

PROCUREMENT (TENDERING) PROCEDURE

(PROCUREMENT AND GRANT FRAMEWORK)

PRO11
2021
VERSION: 1.0

PURPOSE

This procedure outlines the various sourcing strategies to ensure that all goods, services and capital works are the result of transparent, objective, time and cost-effective decision making and risk management.

APPLICATION

Staff involved in procurement process.

POLICY

P010 – Procurement Policy

RESPONSIBILITY

Team Leader Finance Asset Management, Procurement and Travel under the direction of Director Operations

PROCEDURE

The Secretariat is committed to ensuring that sourcing strategies meet the principles outline under the procurement policy.

1 General

- 1.1 The sourcing strategies referred to in this policy are as follows:
- (a) Emergency Procurement (non-competitive method)
 - (b) Direct Procurement (non-competitive method)
 - (c) Closed Tender (competitive method)
 - (d) Open Tender (competitive method)
 - (e) Secondary Procurement (competitive method)

2 Procurement Planning

- 2.1 Staff must ensure that sourcing activities within the Secretariat includes ethical, compliance and financial obligations, as well as opportunities for financial savings, improved sustainability, service and quality.
- 2.2 Staff must ensure sufficient justification to demonstrate that there is a need for the goods, services and/or capital works to be provided and that the economical and sustainability considerations have been fully considered prior to the purchase of any goods, services and/or capital works.
- 2.3 Staff must ensure the availability of existing funds within an approved budget, or source of funds, will be established prior to the commencement of any procurement activity.

3 Sourcing approval process (Tenders)

Process to get initial approval

- 3.1 Staff must submit a request in writing for pre-approval to undertake a tender or to procure.
- 3.2 The request for approval must specify the preferred method, description of the goods, service or capital work, and the cost and funding source.
- 3.3 Depending on the pre-award method, the request for approval must provide the following information:
- (a) for emergency method: justification as provided in the procurement policy
 - (b) for direct method: justification as provided in the procurement policy
 - (c) for closed method:
 - (i) The risk assessment carried out in accordance with this procurement policy;



- (ii) The terms of reference or specification for the goods, services or capital works being tendered;
 - (iii) The evaluators of the tender;
 - (iv) Estimated cost and confirmation of funding;
 - (v) Tender evaluation criteria and associated weighting of each evaluation criteria (refer to engagement policy for the formulation of the evaluation criteria);
 - (vi) Expected timeframes of the tender evaluation process;
 - (vii) A draft tender advertisement in accordance with the evaluations policy and procedures.
- (d) for open method:
- (i) the risk assessment carried out in accordance with the procurement policy;
 - (ii) the terms of reference or specifications for the goods, services or capital works being tendered;
 - (iii) the evaluators of the tenders;
 - (iv) estimated cost and confirmation of funding;
 - (v) tender evaluation criteria and associated weighting of each evaluation criteria (refer to engagement policy for the information of the evaluation criteria);
 - (vi) expected timeframes of the tender evaluation process;
 - (vii) a draft tender advertisement in accordance with the evaluations policy and procedures.
- (e) for secondary method:
- (i) confirmation the market has been tested and panel of vendors established;
 - (ii) the risk assessment carried out in accordance with this procurement policy;
 - (iii) the terms of reference or specification for the goods, services or capital works being tendered;
 - (iv) the evaluators of the tender;
 - (v) estimated cost and confirmation of funding;
 - (vi) tender evaluation criteria and associated weighting of each evaluation criteria (refer to engagement policy for the formulation of the evaluation criteria);
 - (vii) expected timeframes of the tender evaluation process;
 - (viii) a draft tender advertisement in accordance with the evaluations policy and procedures.

Process after initial approval (emergency and direct procurement)

- 3.4 Where approval is given for the award of a contract by direct or emergency procurement, the staff member must immediately proceed to notify the vendor and commence negotiations in accordance with the engagement policy and procedures.

Process after initial approval (closed, open and secondary tender)

- 3.5 Where approval is given under a closed tender, the staff member must proceed to invite bidders from the predetermined list of preferred vendors.
- 3.6 Where approval is given under a secondary tender, the staff member must proceed to invite bidders from the established panel of vendors.
- 3.7 The evaluation of tenders must be in accordance with the evaluations policy and procedures.
- 3.8 Where approval is given to undertake an open tender, the staff member must proceed to advertise and evaluate the tenders in accordance with the evaluations policy and procedures.
- 3.9 Once the evaluation process has been concluded, the staff member must submit a request in writing to the authorised signatories for approval of the nominated vendor.
- 3.10 Where approval is given, the staff member must immediately notify the successful vendor and commence negotiations in accordance with the engagement policy and procedures.

4 Ex-post publication and contracting

- 4.1 Publication of tender information should consider requirements of the International Aid Transparency Initiative (IATI), which ensures protection of fundamental rights and commercial interests of the Secretariat.
- 4.2 Unless otherwise required by the donor funding a tender, tenders must be published on the Secretariat's website and other national and international publication and media sources as may be required by the donor.
- 4.3 In line with IATI standards, the published information must include the names of the successful bidder and the purpose of the tender award, and it must be published within five working days of signing the contract with the successful bidder.
- 4.4 The Secretariat may waive publication of amounts of contracts awarded and contact details of the responsible staff member for commercial-in-confidence and security reasons.
- 4.5 Unsuccessful bidders must be notified and thanked for their participation in the tender process and the option for a debrief if requested by the unsuccessful bidders.
- 4.6 Once approval has been given, the responsible staff member must liaise with the Legal Team and the Procurement Team to conclude the relevant agreement with the successful bidder in accordance with the Engagement Policy and Procedures.

5 Contract Management

- 5.1 As per the engagement policy the contract manager's responsibility to ensure that a vendor adheres and delivers the deliverables within the millstones as per the contract.

Verification and Assessment of Goods, Services and Capital Works

- 5.2 When verification and assessment of invoices has been completed by the procuring staff member or team and submitted to the Procurement Team for processing along with any supporting documents.
- 5.3 Procurement Team will verify invoices and supporting documents in particular the cost on the invoice is within the contractual milestones and estimated price on the contract and purchase order.
- 5.4 An Interim Payment Certificate (IPC) will be prepared by the Procurement Team and sent to Finance Team for payment processing.

Settlement of Contract Payments

- 5.5 The Finance Team must ensure the IPC has been signed off and documents are in order and will make payment to the vendor.
- 5.6 Where the conditions under 5.5 are not satisfied, a copy of the IPC must be referred to the procurement team or to the procuring staff member or team for follow up action.
- 5.7 Finance team to ensure that when a payment is made that payment advise is sent to procurement, vendor and procuring staff member or team.

6 Successful Bidder Performance Management

- 6.1 The Secretariat adopts a risk approach to vendor management. The level of scrutiny required for a vendor will depend on the type of vendor relationship and the level of risk to the Secretariat. A significantly higher level of scrutiny is required for a vendor signing a contract resulting from a Request for Proposal than for a vendor engaged in low-volume, low-level shopping activities.
- 6.2 The Secretariat will monitor and report on the performance of its vendors. Good monitoring of contract performance anticipates and facilitates correction before the Secretariat's relationship with the vendor is affected and before value for money is compromised.
- 6.3 The Contract Manager will provide feedback on the vendor's performance to the Procurement Team, and the Procurement Team will share this information with other potential procuring sections.

7 SPECIFIC DIRECTIVES

- 7.1 Notwithstanding any clause in this procedure, the Secretary General at any time may at their discretion where the procedure is silent or ambiguous make a judgment call, provided that the minimum requirements and standards in the policy are met.
- 7.2 Notwithstanding any clause in this procedure, the Secretary General at any time may at their discretion deviate from this procedure should the circumstances deem necessary, provided that the minimum standards in the policy are met.
- 7.3 A staff member who is delegated authority under the Delegation Policy 2021 will be able to exercise powers within the scope granted.

DEFINITIONS

This section is used to describe the meaning of a word, phrase, acronym or other set of symbols that is being used in the context of this procedure and must be read in conjunction with related governance instruments.

Capital Works means either the construction or design of building or civil engineering works.

Complaint means an expression of dissatisfaction, issue or concern expressed by relevant interested party in relation to the procurement process.

Emergency means an event or situation:

- (a) Which may give rise to immediate risk to life, property or equipment or
- (b) Where standards of public health, welfare or safety have be re-established without delay

Goods means all items of movable property including computer software and publications

Poor Planning means the inadequate allocation of time and attention to a task under this policy that could reasonably be foreseen and actioned in advance, relative to that staff member's expected capabilities.

Request for Tender means an invitation to others to make an offer or proposal for the supply of goods or services, which is made in order to attract tender responses.

Services means any technical advice, technical assistance, studies or consultancies.

Threshold Value means the value to be applied on the anticipated total expenditure, accumulated over the total term of the contract, in Fijian Dollars and inclusive of VAT. If the term is unspecified then a nominal term of three years is to be used for calculating the Threshold Value.

Vendor means an individual or entity, who provides goods and/or services for a price to customer.

REVIEW

This procedure shall be reviewed periodically after the effective date.

HISTORY

Approved:	12 th November 2021
Effective:	12 th November 2021
Authorisation:	Acting Secretary General – Dr. Filimon M Manoni

RELATED DOCUMENTS

Secretariat's Code of Conduct and Values 2018
Delegations Policy 2021
Engagement Policy 2021
Evaluation Policy 2021
Enterprise Risk Management Policy 2021
Personal Information Protection Policy 2021

REPEALS

Procurement and Tendering Policy and Procedure 2014 PTG-01-14