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SRP PROCUREMENT POLICY

1. PURPOSE AND SCOPE

- 1.1. This Procurement Policy applies to all acquisitions of goods/services by SRP eV. Not all purchases need to go through a formal tender process but will remain subject to this Procurement Policy.
- 1.2. The Policy may be shared with potential suppliers, funders, and external partners, and incorporated into any resulting contractual relationship.
- 1.3. The Policy shall be reviewed annually against spend/relevant contracts to ensure value for money, support and efficiency is maintained across procurement processes.

2. PROCUREMENT GUIDELINES

- 2.1. SRP procurement shall follow the fundamental principles of procurement: transparency, integrity, economy, openness, fairness, competition, and accountability, and shall aim to attract the widest and diverse pool of applicants as possible and appropriate.
- 2.2. The organisation submitting a bid shall be in full compliance with all relevant laws and regulations, and also be consistent with socially responsible, diversity and ethical business operations and practices.
- 2.3. Selection should be based on transparent and objective criteria.
- 2.4. The Secretariat will be responsible for managing procurement processes, drafting payment requests including verification of banking transaction details, and submission thereof to the Executive Director for review and further action.
- 2.5. Before procuring goods or services, the following questions should be considered:
 - Solvency requirement: any planned expense can only be approved if available liquidity covers all existing obligations (contractually bound resources including staff costs, rent, running costs, etc.) plus a 20% buffer.
 - What is the anticipated timeframe between date of request and date when the goods or services (deliverables) will be needed?
 - Have technical and financial evaluation criteria been agreed to allow comparison of cost-effectiveness among competing quotes?
 - If a specific vendor is to supply goods or services, has a waiver been issued to justify sole procurement?
 - Any reputational risks or actual, potential, or perceived conflicts of interest?
 - Value: the price of goods or services and authorization limits are exclusive of VAT.

- 2.6. Calls for proposals should normally be open and widely advertised. In some cases, a more targeted approach (whereby a few possible applicants are directly contacted) may be taken if authorized by the Finance Manager, who will keep a list of such approvals and the reasons for the approval.
- 2.7. Offers or tenders received from applicants are strictly confidential to SRP and should not be shared with potential or actual applicants to ensure fair and unbiased competition. The results of any offer or tender may be shared directly with the applicant only, including a summary as to why they were not selected.
- 2.8. Contracts must not be artificially split in order to avoid the implications of another procurement process category.
- 2.9. Documentation of all decisions and retention of all procurement records are required to document a full audit trail.

3. VENDOR SELECTION

- 3.1. SRP only partners with suppliers, vendors or consultants that can attest they respect and comply with all applicable health, safety, environmental, employment and fiscal regulations.
- 3.2. Proposals up to the value of €5,000 shall be assessed by the Executive Director who may at his discretion invite additional assessors from the Secretariat, Board or Technical Committee at his/her discretion. Proposals from vendors and consultants with a value exceeding €5,000 shall be assessed/interviewed by a panel of at least 3 individuals including the Executive Director, Finance Manager and invited domain expert(s) from the Secretariat or Board. A simple majority decision is required to make the appointment.
- 3.3. Contract award shall be subject to a Vendor Declaration (Appendix 2) relating to children's rights, diversity, environmental and sustainability issues together with proof of status and financial details.
- 3.4. Conflicts of interests that may arise in the context of a possible or ongoing vendor/consultant relationship should be immediately raised with the Executive Director. Similarly, any member of an SRP assessment or interview panel is required to declare any potential of actual conflict of interest concerning his/her relationship with any candidate, whether personal, family, or business-related. The Executive Director will make a judgement on whether the conflict merits exclusion of a particular supplier, vendor, consultant, or interviewer/assessor and ensure that the conflict is recorded in the SRP Conflict of Interest Register.
- 3.5. Suppliers who meet the specified criteria and have a track record of delivering cost-effective services to SRP should be included on a 'preferred supplier list' to be maintained by the Secretariat. All exceptions should have prior approval by the Executive Director. The Preferred Supplier list will be reviewed annually by the Finance Manager.
- 3.6. For individual consultancy contracts, at least 2 satisfactory references must be provided.
- 3.7. All external vendors and individual consultants must sign a Non-disclosure Agreement and Conflict of Interest Declaration before award of the contract.

- 3.8. Unsuccessful applicants must be notified as soon as possible, while taking care to maintain confidentiality vis-à-vis other applicants, including the identity of the successful applicant.

4. PAYMENT AUTHORIZATION AND EXECUTION

- 4.1. All planned expenditures must be categorized (Categories A-C in Appendix 1: Procurement Process and Authorization) and must be assigned an approved budget line.
- 4.2. Payment requests and supporting documents shall be prepared and verified by the Secretariat for review and approval by the Executive Director (and other authorizing persons, as per Appendix 1).
- 4.3. All signatories to the Payment Request are responsible for verifying the accuracy of transaction details before affixing their electronic signature in approval on the Payment Request form.
- 4.4. Payments may only be executed when fully authorized via a duly signed Payment Request form.
- 4.5. Execution of all payments shall be made online by the Managing Director, SRP Services Co Ltd. (MD SRPS). If not available or in case of potential conflict of interest, the Executive Director or Treasurer (as additional authorized bank signatories) may solely execute approved transactions.
- 4.6. 3 online signatories are registered to access the Volksbank account (ED – TR – MD SRPS)
- ED: Executive Director
 - TR: Treasurer
 - MD SRPS: Managing Director, SRP Services Co., Ltd.
- 4.7. The MD SRPS is responsible for securing confirmation of receipt of funds by the payee and for coordinating with relevant parties in regard to any issues or delays arising, and in filing full documentation to ensure integrity of audit trail for all transactions.
- 4.8. No distinction is made between operational and capital expenditures. All capital expenditures and asset purchases shall be recorded in an inventory of assets.

5. EXCEPTIONS TO COMPETITIVE BIDDING

- 5.1. The exceptions to the standard procurement process are as follows:
- Sole source procurement
 - Transitional costs/best interest procurement
 - Contract extension
 - Urgent procurement
- 5.2. The requirements relating to each exception are set forth below:
- 5.2.1. **Sole source procurement:** For sole source procurement, the authorizing person(s) must provide justification there are no competing vendors or sources for the procurement item. Circumstances in which a sole source procurement award may be justified include procurements for:
1. A procurement item for which there is no comparable product or service, such as a one-of-a-kind item available from only one vendor (e.g. subscriptions to certain online services/software).
 2. A component or replacement part for which there is not commercially available.

substitute, and which can be obtained only directly from the manufacturer.

3. An exclusive maintenance, service, or warranty agreement.

5.2.2. **Transitional costs/best interest procurement:** For transitional costs/best interest procurement, the authorizing person(s) must provide justification to show that transitional costs are a significant consideration in selecting the procurement item, that switching costs are unreasonable or cost-prohibitive and that awarding the contract without engaging in standard competitive bidding process is in the best interest of SRP.

'Transitional costs' refers to costs of changing from an existing provider of, or type of, a procurement item to another provider of, or type of, procurement item, including training costs, conversion costs, compatibility costs, costs associated with system downtime, disruption of service costs, staff time necessary to implement the change, installation costs, and ancillary software, hardware, equipment, or construction costs.

5.2.3. **Contract extension:** *The authorizing person(s) may extend an existing contract without engaging in competitive bidding. However, a contract extension must be justified including a thorough performance evaluation.*

5.2.4. **Urgent procurement:** Notwithstanding any other policy regarding procurement, the authorizing person(s) may authorize with appropriate justification an urgent procurement without using a standard procurement process if the procurement is necessary to mitigate circumstances that create harm or risk of harm to SRP or its members or mitigate potential legal liability. Urgent procurement should be considered only on an exceptional basis and limited to a maximum of two occurrences per year.

5.3. Approval of the above exceptions shall be made at one level above the authorizations stipulated in this policy for the respective procurement categories (A-F), up to Board level.

6. **CONTRACT MANAGEMENT**

6.1. All contracts, including amendments, purchase orders, and other contractual documentation should be kept by the Finance Manager and Managing Director, in accordance with SRP archiving and record-keeping requirements.

6.2. Any relevant feedback regarding performance, including possible breaches, should be notified in a timely fashion to the Executive Director and/or Finance Manager, in order to enable appropriate remedial action.

7. **SRP CREDIT CARD AND DIRECT DEBITS**

7.1. Use of the Volksbank corporate Visa Credit Card against the SRP eV. Volksbank account under the name of the Executive Director is restricted to payments where only credit card payments are permitted, (e.g. for online subscriptions and other recurring payments). Transactions are subject to the same authorization rules as regular transactions and are reconciled against monthly statements.

7.2. Recurring direct debit payments from the Volksbank account are authorized based on the estimated annual total amount, and subject to the same authorization processes as other transactions.

Appendix 1: Procurement process and approval requirements

Status	Category	Amount (€)	Procurement process	Approval	Notes
Budgeted	A	0 < 5,000	<ul style="list-style-type: none"> • TORs to be approved by ED • Min. 1 proposal or quotation from supplier required • Evaluation by ED • Managing Director, SRPS (MD SRPS) to prepare Procurement Request • Contract signed by ED or Office Bearer with clear, time bound deliverables • Managing Director, SRPS (MD SRPS) to prepare Payment Request 	ED to approve Procurement and Payment Requests	Comparative analysis of proposals not required
	B	5,000 -25,000	<ul style="list-style-type: none"> • TORs to be approved by ED • Secretariat issues call for Expressions of Interest based on TORs • 3 technical / financial proposals / quotations required • Secretariat prepares comparative analysis matrix with justification for preferred supplier • Selection decision by panel (ED + 1 other Office Bearer and others as agreed) • Managing Director, SRPS (MD SRPS) to prepare Procurement Request • Contract signed by ED following TORs (minor amendments permitted) • MD SRPS to prepare Payment Request based on contract terms 		Selected proposal need not necessarily be the lowest cost, but must be demonstrably the most cost-effective
	C	>25,000	<ul style="list-style-type: none"> • As for Cat. B, with additional requirement for approval of selection decision by Board resolution 		
Not budgeted	D	< 5,000	<ul style="list-style-type: none"> • 1 proposal or quotation from supplier 		
	E	5,000 - 25,000	<ul style="list-style-type: none"> • Proposal to be approved by ED + 1 Office Bearer • No unbudgeted expenditures > 25,000 permitted 		
<p>* The ED may not authorize expenditure pertaining to him/herself, except in the case of reimbursement of minor expenses below €1,500. For amounts above €1,500, authorization is required by 1 Office Bearer.</p>					

Appendix B: SRP Vendor Declaration

As part of SRP's commitment to following the principles contained in the SRP Code of Conduct, we expect our business partners to follow comparable standards in their conduct. Our expectations are set out in this Vendor Declaration, which all SRP vendors are contractually obliged to follow.

Compliance with laws and adherence to generally accepted standards

As a vendor to SRP we will:

- Comply with applicable laws and regulations, including relevant anti-corruption legislation.
- Operate in accordance with generally accepted principles and standards relating to social and environmental responsibility, and internationally recognized human rights including laws preventing modern slavery.

Anti-bribery and anti-corruption

As a vendor to SRP we will:

- Not partake in any form of corruption or bribery and ensure that business decisions are not influenced through any improper or illegal payments either through cash, gifts, travel or anything of value including intangible benefits.
- Refrain from presenting any invitations or gifts, or anything of value above €30, to SRP employees with an intention to gain any form of influence.
- Disclose to SRP any requests or pressure to provide bribes (any kind of benefit) in any form, either to public officials or any other parties, directly or indirectly, that may try to influence or provide an unfair business advantage.

Books and records

As a vendor to SRP we will:

- Maintain complete records that accurately reflect all business transactions and expenditures, prepared in accordance with applicable laws and regulations, and facilitate open access to such records to SRP.

Conflicts of interest

As a vendor to SRP we will:

- Avoid situations where our own interests conflict, or could conflict, with the business interests of SRP.
- Notify SRP without delay, if we become aware of a conflict of interest, including if a SRP employee has a financial interest in our company or is related to our company in any other way, such as a result of economic or political interest, family connection, or any other relevant connection or shared interest.

Sub-contracting

As a vendor to SRP we will:

- not assign, transfer or sub-contract of any part of work required under this contract to any third party without SRP's prior written authorization.

Taxes

As a vendor to SRP we will:

- Be responsible for any and all taxes, charges and other levies incurred in relation to compensation or other payments received from SRP.

Protection of assets and information

As a vendor to SRP we will:

- Contribute to safeguarding SRP's assets from theft, misuse or waste.
- Take all appropriate measures to protect and ensure confidentiality of all SRP data and information that is made available to us except that which is already in the public domain.

Anti-competition and economic and trade sanctions

As a vendor to SRP we will:

- Not engage in any activities that could reasonably be construed as being anti-competitive, abusive or unfair, and comply with applicable anti-trust and anti-competition laws and regulations.
- Comply with laws and regulations governing the export or import of goods, products and services, and those relating to economic and trade sanctions, and anti-boycott.

Insider trading

As a vendor to SRP we will:

- Avoid insider trading by not buying or selling SRP or another company's securities when in possession of insider information about SRP that is not available to the investing public, and that could influence an investor's decision to buy or sell the security.

Employees

As a vendor to SRP we will:

- Provide for safe workplaces that comply with international labour standards.
- Ensure fair employment practices, and refrain from any form of unethical or illegal employment practices (such as harassment or physical assault, any form of slavery, servitude and forced or compulsory labour including, but not limited to, child labour).
- Promote diversity in the workplace, and not discriminate against employees on the grounds of their ethnicity, gender, sexual orientation, religion, ideology, disability or age.

- Assure the rights of association and collective bargaining and provide employees with written agreements of employment, as governed by local legislation.
- Ensure that wages, working hours, vacation and leave periods provided to employees and hired external contractors are in accordance with applicable law and/or agreements.
- Adhere to all applicable data protection laws.

Child labour

As a vendor to SRP we will:

- not engage in any practice inconsistent with the rights set forth in the Convention on the Rights of the Child. The minimum admission to employment or work shall not be less than the age of completion of compulsory schooling, where the local law of the country permits, deferring to the greatest age. Additionally, all young workers must be protected from performing any work that is likely to be hazardous or to interfere with the child's education or that may be harmful to the child's health, physical, mental, social, spiritual or moral development. All suppliers should also adhere to legitimate workplace apprenticeship.

Environment

As a vendor to SRP we will:

- Conduct our operations safely and minimize the environmental impact of our business activities.
- support a precautionary approach to environmental matters, undertake initiatives to promote greater environmental responsibility and encourage the diffusion of environmentally friendly technologies implementing sound life-cycle practices.
- Comply with all applicable environmental legislation.

Communities

As a vendor to SRP we will:

- Respect the local community and seek to prevent and mitigate any adverse impacts on local communities.

Harassment, harsh or inhumane treatment

As a vendor to SRP we will:

- Create and maintain an environment that treats all employees with dignity and respect and will not use any threats of violence, sexual exploitation or abuse, verbal or psychological harassment or abuse. No harsh or inhumane treatment coercion or corporal punishment of any kind is tolerated, nor is there to be the treat if any such treatment.

Human rights

As a vendor to SRP we will:

- Support and respect the protection of internationally proclaimed human rights and to ensure that they are not complicit in human rights abuses.

Terrorism

As a vendor to SRP we will:

- warrant that we or our employees and subcontractors, are engaged directly or indirectly in terrorism, or in the finance or support to terrorists. Further, we warrant that neither we nor our staff, nor any other recipients of funds from the supply of goods or services to SRP, are listed in any sanctions list maintained by the United Nations Security Council; the United States Department of the Treasury, Office of Foreign Assets Control; or the European Union. Should the supplier, its staff, or other recipients of funds.

Material compliance and conflict minerals

As a vendor to SRP we will:

- Ensure that goods and materials provided to SRP are not sourced in illegal or unethical ways.
- Confirm implementation of appropriate due diligence measures for responsible sourcing of minerals to ensure compliance with relevant regulations.

Monitoring and evaluation

As a vendor to SRP we will:

- Coordinate for SRP conduct on-site evaluations and inspections to review our progress towards these principles. We understand that SRP may monitor the milestones have been set and management systems have been put in place to ensure that the principles set out in this Code of Conduct have been met and failure to do so may impact the future ability of doing business with SRP.

Standards towards our own Vendors

As a vendor to SRP we will:

- Require our own vendors and subcontractors to adhere to the principles set forth in this Vendor Declaration.
- Systematically include and follow up on these obligations in our business relationships with them.

Compliance Standards

We confirm our understanding of, and compliance with, the following SRP Policies and Guidelines:

- Anti-Corruption Policy
- Safeguarding Policy
- Equality, Diversity and Inclusion Policy
- Privacy Policy
- Confidentiality Policy
- Whistleblowing Policy
- Anti-Trust Policy
- Due Diligence Policy



By signing this document, you confirm that you will fulfill the requirements in this Vendor Declaration. To the extent you are unable to provide supporting documentation, you confirm your willingness to start a process of documenting your performance against these requirements.

SRP reserves the right to request further self-declarations, certifications or to take any other reasonable action as contractually agreed where there may be concerns.

In cases of concern or, if you become aware of any inappropriate action by SRP personnel, you are encouraged to report these to the SRP Reporting Line via grievances@sustainablerice.org

Declaration signed by Vendor:

Vendor name:

Registered address:

Signatory name:

Signatory Job title:

Place, Date

Signature

Short-term Consultancy Agreement



"Feed the world. Sustainably."

Ref: FA-261023-ED-EN-027

ANNEX C: CONSULTANT BANK DETAILS

Name :

Address :

Phone :

E-Mail :

BANK DETAILS:

Beneficiary Bank :

Beneficiary Name :

Beneficiary Account No. :

Currency of the bank account :

IBAN No :

SWIFT Code :

Bank Address :

Signature :

(Consultant)