checks should be made to ensure that there is no fault in the equipment being used or any leakage during the exercise.
- Both parties shall then monitor the dispensing; it should not go beyond the safety capacity.
- The stores staff and the supplier's agent calculate the total volume received using a conversion chart. The readings are entered into the delivery note. The stores staff stamps and dates the delivery note for signature by both parties.
- The received volume will be indicated on the GRN, which is forwarded to the stores clerk in charge of updating inventory.

Appendix 6: Issuing procedures – specialized goods

Issuing liquid nitrogen

Dewars that have been in circulation for eight (8) years require to be revalidated. Revalidated dewars must be checked to ensure that they have the correct test date stamped on them. A delivery note and a revalidation certificate duly signed by a government inspector should be in place for each.

- The stores staff will be dressed in the Personal Protection Equipment (PPE) as recommended by the health and safety officer.
- Prior to the issue, the stores staff will record the meter readings of the tank pressure and content.
- The delivery dewar is placed on the weighing scale and the dispensing and pressure release valve are opened. The dewar will have collected 25 litres of liquid nitrogen when the scale readings are 25 kgs gross weight.
- During this operation, the stores staff should check the dewar for leaks on the valve and the body. Any leaking dewar should be noted and decanted.
- Overfilled dewars shall be decanted while under filled ones shall be topped up to the correct tare tag weight.
- All instances of under/over filling of dewars shall be recorded and if inconsistent for the particular weighing machine, the same shall be reported to the stores manager for corrective action.
- Stickers shall be put on all filled dewars and kept ready for delivery at the dispatch area.
- Upon delivery to the requesting unit, the receiving staff will sign the material issue note (MIN).

Issuing fuel at the pump station

- The stores staff takes the readings of the pump's flow meter and the dipstick readings every morning and records them in the data sheet (bin card) before issuing fuel.
- All vehicles are fuelled in the presence of the transport staff.
- The amount of fuel dispensed is recorded in the data sheet against the pre-recorded vehicle registration number. The transport officer raises the MIN for the day's total fuel issued.

- Responsibility of maintenance, calibration and repair of the pump machines and underground tanks rests with the supplier, who shall have the maintenance schedule posted on the machines or tanks (as per the contract).

Issuing of bulk LPG

At all times, when the bulk storage tank is refilled, the meter readings are taken before and after refilling. The difference is calculated and the catering staff immediately raises an MIN.

Appendix 7: Control procedures – specialized goods

Control of LPG

- The stores supervisor will receive dips from the stores staff, input dip readings into an Excel worksheet, and perform the stocks reconciliation.
- Closing stocks, opening stocks and volumes received and issued are compared. The difference is gain or loss.
- If not tolerable the stores manager will advise the stores staff in charge of LPG to investigate.
- Items not fully explained are further investigated and stock adjustment forms are completed by the stores staff and forwarded to the Supply Chain Manager and Head of Finance and supply Chain or Head of Administration in Addis (for Addis stores) / designate for approval.
- The accountant in charge of stocks will process duly approved gain loss forms in Sun systems.

Control of fuel products

- The stores supervisor will receive meter readings from the stores staff in charge of fuel products and input the bulk meter readings into the excel worksheet and undertake product movement product by product on the respective date.
- He/she will then check for allowable tolerance limits and if within limits update and file the reconciliation report.
- If out of limits, they will request the stores staff in charge of the product to investigate and explain.
- Items not fully explained are further investigated and stock adjustment forms are completed by the stores staff and forwarded to the Supply Chain Manager and Head of Finance and supply Chain or Head of Administration in Addis (for Addis stores) / designate for approval.
- The accountant in charge of stocks will process duly approved gain loss forms in Sun systems.

Appendix 8: Selection checklist for high value equipment

Criteria for selection	Weight in the decision (%)	Lead person/unit on this aspect	Machine 1	Machine 2	Machine 3
<p>1. Total cost of ownership per year of service calculated as follows:</p> <p>Total cost made up of :</p> <ul style="list-style-type: none"> • Cost of machine • Freight and insurance • Port clearance and transport • Installation costs • Commissioning cost • Operating costs: utilities, consumables, spare parts, maintenance • Less: disposal value (if any) <p>Divided by:</p> <ul style="list-style-type: none"> • Estimated useful life <p>Equals: TCO/year of service</p>		Procurement			
<p>2. Performance capacity</p> <ul style="list-style-type: none"> • Appropriateness vis-à-vis the requirements from the end user. • Number of tasks that can be performed at the same time. • Number and nature of options available that would be useful to ILRI immediately and in the short-term. 		Engineering with support from lab manager and end user			
<p>3. Standards</p> <ul style="list-style-type: none"> • Compatibility with other equipment • How would this machine enhance standardization? 		Engineering			
<p>4. Ease of use</p> <ul style="list-style-type: none"> • User friendliness • Space needed 		Engineering			

Criteria for selection	Weight in the decision (%)	Lead person/unit on this aspect	Machine 1	Machine 2	Machine 3
<ul style="list-style-type: none"> Special power requirements 					
5. Ease of maintenance <ul style="list-style-type: none"> Design of the machine (modular design preferred) Self-monitoring interface Parts easily found on the market Maintenance contract possible? With whom and what does it cover? 		Engineering			
6. OHSE considerations <ul style="list-style-type: none"> Energy use Environmental impact (emissions, waste) Environmental requirements (a- Special arrangements needed (such as ventilation, AC, bio-disposal) Use of reusable/refillable consumables 		OHSE officer with support from Engineering and the Institute Biosafety Committee			
7. Supplier support <ul style="list-style-type: none"> Manufacturer, authorized dealer or reseller? Local or abroad? Able to provide backup equipment during breakdowns? Training of ILRI technicians: Possible? Scope and cost? Training of end users: Possible? Scope and cost? 		Procurement			
8. Warranty <ul style="list-style-type: none"> Length What it covers 		Procurement			
9. Disposal <ul style="list-style-type: none"> Ease of disposal esp. donation 		Engineering with support from stores manager			
10. Delivery date		Procurement			
11. Supplier reliability <ul style="list-style-type: none"> Reputation Financial health Prior experience with ILRI (or ICRAF or icipe) 		Procurement			

Appendix 9: Authorization matrix



ILRI Authorization
Matrix - 22nd sept15.

Appendix 10: Procurement thresholds

There are two options under which units may purchase non-stock items on their own:

Up to USD 500, direct without going through the Procurement Unit and without any conditions.

Up to USD 1,000 with the following conditions:

- i. That ILRI does not have a pre-qualified category for the item,
- ii. That the items can only be sourced overseas and it will take unreasonably long to source the item via the procurement process, and it will be expensive to purchase the item through procurement due to the logistics involved in international purchase.

Emergencies fall under direct purchase and are guided by section 22

The Procurement Unit coordinates all purchases above USD 500, and USD 1,000.

For procurement actions valued between USD 1,000 -10,000, one quote for routine purchases only from a preferred vendor (for definition of preferred vendor refer to page 26) may be sufficient unless the Procurement Unit or the requester see a need for more quotes. Non-routine purchases above USD 1,000 will be done through a sealed bid process.

All procurement actions between USD 10,000-100,000 must be based on at least three (3) sealed bid independent quotes from only pre-qualified suppliers unless there is a compelling reason why three quotes could not be obtained. The procurement committee approves the procurement action within this threshold

Purchases above USD 100,000 are done through national tender and approved by the tender committee.

The local Procurement Unit, based on the USD values provided above, determines thresholds in local currency.

Other thresholds for authorization are defined in the authorization policy.

Appendix 11: Other forms or standard documents maintained by the Procurement Unit available on the ILRINET (Procurement page) or internally

1. Procurement plan
2. Purchase requisition
3. Request form for consultancies
4. Bid analysis form
5. Justification of sole sourcing
6. Purchase orders
7. Service contracts
8. Consulting contracts
9. Vendor evaluation form
10. Consultant evaluation form
11. Sealed bid tracking sheet
12. Vendor set up forms
13. Request for quotations/bids