



PROCUREMENT POLICY 2022

Approved by the Board of Twaweza East Africa

Revised in April 2023

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Definitions:

“Annual Procurement Estimate” APE is a document detailing all Twaweza required goods, works and services that are to be procured in a year. It includes estimated budget, methods to be considered, and timeframes.

“Bidder” means a person/firm/company submitting a proposal in response to an invitation to bid.

“Budget Holder” means staff member usually a manager, who is vested with authority, and is responsible for the day to day management of a unit/department and its entire budget.

“Consultant” means a firm, company, corporation, organization, partnership or an individual person engaged in or able to be engaged in the business of providing professional services.

“Consultancy Services” means intellectual and advisory solution in a particular field, and such services are provided by a professional and expert in the field.

“e-procurement” means the use of Information Communication Technology by Twaweza in conducting procurement processes.

“Goods” means raw materials, products, equipment, and other physical objects being in solid, liquid or gaseous forms.

“Invitation to tender” is the initial step in competitive tendering, where suppliers are invited to provide proposals for supply of good, works, service or disposal of assets.

“Non-Consultancy Services” means activities that do not need technical expertise. For example, cleaning, sanitation, gardening, etc.

“Procurement”: means the management business function of an Organization that involves every activity in buying, leasing, renting the goods, works and services it needs to support its daily operations; including setting specifications, invitation of tenderers, selection, negotiating terms, contracting, receiving and inspecting goods as necessary and keeping records of all the steps in the process.

“Purchase Order (PO)” means an official document issued by Twaweza to a supplier to deliver specific goods, works or services with all details of the purchase. Once accepted it represents a legal commitment between Twaweza and the supplier.

“Procurement process” means consecutive stages in the procurement cycle. It involves, planning of procurement, choice of procedures and measures to solicit offers from tenderers, evaluation of offers, award of contract and the management of contracts.

“Preferred Supplier” means a supplier who has a pre-qualified agreement to provide goods or services to Twaweza, usually for one year.

“Preferred supplier List” means a database of suppliers prequalified by the procurement committee with whom Twaweza can transact without requesting quotes from other suppliers.

“Purchase Request Form (PRF)” means an internal document used to request for goods, works, or services or dispose of assets. The user will use a requisition form to clearly describe what needs to be procured and why it is necessary.

“Quotation” means a formal statement of promise (usually submitted in response to a request for quotation) by potential supplier to supply the goods or services required by a buyer at specified prices and within a specified period. A quotation may contain terms of sale and payment and warranties.

“Request for Quotation (RFQ)” means, to ask a set of potential suppliers or service providers to submit their price quotations in order to have a chance to supply or provide goods, services or dispose of asset. This is considered when Twaweza knows of the exact goods, works and services required and therefore want to know of the price.

“Request for Proposal (RFP)” means a document that solicits proposal, often made through a bidding process by a company or organization interested in procurement of a commodity, service or valuable asset, to potential suppliers to submit business proposals. It is used when what is to be procured is more complex and detailed and there are a number of variables to evaluate. At some instances, all specifications may not be known to the user department and/procurement at the initial stage.

“Sole Provider” mean only one supplier can supply the goods/services, and no one else can.

“Single Source Purchases” means seeking RFQ or RFP for procurement of goods, works or services from only one supplier/consultant even where there are many suppliers/consultants who could offer similar goods, works or services.

“Supplier” means individual person, corporation, partnership, organization, company supplying goods works or services.

“Works: means all activities associated with construction, reconstruction, repair of building, structure, road or any other civil works.

INTRODUCTION

1.1 Status

Twaweza East Africa is a registered non-governmental organization with registration number 00NGO/R2/000422. Twaweza East Africa was originally incorporated in Tanzania under the Companies Act, No. 12 of 2002 as a company limited by guarantee and not having share capital. Following the amendments to Tanzania's Companies' Act, 2002 which required all Companies limited by guarantee that are not promoting commerce, trade and investment to register under the NGO Act, 2002, Twaweza East Africa acquired its status as a non-governmental organization on 21 August, 2019.

Prior to being an independent legal entity, Twaweza was an initiative to promote citizen involvement and public accountability in East Africa which was hosted by Hivos Tanzania Limited up to 31 December, 2014. Thereafter, Twaweza signed an oversight and guidance agreement with Hivos Netherlands which authorized them to monitor Twaweza activities until 30 April, 2019.

1.2 Purpose of the policy

To enable Twaweza East Africa to procure quality goods, works, and services at the most competitive price, ensuring value for money in a manner that is efficient, effective, transparent, accountable and consistent with best business practices. This policy articulates the guiding principles, roles, authority levels, and main procedures to be used in procurement processes at Twaweza East Africa.

To guide procurement officials, user departments and any other persons who are directly involved in the procurement to obtain goods, works or services (consultancy and non-consultancy) at the right quality and quantity, at the right time from the right suppliers efficiently to ensure value for money.

To help have a common understanding in the procurement processes to ensure consistency in Twaweza's procurement process. Lastly, to establish an inclusive atmosphere that will ensure equal opportunity and fair treatment of all prospective suppliers, contractors or consultants.

To ensure consistency and clarity on the procurement process and in contract management

Note:

For partnership identification, selecting and engagement, responsible unit shall be guided by partnership policy. However, should the relationship involves procurement of goods, works or services, Twaweza shall consider the procurement policy as per context also stipulated under partnership policies.

Asset disposal process is explained under asset management policy, which is separate from the procurement policy. But procedures for disposal shall follow procurement principles and process as stipulated in the asset management policy.

1.3 Scope and compliance

All staff are required to adhere to the policies, and to conduct themselves in a way that align with the principles of Procurement. All procurements must be undertaken in the best interest of Twaweza. Specifically:

- All procurements must be efficient and effective to achieve best value for money

- Introducing best practices in procurement in order to avoid overdependence with already existing supplier. Where practical (e.g. quote is slightly higher upto 5% of the competitive quote and it is within budget), this may include selecting small and medium scale suppliers including those led by women, youth or individuals with disability provided they meet minimum requirements.
- Adhering to all government and authority regulations
- Managing internal and external relationship effectively.
- Encouraging use of technology to support efficiency in procurement of good, works and services
- Avoid and manage conflict of Interest, fraud and corruption
- Increasing transparency, accountability, integrity, fair dealing and competitiveness

1.4 Procurement Management:

This is the art of maintaining a good balance between three most important components of the procurement process; that is quality of products, cost for the acquisition and delivery schedule. A good fit shall ensure Twaweza's operations run efficiently and effectively.

1.5 Guiding Principles of Procurement:

All procurement at Twaweza East Africa shall be guided by the following key principles:

- **Cost effectiveness/Value for money:** Twaweza East Africa shall obtain quality and reliable goods and services at the most competitive, quality conscious price. Competitive and independent quotes shall be solicited when more than one service provider is available, and offers and tenders shall be reviewed objectively and impartially. Procurement process shall be done on time, and with less resources. All persons responsible for procurement shall ensure an active process involving an in depth understanding of requirements, identifying the right supplier as per set requirements, periodically evaluating supplier performance and negotiating contracts that can provide the highest value at minimum cost. There shall be a relationship between deployed resources and the realized output. It is about the effectiveness and efficiency of the goods and services.
- **Transparency and documentation:** Procurement processes including decisions made shall always be transparent. Price comparison forms shall be used to ensure that Twaweza East Africa obtains competitive prices in the most transparent way. Procurement documentation such as an invitation to tender, quotes, tenders, evaluation records, final decisions, contracts as well as the payment voucher (PV) and all supporting documents shall be well kept for future reference. All documentation shall be properly file in secure places for a period of not less than seven (7) years.
- **Non-discrimination and fairness:** Twaweza East Africa is an equal opportunity organization and shall not discriminate against service providers on the basis of race, ethnicity, age, sex, sexual orientation, marital status, origin, disability, creed, political belief, religion or HIV status in procuring any product or service. Procurement from any service provider who is related to a Twaweza East Africa employee or director should generally be avoided and, in all cases, fully disclosed, and the employee concerned shall absent himself/herself from the procurement

decision process. Throughout the procurement cycle, all persons shall ensure reasonableness and impartiality in any action and decisions reached. It also means that Twaweza believes and promote that time to respond to a bid should be reasonable enough to enable the bidder prepare and submit quality proposal that sufficient aligns to the requirements. Similarly, all suppliers shall be treated equally, and that all bids shall be evaluated using the same criteria. Twaweza shall apply relevant procurement method as per policy for securing quotes, ensuring fair treatment to all service providers during the entire process. However, where practical, Twaweza shall consider affirmative actions in order to observe and adhere to gender, equity and inclusion principles in its procurement process.

- **Zero Tolerance for Corruption:** Twaweza East Africa shall exercise zero tolerance for corruption in all matters, including procurement. No Twaweza East Africa employee or director may benefit or seek to benefit in any way whatsoever from any procurement. Any Twaweza East Africa employee or director who is offered any inducement, payment, gift or other rewards to influence the procurement process, or is aware of another employee being involved in the same, must report the matter immediately to the Executive Director (or the Board of Directors where it involves the Executive Director).
- **Accountability:** All persons involved in the procurement shall be responsible for the actions and decisions that they take in relation to procurement and resulting outcomes. Therefore, they shall seek to ensure that both the letter and spirit of the procurement policy is adhered to. The officer responsible for procurement shall exercise prime responsibility in ensuring that procurement is consistent with these principles and regulations. In addition, the Finance Manager shall exercise due scrutiny to ensure procurement is consistent with Twaweza East Africa Policies and Regulations before an order is placed (where this is necessary) and/or payment is made. All procurement decisions and documentation shall be subject to scrutiny during both internal and external auditing processes.
- **Credibility/Integrity:** Twaweza East Africa shall only procure its requirements from eligible and credible service providers, contractors and consultants. On the other hand, bidders and all other stakeholders need to have assurance that they can rely on information disseminated by Twaweza. The integrity of the procurement process assures confidence in the process.
- **Integration and e-procurement:** Twaweza shall promote and ensure that procurement is conducted in a manner that reduces administrative tasks through the use and adaption of new technology and automated processes.
- **Confidentiality:** Twaweza staff must handle confidential information with due care and proper consideration of ethical and legal ramifications and governmental regulations. Twaweza Staff shall not disclose the prices, outcome of the evaluations, or any other terms/conditions quoted by other supplier or internal processes without prior approval. All staff responsible with procurement shall ensure efficient and effective written communication in all procurement matters to suppliers.
- **Efficiency and effectiveness:** Timely procurement process that involves in-depth understanding of requirements by all parties, identifying the right supplier in a timely manner, and negotiating

contracts that can provide the highest value at minimum cost. It also includes periodically evaluating supplier performance.

All staff shall abide and promote the key procurement principles throughout all actions and decisions taken in relation to procurement.

Annual Procurement Estimate (APE)

2.1 A procurement Estimate:

APE is a document detailing all Twaweza required goods, works and services that are to be procured in a year. It includes estimated budget, methods to be considered, and timeframes. Procurement unit shall work with user units in developing the APE using the designated template attached as annex A. The APE shall be completed by end of January each year. And it shall be aligned with the respective Annual Plan. The planning process involves the identification and consolidation of requirements, establishment of appropriate method for each procurements, and timeframe. This is considered as the initial stage of the procurement cycle (identification of required goods, works and services). Procurement planning is about: what is required, quantity, quality, source or where to get it from, how to acquire it and by when.

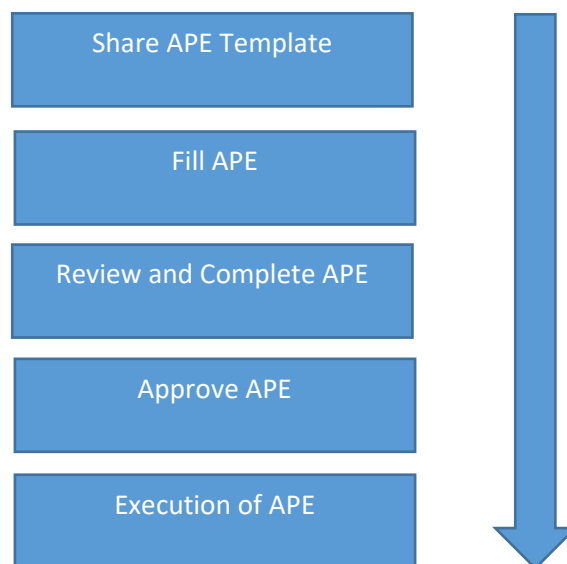
2.2 Importance of APE

Annual Procurement Plan is an important tool in procurement because of the following reasons:

- Enhance transparency and predictability
- To aggregate requirements in order to obtain value for money
- To avoid emergency procurement which is inefficiency (time and money).
- To ensure that all procurement stages are schedules, hence efficiency
- To facilitate monitoring and effective fund management.
- To allow early identification and resolution of potential problems.

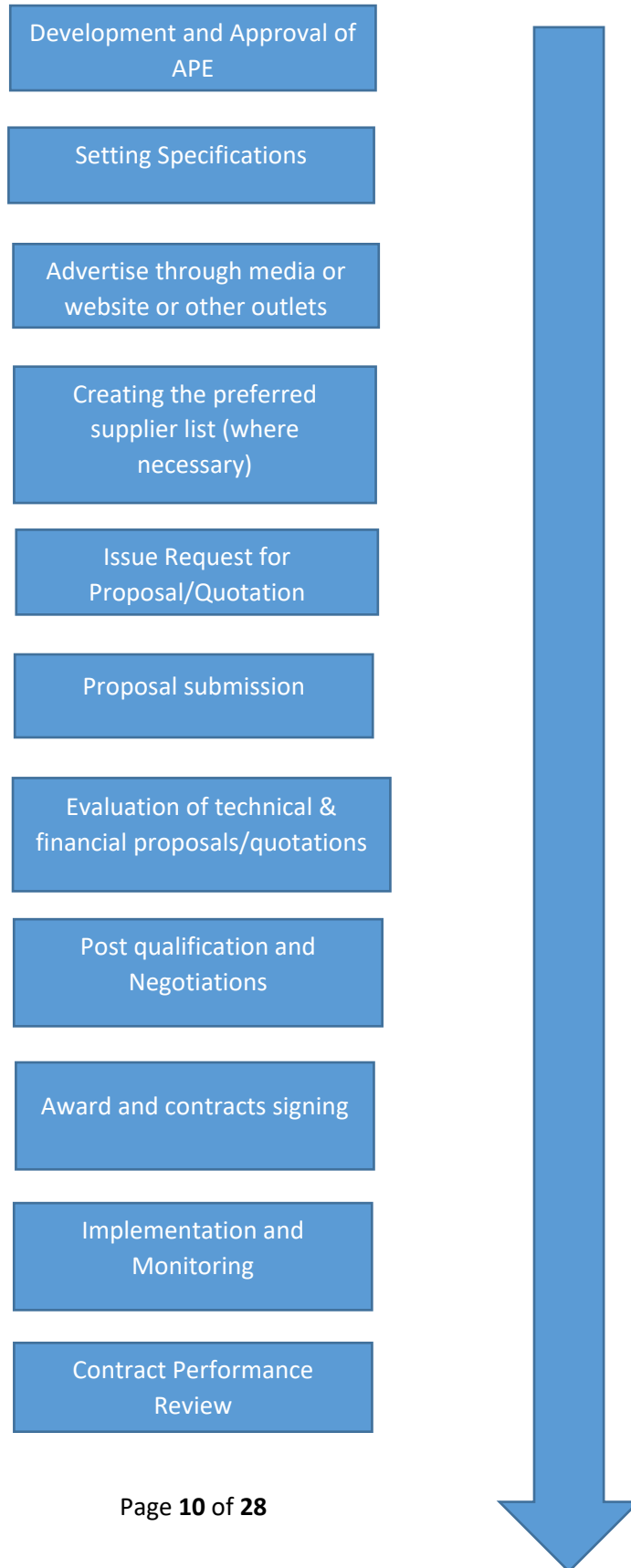
An approved APE can be adjusted during Mid-term Review. However, where it is found to be necessary it can be adjust at any other time, provided that the reasons for the adjustments are communicated in writing and are approved by the respective Director or the Executive Director as the case may be. Reasons that might lead to adjustment of approved APP are: shortage of funds, a decision to suspend a certain activity for which the goods/services were planned for, delays in obtaining necessary approvals for the activities e.g research permit, failure of suppliers to execute the contract as per agreed terms and conditions, necessitate rebidding.

PROCUREMENT PLAN WORK FLOW



2.3 Procurement process in a 'nutshell'

The following diagram illustrates the procurement process from advertising of requirements to award and signing of contract.



Methods of Procurement

3.1. Selection of procurement method

The selection shall depend with the nature of goods, works or services to be procured, the value or the amount of expenditure involved, critical date/time of delivery, need for economy, interest to attract wide range of suppliers (competition), source of supplier, efficiency and transparency. Operations unit is responsible for deciding on method of procurement as guided by the policy. Should there be an exceptional case, or the need to consider a different method outside what is stipulated in the APE, the Ops Manager liaising with respective user unit, shall establish the rationale, and request an approval from the Executive Director.

3.2 Table that guides on procurement method and set threshold:

No.	Threshold	Procurement Method	Exceptions
1	Less than USD 3,000	Single source	Consider Competitive method: If new, sensitive or recurring.
2	USD 3,000 up to USD 75,000	Competitive quotation/tendering	Consider Single Source: Confidential/sensitive or sole provider/other justifications as per policy
3	Over USD 75,000	Competitive quotation/tendering	Consider Single Source: Confidential/sensitive or sole provider/other justifications as per policy

Before the procurement unit invites tenders for goods, works or services, it may consider pre-qualification, where potential suppliers are asked to share information about their services (e.g. company profiles, CVs) in order to establish their capabilities: resources, competencies in the area. The process shall be request for information (RFI), and shall be considered through a designated form.

Any of the following methods may be used by Twaweza during its procurement process depending on the goods or services targeted, as well as other factors as already stipulated above.

Competitive tendering: This is the most preferred method of procurement because it is transparent, economical and efficiency. Five (5) quotations or proposals are preferred in this method. However, a minimum of at least three (3) quotations or proposals shall be required.

In exceptional circumstances where a minimum of three (3) quotations have not been met and there is sufficient evidence of demonstrated efforts by the Operations Unit, the unit shall request an approval from the Executive Director to evaluate the received quotations/proposals and award accordingly. If none of the potential suppliers have met the minimum requirements a decision shall be reached on whether to: Call for a Joint Venture between potential suppliers to complement each other, re-adjust the specifications provided this arrangement does not compromise the quality of the expected activity or re-advertise widely within and outside the country.

Twaweza shall invite suppliers, service providers, contractors, or asset buyers to bid. The invitation to tender notice shall be developed by the respective unit and procurement unit. The advertisement to bid shall be shared within respective local country and tenderers shall be sourced within the country regardless of their nationality. Advertisement may or may not be posted on Twaweza's website or newspapers but shall be shared with pre-selected/ identified service suppliers as well as other networks as necessary.

International competitive tendering can be considered if there is a desire to attract tenders from a wide range, the required goods, works or services are unique and may not be readily available within the respective country. Bids shall be advertised within and beyond respective country, inviting tenderers regardless of their nationality. Advertisement shall be posted on at least one local newspaper and at least one international newspaper and on the procurement journal, the Twaweza website, shared with pre-selected/ identified service suppliers and through other networks as necessary.

Recurring purchases, Regular major purchases include (but are not limited to) stationery, printing, designers, and travel services. Twaweza shall solicit bids from at least three but ideally five service providers once each year. The Procurement department shall analyze the bids and recommend the best service provider to the Executive Director for approval. The best service provider that is awarded shall be in contract for a period not exceeding twelve (12) months. A particular supplier may be selected to a maximum of three (3) periods consecutively, that is, three (3) years only. However, if after sufficient efforts in sourcing for other suppliers (written justification and concrete documented evidence) still the supplier is found to be the best in the market in terms of price, service, and reliability, and staff are satisfied with the services, the Executive Director may waive this part in order to enable a further selection of the provider for another 1 year and up to another cycle of 3 years. Furthermore, for procurement of sensitive suppliers such as security services, health insurance, cleaning, and any other service that might fall in such parameters, Twaweza shall maintain their services as long as they continue to perform satisfactorily and staff are satisfied with their services or where it is decided otherwise by the Executive Director.

Procurement of artistic services: Artistic services such as design, illustration, film production etc. Twaweza shall maintain a list of known suppliers. For each new supplier, their portfolio shall be reviewed in advance (on a rolling basis as there are numerous providers). A record shall be kept denoting the work and the rate charged; based on the criteria agreed between the responsible department and Operations unit. This list shall be reviewed for future works and due regard will be given to their quality rating alongside price considerations during selection.

- **Restricted competitive tendering:** Twaweza may send tender document to a few tenderers if: they are pre-qualified, the required goods, works or services are specialized and can be obtained from limited number of specialized providers, urgency hence there is no sufficient time to reach many service providers and to evaluate many proposals, and the urgency was not caused solely by the organization, the need to achieve certain social objective, e.g. gender, inclusion etc.

- **Two stage tendering:** the request for proposal comprises of technical requirements, quality, or performance features of the goods/services. After the evaluation and any relevant discussion, which may include revised terms, shortlisted tenderers, are invited to submit revised set of terms and prices, which is now the second stage of tendering. The revised terms shall not include changing the main requirements but shall be limited to deleting or modifying any aspect of the technical requirements or evaluation criteria. It can also be adding a new feature that still conform to the requirements.
- **Single Source procurement:** this is when one supplier is requested for a quotation/proposal for a particular component, part or material even though there are other suppliers that can provide the same supply. Criteria for single source are:
 - The goods, works or services are available only from a particular supplier or contractor, or a particular supplier or contractor has exclusive rights in respect of the goods, works or services, and no reasonable alternative or substitute exists. Such services includes creative/artistic services.
 - Due to war, invasion, disorder, natural disaster or there is an urgent need for the goods, works or services, and engaging in tendering proceedings or any other method of procurement would therefore be impractical, provided that the circumstances giving rise to the urgency were neither foreseeable by the Twaweza nor the result of slow conduct on its part;
 - Twaweza, having procured goods, equipment, technology or services from a supplier or contractor, determines that additional supplies shall be procured from that supplier or contractor for reasons of standardization or because of the need for compatibility with existing goods, equipment, technology or services, taking into account the effectiveness of the original procurement in meeting the needs of Twaweza.
 - The limited size of the proposed procurement in relation to the original procurement, the reasonableness of the price and the unsuitability of alternatives to the goods or services in question.
 - It is a sensitive and confidential matter.
 - It is related with particular skills/expertise, research or experimenting on certain matters.
- **Micro procurement method:** simple and direct procurement method which shall be used for very low (petty cash level, Usd125) procurement requirements. Purchases are done directly from any shop by a procurement person or any other staff. The invoice shall have a note of the name of the staff who purchases the goods/services. Mode of payment shall be petty cash or imprest or other methods. The procuring person shall ensure value for money and shall not exceed the set threshold. All micro procured goods/services shall be reported to the Executive Director on monthly basis as petty cash report or as the case may be.

3.3. A Procurement Method and the Respective Schedule

S/no	Method of Procurement (goods/services)	RFQ Working Days(WD)	RFP Working Days(WD)
1	National Competitive tendering	5 – 10 WD	10 - 15 WD
2	International Competitive tendering	10 - 15	15 - 20
3	Restricted tendering	5 – 10	15 - 20

4	Two-stage tendering	5 – 10	10 - 15
5	Single source tendering	3 – 5	5 – 10
6	Micro procurement method	3 – 5	N/A

Twaweza shall not further split its procurement requirement in order to defeat the use of approved procurement methods and expenditure thresholds.

Roles and Responsibilities

Procurement role and responsibilities are designed to ensure separation of power to ensure checks and balance. In this case, all procurement that originates from the Operations unit, of any value above \$ 3000 shall be reviewed by the Finance Manager. The roles and responsibilities are clearly stipulated in the workflow as illustrated in Annex B attached, and are detailed below:

4.1 User department:

- Input Annual Procurement Plan (goods, works and service required for the year). And communicate any changes in the APE in a timely manner.
- Initiate request and clearly specify requirements with relevant support documents e.g. approved decision memo.
- Confirm on the details and budget of the requisition
- Participate in evaluation of quotes and proposals including negotiations on technical elements.
- Participate and confirm decision on the recommended service provider
- Initiate contract(if applicable) for goods/services
- Monitor implementation/delivery of good/services
- Confirm quality, quantity of goods and services offered, and reliability.
- Process payment on time.

4.2 Procurement unit:

- Prepare APE template and guide on its usage as per set standard. Carefully study any adjustment as proposed by the user unit and take necessary action.
- Check the requested goods and services to ensure that are in line with the approved APE.
- Research or conduct prequalification and prepare and maintain a list of preselected suppliers.
- Liaise with user units in establishing specifications and/or prepare tender documents.
- Review goods/services specifications and support document. E.g. RFP/RFI, RFQ, TOR etc.
- Advertise to invite bidders with necessary competence and resources.
- Receive responses from bidders, manage the evaluation process, and post qualification.
- Negotiate with suppliers, contractors, and consultants to secure purchases that are cost efficient and are of high quality.
- Prepare Price Quote Comparison (PQC) and relevant evaluation summary to finalize purchase details and orders to successful supplier.
- Communicate outcome (after relevant approvals) to the successful bidder and regret to unsuccessful bidders.
- Work with relevant unit to ensure that receipt of goods/services are of good quality and standard.

- Liaise with the unit during contract implementation to ensure systematic and timely feedback for necessary action/improvement.
- Maintain good communications and relations with suppliers and service providers.
- Maintain a proper record of procurement and archive as per policies

4.3 Evaluation Committee:

There shall be established 2 procurement committees:

A. Big proposals, USD 75,000 and above, and its composition shall be:

- Director of the activity
- Manager (Budget Holder) of the activity
- Finance Manager
- Country Administration Officer responsible with procurement
- Any other Manager or Director as the case may be.

B. Medium procurement from USD 50,000 upto USD 75,000, and its composition shall be:

- Manager of the activity
- Senior Program Officer/Program Officer (SPO/PO) (Budget Holder) of the activity
- Accountant
- Country Administration Officer responsible with procurement
- SPO/PO of different department.

However, where necessary, the Operations Manager in consultation with respective unit Director/Manager may institute an adhoc committee to evaluate a proposal of value less USD 50,000 and the composition criteria shall follow the of already existing committees.

In a situation where there isn't sufficient expertise on a particular procurement e.g. works and IT, Twaweza may consider external evaluators to support the internal committee.

In case one of the key committee member is unavailable or cannot participate in the evaluation due to potential conflict of interest, his/her roles shall be delegated to another staff in writing. Any other staff can attend and observe the evaluation process for learning purpose.

The number of the members of the committee shall depend on the value and complexity of the procurement. For routine and simple procurements the minimum total number of evaluators shall be three, for non-routine and complex procurement, maximum members is 5. However, the Executive Director can adjust its composition as may seem necessary, provided the reasons for the changes are documented.

Before starting the evaluation process, the members shall select among them, a chair to lead the process and a secretary (from Operations unit) to take minutes. For any proposals there shall be an evaluation committee that shall:

- Familiarize with required services and goods to be procured, the evaluation tools/criteria and any other relevant information.
- Evaluate technical /financial proposals and communicate results to Operations unit.
- Participate in the negotiations and in the selection of the best supplier of goods and services.
- Prepare report including recommendations on the outcome of the evaluation exercise.

- Review a general concern raised by an aggrieved bidder and/or respond to the ED on any concern raised in regard to procurement.

The roles can be delegated where necessary but there must be a checks and balance within the committee members and it must comprise members from Ops and Finance Units.

4.4 Procurement Approval limitations:

- Manager (Budget Holder) may approve up to a maximum value of \$20,000
- Director may approve up to a maximum value of \$50,000
- Executive Director may approve up to a maximum of \$300,000
- Board of Directors has to approve any value above \$300,000

Procurement Tools, Guidance and Evaluation process:

5.1 Procurement Tool

Operations unit shall develop standardized tools that shall be applied during procurement process. These tools are; APE, Invitation to Tender/RFP/TOR, RFQ, RFI, Evaluation form/guidelines, Reference check form, GRN, Ethical/COI declaration form and any other document as necessary.

- Request for Proposal Template including TOR. Twaweza shall consider standardized documents (same format) for all procurement method. TOR shall be developed by the user department in collaboration with Operations unit. The request for proposal shall also be completed by user department and shall include an invitation to bid, detailed instructions to suppliers, contractors & consultants, including a data sheet and evaluation criteria, TOR, anti-bribery commitment form, technical and financial proposal standard forms and any other documents that are relevant having taken into consideration the nature of the activity. The RFP/TOR shall contains the following:
 - A clear statement of what Twaweza is, context, description of the nature and scope of the services required and timeframe
 - An accurate and detailed statement on the objective/s of the procurement
 - Expected goals (clear and SMART)
 - Description of duties and responsibilities of the supplier/consultant and Twaweza
 - Evaluation criteria and weightage
 - Payment mode
 - Any other information eg. trainings and transfer of technology if necessary, data, or any other information
- Request for Quotation: Twaweza may approach a set of potential suppliers or service providers to submit their price quotations and stand a chance to supply or provide goods or services. The Operations unit shall prepare a standardized template that shall be considered by all departments when in need of goods and non-consultancy services.

The supplier/consultant is expected to submit a quotation/proposal that fully meet Twaweza's requirement. Should the supplier desire to propose some additional requirements or some deviations to the basic requirement, must first submit the terms as per requirements and then separately indicate the deviations and the price. Technical proposals shall be submitted separately from financial proposals as they are being evaluated separately. Twaweza has the right to accept or reject the deviation.

5.2 Guidance:

Twaweza shall allow sufficient time for supplier to submit their quotations or proposals, and it shall not be less than 3 or 5 working days respectively. For detailed and complex work, it can take upto 20 working days. The supplier/consultant once has received the RFP/RFQ, shall study the document carefully to establish if there are any omissions, ambiguity or contradictions, or terms not clear or appears to be discriminatory or restrict. The supplier/consultant has the right to write to procurement unit to ask for clarification or any other guidance in relations to any procurement. Such inquiry shall be made at least a day before deadline for RFQ that has a deadline of 3 days. And 3 days before deadline for quotations/proposals that has a deadline of over 5 days. If the matter raised is general, procurement unit shall re-advertise the changes accordingly. And respond to all invited or interested suppliers to ensure fairness. But where the issue is specific, procurement unit shall respond to the respective supplier/consultant and copy in user unit. No amendments shall be accepted after the deadline, and all proposals/quotations shall be assigned a number or marked. Any quotation/proposal received after deadline shall be returned unopened.

During the opening of tender/proposal, the committee shall prepare minutes that shall be signed by the chairperson and the secretary. The minutes shall be well dated, with agenda, mention the activity, the advertisement of the RFP, how many submitted proposals. Mention if there is any supplier/consultant who missed deadline and action taken, For example, rejected the tender or any other decision reached and rationale. In addition, the committee shall discuss and agree on the way forward: specific responsibilities and deadlines in finalizing the procurement.

Tender documents shall contain all relevant information such as technical specifications, terms of reference and commercial conditions. Such conditions shall include the time frame for the provision for goods or services. Tenders shall be required to be submitted in sealed envelopes/email which may only be opened at the time the evaluation is performed to ensure that all bidding companies have an equal opportunity in the process.

All tenders shall be submitted to tender@twaweza.org by the closing date and time indicated on the tender document/email.

5.3 Evaluation tool

Proposals and quotations shall be evaluated based on the set criteria. And evaluations may be conducted using any rating method or a combination of methods, provided that the method selected is specified in the request for proposal/quotation document. Evaluation tool is attached as Annex C. The evaluation criteria are:

- **Preliminary/Administrative**
 - Legal capacity – legal capacity to contract, is legally registered (unless is an individual person), registered with Tax authority and fulfil the obligation to pay tax, depending with the nature of the activity, must be registered with relevant authority eg. food suppliers must be registered with OSHA, etc.
 - Integrity; Twaweza shall conduct due diligence to confirm if the supplier is trustworthy, with good reputation. Not implicated in fraud, or any illegal arrangements. The supplier/ consultants has the good communication channels that can be reached with ease.
- **Technical Capacity**

All suppliers/consultants shall be evaluated based on their particular technical capabilities such as knowledge and skills. OR techniques required for an individual and organization to elaborate on their tasks. Example enough production capacity to supply order.

- **Experience:**

At least 3 years' experience in the delivery of similar projects. And this includes the ability to deliver the required quantity and quality, proposed infrastructure, acceptance to take risks, reliability etc. In a situation where 3 years is not a requirement, it shall be stated clearly in the RFP.

- **Financial Capacity;**

The supplier's ability to satisfactorily manage its financial affairs and at the same time meet the demands of Twaweza if they are awarded the contract, and where necessary without asking for advances or for high advance payments. For a consultant, the maximum advance that can be considered by Twaweza is 50% of the total anticipated fee. Unless there are good reasons for higher advances like the need for affirmative actions, e.g. to support new and/or small suppliers/consultants to ensure equity, gender and inclusion provided that this arrangement is free of risks.

The following set of criteria can be considered as additional for deciding the choice of supplier, provided this is communicated in the RFQ/RFP:

- Availability of follow up services, like maintenance or parts supply
- Payment terms
- Guarantee or Warranty offered
- Access and availability to call and consult
- Past work with Twaweza
- Strong references/recommendation from a partner or collaborator of Twaweza

An evaluation report/recommendations shall be written capturing the above four criteria, and any other elements that are communicated in the request for proposal. The outcome of the evaluation shall inform the decision in selecting the supplier.

Twaweza has the right to reject any proposal as it deems fit, provided that reasons for doing so are put in writing.

5.4 Evaluation criteria

No	Criteria	Rates
1	Preliminary/Administrative Assessment	
1(a)	Legal capacity	5
	Incorporated/Registered	
	Registered with Tax authority	
	Registered with other relevant authorities e.g OSHA or professional bodies	
	Pending legal actions against the organisation	
1(b)	Integrity/Reputation	5
	Absence of fraud in the last 3 years	
	Available communication channel	
	Aware of issues of conflict of interest, anti-fraud confidentiality and have signed declaration form on the same	
2	Technical capacity	30
	Understanding of the TOR, Methodology and the overall Quality of the proposal	
	Qualification of Key personnel especially on the field of assignment	
	Ability to deliver outputs and on time (reliability/meet deadlines)	
3	Experience	30
	Track record on previous similar assignments	
	At least 3 years of overall experience of respective key personnel and the organization on similar assignments	
4	Financial capacity	30
	Level of Liquidity	
	Risks of insolvency	
	Consistency and accuracy of items and calculation between financial and technical proposals	

Sourcing for consultants

6.1 Engaging consultants:

Where necessary, Twaweza may engage short/long term consultants as an individual or organization to support specific activities for a period not exceeding one year. The recruitment of a consultant shall consider procurement/selection method as specified herein. The most guiding method is competitive in order to provide a wide range of services, promote equity, harmonization and reduce administrative burden and costs. However, single sourcing shall be considered where the cost involved is less Usd 3000, and/or it is demonstrated that the potential consultant possesses the required unique talent, and it is found to be impractical to search for additional alternative candidates. Twaweza may consider pre-qualification of consultants, and it may either invite consultants renowned for their experience and skills or by advertising on the website, through partners, newspapers (where this is found to be necessary) for individuals to express their interest in the assignment. The selection process shall be as follows:

- Planning/Identification of consultancy needs as per APE requirements.
- Estimated budget.
- Preparation of RFP/TOR/ JD
- Establish evaluation criteria
- Advertising the request for expression of interest, invitation or headhunting as necessary
- Receipt of proposals
- Preparation of shortlist of consultants (at least 3, but preferably 5) where this is necessary.
- Evaluation of technical and financial proposals separately.
- Final evaluation of both quality and cost
- Post qualification (where necessary)
- Negotiations
- Contracting

The consultant shall not necessarily be located in the organization's offices on a full-time basis because his/her performance and payment is on an output basis.

The recruitment of other consultants eg. Research Assistants, enumerators, translators, interpreters, or other service providers shall also be identified following the procurement process.

6.2 Payment

Consulting rate for consultants shall be determined by taking into consideration the value of work to be done, market rates and internal organizational equity (i.e. salaries paid to long term contract employees as well as consultancy rates paid to other consultants undertaking similar work).

Generally, rates shall be lower than rates offered by international organizations such as the World Bank and the UN.

In order to ensure consistency and equity, all rates for consultants shall be subject to review by the HR Manager and approval by the Executive Director. Staff may not verbally or otherwise commit to paying a particular rate without the assent of the Executive Director. The respective unit shall discuss the technical aspect of work but not on the rates to be paid. These negotiations shall be done by the procurement and Finance unit with input from the relevant unit as necessary.

While consultants may be paid a daily rate, wherever practicable, Twaweza shall pay for outputs successfully delivered rather than days worked, though the amount to be paid for outputs may be

derived from an estimate of days that will be needed to deliver the output. (e.g. If researching and writing a report is estimated to take five days, and the appropriate daily rate is determined to be USD 200, the consultant would be offered payment of USD 1,000, and would be paid that amount upon delivery of report that meets Twaweza's standards regardless of whether the consultant used less or more days to compile the report).

Before making payment, the Manager or Director responsible, as the case may be, shall carefully assess quality, quantity and timeliness of work delivered against contract requirements and pay accordingly. Where work delivered does not meet Twaweza standards in terms of quality, quantity and timeliness (where the delay is not caused by Twaweza), a commensurate amount shall be deducted from the payment.

Advances to consultants shall be avoided where possible and where not possible, kept as low as possible, and generally may not exceed 50% of the total anticipated fee. Where there are direct cost such as travel or accommodation, Twaweza may arrange for the services or make upfront payments or reimburse as per Twaweza rates or any other arrangements as the case may be. And such shall be discussed well in advance and feature in the contract accordingly. So, the need to consider advance payment would be: if there is hiring of research assistants, travel (road, air), venue hire, accommodation, and the cost is covered solely by the consultant.

Triggers for payment or disbursement schedule for consultants and other short term employees of Twaweza shall be commensurate with the terms of their contract. The consultant shall initiate the process in accordance with the terms of the contract and submit an invoice/request for payment, preferably with a copy of the contract, and forwarding it to his/her Supervisor. The Supervisor shall scrutinize the request and, if satisfied, prepare a PV with supporting documents.

Twaweza shall deduct all applicable taxes on consultancy payments as per statutes prior to making payment. Contracts shall state so clearly, and all employees dealing with consultants shall make this requirement clear to the consultants at the time of discussing contracts. The Finance Manager shall advise on applicable tax rates and ensure that they are properly deducted at the time of payment and submitted to the authorities to comply with statutory deadlines.

Twaweza shall also cover costs related to transport, accommodation (rates as stipulated in Financial Regulation) etc, or make relevant arrangements as the case may be, where this is practical.

7. Internal Controls and Risk Management:

7.1 Measures to minimize procurement risks

These are deliberate measures taken by Twaweza to minimize the possibility of loss through over priced goods or services, procuring poor quality supplies or services and minimizing fraud, corruption and time consumption all of which weaken the Organization. The following measures include:

- Goods and services will only be procured within approved budgets except in case of emergencies, which has to be approved by the Executive Director or Board as the case may be.
- Discouraging single source procurement without following relevant procedures and with genuine and concrete reasons.
- Separation of duties amongst staff in between different functions. Example; the officials who are responsible for purchases should not be the ones who makes the payments
- Accounts payable function should be closely monitored to ensure proper payments again the suppliers invoices
- Written, fair and transparent procedures
- Encourage open competitive process
- Offer contracts to the best and competent suppliers to avoid unnecessary disruptions
- It is the responsibility of user department or designated staff to verify the following:
 - Correct quantities have been received and signed for.
 - The quality and price of goods is as agreed
 - All goods delivered have been secured and inventory records appropriately updated.
 - Delivery note is checked, signed and forwarded to the Finance department or payment initiator for the next step.
 - Communicate any anomalies in relation to approved procurement.

7.2 Conflict of Interest:

- The procurement department and/or committee shall disqualify any bids submitted by Companies or Individuals whom are related to any member of the organization example Father, Brother, Son or any other relative as stipulated in the conflict of interest policy.
- The procurement department and/or committee shall disqualify any supplier who is a friend/colleagues with one or more to a member of the procurement department/committee unless it is fully disclosed and managed as per procedures.
- No staff shall gain personally whether financially or socially to any procurement processes
- No staff shall receive any gifts, presents, referrals, vouchers, favors, commission, tips, money, invitation to socialize with any prospecting supplier or bidder(s) or any other gesture of value
- Twaweza maintains a conflict of interest policy manual that can further be used to reference such matters.
- Staff involved in procurement shall all the time declare any conflict of interest when it arises in writing in the designated form/section of procurement tools.

7.3 Ethical Conduct

Care must be taken to avoid the intent and appearance of unethical practice in relationships, actions and communications. Any activities carried out on behalf of Twaweza must be carried out in a prudent

manner so as to not be the source of grievances. Also when there is any activity that involves children under 18 years (minors), permission should be granted by parents or legal guardian prior to the activity, refer to Twaweza Child Protection and Safeguarding policy.

In addition, Twaweza recognizes that we are often in unequal relationships of power with our suppliers, partners and collaborators, driven largely by resources. We will always strive for respectful and dignified engagements that promote and protect the brand and values of the organization.

Every staff shall adhere to the below standard:

- Obey and adhere to the Organization's policies and procedures
- Ensure effective Communication
- Be accountable
- Ensure professionalism
- Ensure mutual trust and respect with other staff and suppliers.
- Consistently, observe principles of integrity, fairness, and reliability.
- All Procurement processes should be done in a transparent manner and all the information shall be easily accessible. The information referred to this sections includes how a supplier was selected, contracted and payment
- No one single staff shall carry out a vital role like supplier selection or negotiation independently.
- All administrative documents shall be clearly written and filed in case any review is required
- Any meeting concerning any tentative supplier or an already established one will be done at Twaweza involving all relevant parties as per policy.
- Be careful when going through the rigorous selection of a supplier.

The Executive Director's office shall conduct an annual random supplier survey, and the findings shall inform the procurement management at Twaweza.

7.4 Dispute settlement and Appeals:

Any tenderer or person aggrieved by a procurement process or decision, has the right to lodge a complaint to the Executive Director within 22 working days from the date of receiving feedback on the outcome of the respective procurement. The complaint shall be lodged to concerns@twaweza.org. The complainant, shall submit a written complain explaining clearly the problem: subject matter, what happened, and suggested remedies. Depending on the nature of the matter, the Executive Director, shall review the complaint and make decision; or constitute an independent review panel from within or outside Twaweza to advise him/her on appropriate actions. The decision by the Executive Director shall show clear the findings, corrective measures (if any), and reasons for the decision reached. The process shall be completed within 14 working days and the complaint responded to. If the aggrieved is not satisfied with the response, or where the 14 days lapses without a reasonable response, he/she has the right to appeal to the Board chair through email address available on the website, within 7 days from the date he/she received the decision or deadline of the 14 days. The Board shall review the Executive Director's decision, and may affirm, reverse or modify all or any part of the Executive Director's decision. In case of failure to reach a resolution, within 7 days, the aggrieved and Twaweza shall commit to identify and engage a neutral third party to help settle the matter through mediation. The mediation process shall be completed within 30 days. Should the aforementioned steps fail either party shall resort to arbitration and litigation, unless required otherwise by law.

A complaint that is communicated after a contract is signed and is into force, shall not be attended to.

Parties involved in the dispute shall strive to take all possible measures to resolve procurement disputes or complaint through a spirit of mutual respect and consensus.

7.5 Rejection and Blacklisting:

Any supplier or service provider that has been blacklisted and barred from taking part in any public procurement or reputable organization whether foreign or domestic shall automatically be blacklisted from participating in Twaweza's procurement process.

A potential supplier shall be debarred and blacklisted from participating in the procurement process if:

- Confirmed to/associated with any unethical practices e.g. fraud or corrupt practices.
- Unable to abide with a bid securing declaration
- Breaches a procurement contract
- Makes false representation about his/her qualifications at any time.
- Any other grounds as deemed necessary by the Twaweza procurement committee.

Twaweza shall ensure that, it does post qualification careful to avoid entering a contract with a blacklisted firm/individual. The due diligence shall involve referring to respective Government procurement authorities' websites to confirm the firm/individual. Twaweza shall confidentially keep and maintain a register of all blacklisted firms/individuals in accordance with relevant laws and regulations of Tanzania, Kenya and Uganda.

8. Purchase Order

8.1 A Purchase Order is a document that a buyer sends to a supplier as an offer to buy products or services. Once accepted by the supplier, the purchase order becomes a contract for delivery of these products or services at the agreed price, quality and quantity.

8.2 The LPO is a contract with supplier which shall include detailed specification regarding goods and services as follows: supplier's contacts, specific goods/services, quantities, costs, delivery deadlines, locations, payment schedules, serial number, stamp and authorized signature. If LPO/contracts are clear and precise, possibilities of disputes will be reduced and Twaweza will stand far greater chance of receiving goods and services as expected. Upon selection and acceptance of a supplier, a legally binding contract or LPO should be drawn up for the goods and services in question. LPO are usually suitable for simple contacts; Example car hire.

8.3 Reasons for using a Purchase Order or a contract:

- Records a financial commitment
- It is important for year-end accounts and audits
- Match goods delivered against those ordered

8.4 Purchase orders (LPOs) shall be required for orders which are not paid for at the time of the order and for which it will need to make a future payment. LPOs may but need not be placed for orders whose total cost does not exceed the equivalent, in local currency, of US dollars 125. No order for goods or services whose value exceeds these amounts shall be placed without an authorized LPO or authorized contract.

8.5 LPOs shall only be placed after procurement requirements (see Section 5 on Procurement) and other applicable requirements have been fully met.

8.6 Official LPOs shall be compiled by the officer responsible for procurement. The LPO shall bear information regarding the order, such as precise specifications, quantities, quality, packing, delivery dates and other such information as may be necessary to ensure the quality, appropriateness and timeliness of the good/service ordered. The officer responsible for procurement shall attach relevant supporting documentation such as proforma invoices and detailed specifications to the LPO. For printed materials the Communications guidelines for publications and other printed material must be adhered to.

8.7 The Officer responsible for procurement shall forward the LPO to the Operations Manager for review and, if satisfied, will sign the document and forward it to the Executive Director.

8.8 The Executive Director shall review the LPO and, if satisfied, indicate approval by signing and stamping the document before forwarding it to the officer responsible for procurement. The officer shall then record the LPO in the register established for the purpose and arrange to transmit the LPO to the service provider.

8.9 No LPO shall be valid without the signature of the Executive Director/ Officer in Charge and the official Twaweza East Africa stamp.

8.10 A copy of the LPO (wherever possible the original version) shall constitute an integral and necessary supporting documentation for the PV in relation to effecting payment.

8.11 The officer responsible for procurement shall each month prepare an accurate and timely report of all new and outstanding LPOs, and the status of each and forward it to the Executive Director.

9. Contracts

9.1 All orders/requests for delivery of services by Twaweza East Africa for which it will need to make a future payment shall normally require a signed contract. No request for services whose value exceeds USD 125 or equivalent shall be placed without a signed contract or authorized LPO.

9.2 Contracts shall only be awarded to persons or entities who are deemed to be capable of performing the work with quality, and the choice of the person awarded the contract shall be fairly and openly determined and reasons for choice documented.

9.3 The preparation of contracts shall normally be initiated in Salesforce by the employee whose budget will be charged for the cost of the service, provided all necessary approvals for the activity have been sought in advance. He/she shall prepare a request for a contract providing all relevant information, including expected outputs, timeframe and proposed costs in a form created for the purpose, and forward it via Salesforce to the Contracts Administrator.

9.4 The Contracts Administrator shall scrutinize the material and, if satisfied, prepare a contract in accordance with standard Twaweza East Africa formats, taking great care to ensure accuracy and comprehensiveness, assign it a serial contract number, and record the contract in the register established for the purpose. The Executive Director shall review the contract and, if satisfied, sign and stamp three printed copies of an employment contract or two printed copies for all other contracts. The Contracts Administrator shall then witness on behalf of the organization and arrange to have it signed by the contractual party and witnesses.

9.5 The officer responsible for contracts shall provide one original to the contractual party, file a second original in the contracts file maintained by him/her and in the case of employment contracts, provide the third original to the Operations unit for the personnel file established for the staff member.

9.6 A copy of the signed contract (and an original of the invoice or request for payment) shall constitute integral and necessary supporting documentation for the PV in relation to effecting payment.

9.7 The officer responsible for contracts shall prepare from Salesforce monthly an accurate report of all new and outstanding contracts and the status of each and forward it to the Executive Director for review.

Appendices:

1. Annual Procurement Estimates Template (APE)
2. Procurement work flow
3. Procurement Tools (RFP Template, Ethical & COI declaration form (In progress))