



The Global Crop Diversity Trust
Procurement Policies and Procedures Manual

APPROVED BY THE EXECUTIVE BOARD 24 OCTOBER 2016

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Acronyms

AA	Approving Authority
DoF	Director of Finance
ED	Executive Director
FPPM	Financial Policies and Procedures Manual
ICT	Information and Communication Technologies
IPG	Institutional Procurement Group
JV	Joint Venture
MoU	Memorandum of Understanding
PO	Purchase Order
PPPM	Personnel Policies and Procedures Manual
RA	Retainer Agreement
RfP	Request for Proposal



1 INTRODUCTION

- 1.1 The Executive Board approved the Procurement Policy and Procedures on xx. October 2016.
- 1.2 This document contains three parts:
 - (a) Procurement Policy for Supplies and Services
 - (b) Implementing Procedures on Procurement that will provide the Secretariat with the detailed procedures for engagement of services and for procuring supplies, effectively and efficiently and in a transparent manner.
 - (c) Annexes 1 and 2 provide additional guidelines on using corporate credit cards and guidelines for IT procurement.
- 1.3 Hiring of individuals as Consultants is managed through HR and not covered by this policy. Please refer to the Personnel Policies and Procedures Manual (PPPM). Individuals who are providing services through a company, however, are considered Service Providers and shall be subject to these policies and procedures.
- 1.4 These guidelines do not apply to the selection of research partners, donors or strategic partners to whom the Crop Trust partners, pursuant to a project or donor agreement or MoU. Those agreements may, however, require such partners or donors to conduct their own procurement of supplies or services in compliance with this procedure. Please refer to the Financial Policies and Procedures Manual (FPPM).

2 Purpose

- 2.1 These guidelines govern the Global Crop Diversity Trust's (the Crop Trust's) procurement of the supplies and services needed for the Crop Trust's operations.

3 Responsibilities

- 3.1 The relevant approving authority (AA), as defined in Table 17.1, will have exclusive authority to procure supplies and services within these guidelines for the operation and administration of the Crop Trust.

This includes the authority to:

 - (a) Enter into or issue prior approval of commitments to purchase supplies and services;
 - (b) Place, modify or cancel orders for supplies and services. The AA will exercise this authority unless he or she delegates such authority to other officers of the Crop Trust. Endorsing and approving authorities for a procurement activity will be based on the estimated amount of supplies and services to be procured;
 - (c) Prescribe limits on quantity, frequency of requisition, terms of engagement or such other conditions necessary for the most economic procurement of supplies and services;
 - (d) Establish standards and specifications for the purchase, receipt and inspection of all supplies and services, in consultation with the concerned team, as necessary; and



- (e) Convene an Institutional Procurement Group (IPG) to oversee procurement of any supplies and services as the AA deems necessary, regardless of value.
- 3.2 The Corporate Operations Team will exercise control over all supplies and services purchased, including a regular inventory and evaluation thereof.
- 3.3 The IT team will establish standards and advise on technical specifications for procurement of computer hardware/software and IT-related supplies and services.
- 3.4 The Crop Trust's Legal Advisor will review complex contracts and provide advice and assistance on all legal issues relating to procurement and contracts administration.

4 Entry into Force and Amendments

- 4.1 Once approved, the Director of Finance is responsible for the maintenance and administration of this Procurement Policies and Procedures Manual. As the need arises, the Director of Finance may make changes to the manual with approval from the Senior Management Team and report substantive changes to the Executive Board.

PART I – INSTITUTIONAL PROCUREMENT POLICY FOR SUPPLIES AND SERVICES

5 Definitions

In these policies and procedures, the following words and phrases are defined as follows:

- 5.1 Buyer: Crop Trust staff member that identifies purchases requiring credit card payment (but that are not cardholders or card number holders) as defined in section 14 in combination with Annex 1.
- 5.2 Cardholder/Card number holder: Crop Trust staff designated to ensure the efficient administration of credit cards, as defined in section 14 in combination with Annex 1.
- 5.3 Conflict of Interest: Any situation in which a party (private or public corporation, individual staff member) has interests or relationships that could improperly influence, or be perceived as having an influence on that party's performance of official duties or responsibilities, contractual obligations or compliance with applicable laws and regulations.
- 5.4 Contractor: Any party that provides supplies or services using their own means, methods or manner of accomplishing the desired result pursuant to a contract with the Crop Trust. This includes the contractor's employees, representatives, successors, assignees and/or subcontractors.



- 5.5 Corporate Credit Card/Airplus: Credit card to be used as a mode of payment for supplies or services procured in accordance with the guidelines provided in section 14 in combination with Annex 1-2.
- 5.6 Corporate Social Responsibility: The continuing commitment of the Crop Trust to observe the highest ethical standards of public procurement of supplies and services, bearing in mind their impact on the environment, commerce and society in general and the need for quality supplies and services in the Crop Trust's operations.
- 5.7 Institutional Procurement: Procurement of supplies and services needed to operate the Crop Trust.
- 5.8 Institutional Procurement Group (IPG): Group authorized with overseeing the institutional procurement of supplies and services.
- 5.9 Integrity Violation: Any act that includes corrupt practice, fraudulent practice, coercive or collusive practice, abuse, conflict of interest, bribery and obstructive practice.
- 5.10 Large and/or Complex and/or High Risk: Contracts for the procurement of supplies and services of a wide application, the technical nature or technical specifications of which require specialized knowledge, is high risk and/or whenever the amount involved is more than USD 500,000 (incl. any applicable VAT).
- 5.11 Preferred Provider (PP): A preferred provider has at one stage been chosen by either a simple offer comparison or through a tender process and can now be used for buying items under USD 1,000 (incl. any applicable VAT). In case the amount will be higher a retainer agreement (RA) should be set up with the provider.
- 5.12 Purchase Order: A request to purchase supplies or services that are either of a one-time nature or issued for a specific, relatively short-term duration with an estimated value of up to USD 1,000 (incl. any applicable VAT).
- 5.13 Registry of Vendors (RV): Vendors the Crop Trust has worked with before and have been satisfied with.
- 5.14 Request for Proposal (RfP): Following budget-holder approval, the requesting Team will work with the Procurement Office to prepare the RfP for purchases valued over USD 10,000 (incl. any applicable VAT). Please refer to Table 17.1.
- 5.15 Retainer Agreement (RA): A service contract that comprises different services concluded by the same service provider as requested by the Crop Trust and over a longer period.



- 5.16 Services: Services that are necessary to support the operations of the Crop Trust. These include services to plan, provide, operate, maintain and administer the Crop Trust's office accommodation, building facilities, equipment, office supplies and travel/transport services (e.g. airline and hotel reservations, passport and visa requirements) for Crop Trust staff on international or domestic business travel. They do not include the hiring of consultancy services with single individuals, as individual consultants are hired through the HR Department and are governed by the PPPM. Individuals who are providing services through a company, however, are considered Service Providers and shall be subject to these policies and procedures.
- 5.17 Service Contract: A written contract that defines the obligation of a service provider to provide a defined range of services to the Crop Trust under such terms and conditions as may be agreed upon.
- 5.18 Service Provider: A business firm or entity that provides a defined range of services to the Crop Trust and under such conditions as may be agreed in a service contract.
- 5.19 Workplan: Part of a service contract defining the level of service and including a set of performance indicators that service providers must meet in their provision of services.
- 5.20 Team: The organizational unit within the Crop Trust that requested the supplies or services and is responsible for receiving and accounting for the supplies, administering the particular services being procured and monitoring performance of the services in accordance with the work performance standards stipulated in the contract.

6 Coverage

- 6.1 The Crop Trust shall at all times act with the utmost integrity in its operations. The following policies, and implementing procedures that are set out in Part II, apply to all types of institutional procurement as does the Crop Trust's Prevention of Corruption and other Financial Crimes Policy (in the FPPM).

7 Conflict of Interest in Procurement

- 7.1 The Crop Trust considers a conflict of interest to be a situation in which a party has interests that could improperly influence the activities of the Crop Trust and the policy decisions of the Board, as well as that party's performance of official duties and responsibilities, contractual obligations or compliance with applicable laws and regulations. The Crop Trust will take appropriate actions to manage such conflicts of interest or may reject a proposal for award if it determines that a conflict of interest has compromised the integrity of the selection process for any service providers
- 7.2 Except at the approval of the Executive Director, service providers shall not be recruited under the circumstances set forth below:



- 7.2.1 **Conflict among service assignments.** The service provider shall not be engaged for any assignment that, by its nature, may be in conflict with another assignment of the service providers. As an example, individuals hired to prepare the workplan for an assignment shall not be hired for the assignment in question. The same should apply for individuals appointed to prepare modalities for the Crop Trust, including work programs. As such, neither the individual nor the service provider may be eligible for the implementation of such activities.
- 7.2.2 **Relationship with Crop Trust staff.** Service providers who have a business or family relationship with a Crop Trust staff member who is directly or indirectly involved in any part of: (1) the preparation of the workplan for the contract; (2) the selection process for such contract; or (3) the supervision of such contract may not be awarded a contract, unless the conflict stemming from this relationship has been resolved in a manner acceptable to the Crop Trust throughout the recruitment process and the execution of the contract. Such determination shall be made by the Executive Director.

8 Unfair Competitive Advantage

- 8.1 Fairness and transparency in the selection process require that service providers competing for a specific assignment do not derive a competitive advantage from having provided pre-services related to the assignment in question. To that end, the Crop Trust shall make available to all the shortlisted service providers all information that would give a service provider a competitive advantage.

9 Associations between Service Providers

- 9.1 Service Providers may associate with each other in the form of a joint venture (JV) or of a sub-provider agreement to:
- (a) Complement their respective areas of expertise;
 - (b) Strengthen the technical responsiveness of their proposals and make available bigger pools of experts;
 - (c) Provide better approaches and methodologies; and, in some cases;
 - (d) Offer lower prices.
- 9.2 Such an association may be for the long term (independent of any particular assignment) or for a specific assignment. If the Crop Trust employs an association in the form of a JV, the association will appoint one of the providers to represent the association. All members of the JV shall sign the contract and shall be jointly and severally liable for the entire assignment.

10 Language

- 10.1 Documentation and communication relating to the use of service providers prepared by both the Crop Trust and the service providers should normally be in English. However, if necessary this can be translated into another language.



11 Fraud and Corruption

11.1 The Crop Trust requires that service providers observe the highest standard of ethics during the selection process and in execution of such contracts. In pursuance of this policy, and in the context of these guidelines, the Crop Trust defines, for the purposes of this provision, the terms set forth below as follows:

- (a) 'Corrupt Practice' means the offering, giving, receiving or soliciting, directly or indirectly, anything of value to influence improperly the actions of another party;
- (b) 'Fraudulent Practice' means any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation;
- (c) 'Coercive Practice' means impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party to influence improperly the actions of a party; and
- (d) 'Collusive Practice' means an arrangement between two or more parties designed to achieve an improper purpose, including influencing improperly the actions of another party.

11.1.1 Will reject a proposal for an award if it determines that the service provider recommended for the award has directly, or through an agent, engaged in corrupt, fraudulent, collusive or coercive practices in competing for the contract in question; and

11.1.2 Will sanction a service provider, at any time, including declaring ineligible, either indefinitely or for a stated period of time, such service providers or successor from participation in Crop Trust-financed activities, if it at any time determines that the service provider has, directly or through an agent, engaged in corrupt, fraudulent, collusive, coercive or other prohibited practices.

12 Ineligibility for Procurement

12.1 The Crop Trust will not procure services from any country, organization or individual specifically referred to in any of the following lists:

- (a) US Department of the Treasury, Office of Foreign Assets Control (OFAC):
<https://sdnsearch.ofac.treas.gov/>
- (b) Specially Designated Nationals List (SDN):
<http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx>
- (c) Common Foreign and Security Policy (CFSP) of the European Union:
http://eeas.europa.eu/cfsp/sanctions/consol-list/index_en.htm
- (d) UN Security Council Sanctions Groups:
http://www.un.org/sc/committees/list_compand.shtml



- 12.2 The Crop Trust deems the following providers unfit to provide services or supplies:
- (a) If the company has, in the past three years, been debarred by any national government or the World Bank Group or United Nations
 - (b) If the company is or has been involved in “fraudulent practice” or “corrupt practice”;
 - (c) If in the performance of a contract, the company was engaged in illegal or unethical practices;
 - (d) If they are bankrupt or being wound up, are having affairs administered by the courts, have entered into an arrangement with creditors, have suspended business activities, are subject to proceedings concerning those matters, or are in any analogous situations arising from a similar procedure provided for in national legislation;
 - (e) If there is a consistent failure in the performance of contracts over the last two years;
 - (f) If the company fails to comply with the Crop Trust procurement policy and procedures.

13 General Procurement Policies

- 13.1 With due consideration for economy, efficiency and effectiveness, the Crop Trust will procure quality supplies and services for its operations at the most competitive and/or comparative market prices available using the most competitive procurement method applicable. It will give due regard to the qualifications of the supplier or provider, promptness of delivery, terms of payment, availability of adequate warranty, necessary quality, servicing facilities and previous performance, among other things.
- 13.2 To achieve economy of price and to save on administrative cost, the Crop Trust may execute retainer agreements (RAs) and supply agreements for the purchase of supplies and services whenever feasible. Pricing provided under the aforesaid RAs will be subject to periodic market testing or confirmation.
- 13.3 To ensure an adequate, fair and equal opportunity for eligible suppliers or providers to compete for contracts, the Crop Trust will adopt the most competitive procurement procedure applicable to a particular purchasing situation and observe transparency and fairness throughout the procurement process.
- 13.4 The Crop Trust recognizes the importance of transparency in the procurement process to combat fraud and corruption and further achieve economy and efficiency. As such, it requires all entities bidding for or participating in the Crop Trust’s institutional procurement of supplies and services to observe the highest standard of ethics during the procurement of supplies and services and execution of contracts.
- 13.5 The Crop Trust will take appropriate action to manage conflicts of interest involving Crop Trust staff and dependents, bidders, suppliers and contractors, including but not limited to rejection of proposals for award if the Crop Trust determines that a conflict of interest has compromised the integrity of any procurement process.



- 13.6 Crop Trust staff will maintain the confidentiality of all information and documents relating to institutional procurement activities.
- 13.7 The Crop Trust will ensure that whenever possible, supplies and services to be procured conform to applicable legal and other requirements.
- 13.8 Supplies received and services rendered pursuant to relevant contracts/agreements shall be subject to periodic evaluation/audit by the user and/or authorized internal and/or external auditors.
- 13.9 Contracts or purchase orders will be awarded to the bidder with the highest score, if the scoring methodology is used. Where, during bid evaluation, the prices offered are significantly higher than market references negotiations may be authorized by the Director of Finance (DoF).
- 13.10 Contract Agreement: The Crop Trust shall work with the first-ranked service provider to develop a contract which will include discussions of the workplan, the methodology, personnel schedule, counterpart facilities and the quantities of cost items in the service provider's financial proposal. However, these discussions will not substantially alter the workplan attached to the RfP. The selected service provider should not be allowed to substitute experts unless both parties agree that undue delay in the selection process makes such substitution unavoidable, or that such changes are critical to meet the objectives of the assignment. If the Crop Trust and the service provider cannot reach an agreement, the Crop Trust may terminate the discussions and start discussions with the next ranked service provider until an agreement is reached.
- 13.11 Arbitration: Arbitration is a procedure in which a dispute is submitted, by agreement of the parties, to one or more arbitrators who make a binding decision on the dispute. In choosing arbitration, the parties opt for a private dispute resolution procedure instead of going to court. Under this policy, the nominated arbitrator is the Executive Director and his/her decision will be final.
- 13.11 Where it has been determined at the start of the procurement process that supplies and services to be procured are:
- (a) complex or require customization or
 - (b) not comparable for bid evaluation, the relevant endorsing authority may recommend that the DoF invite proposals and issue invitations to negotiate;
- the relevant endorsing authority will prepare a shortlist of suitable vendors following a structured request for information process, and submit an appropriate negotiation strategy for approval. In general, negotiations will be conducted until the best and final offer can be accepted.



14 Corporate and Airplus Credit Card Policy

- 14.1 Corporate credit card – use of the corporate credit card will be governed by the following policies:
- 14.1.1 Objective - This policy aims to ensure that operational and administrative costs and the risks associated with credit card use are minimized while providing cardholders with a convenient method of purchasing supplies and services on behalf of the Crop Trust.
- 14.1.2 Approval Authority - The issuance of a corporate credit card shall be approved and authorized by the Executive Director and Director of Finance.
- 14.1.3 Lost or Stolen Corporate Credit Cards - Lost or stolen corporate credit cards shall be reported immediately (in person or by telephone where possible) to the direct supervisor and to the Director of Finance, the Director of HR and Corporate Operations and the Executive Director in accordance with the Crop Trust's Crisis Management Procedures.
- 14.1.4 Responsibilities of Credit Card Users:
- (a) All charges on the corporate credit card's statement shall be accompanied by receipts and supporting documents.
 - (b) Card purchases without receipts are ultimately the responsibility of the user and his/her cost center(s). A failure to provide receipts or credible explanation for the unsupported expenditure could result in a deduction from the responsible staff member's salary.
 - (c) Reimbursement for return of supplies and/or services must be credited directly to the card account. No cash should be received by the Cardholder.
 - (d) Staff issued with a corporate credit card are in a position of trust in regard to the use of donated funds. Improper or unauthorized use of the card may result in the cardholder being held liable for expenditures, legal/disciplinary action being brought against the cardholder, termination of card-use and/or termination from the Organization.
 - (e) "Credit Card Purchase Order" shall be completed for each credit card expense in the ERP. It is the sole responsibility of the credit card user to obtain the appropriate authorization signature on the "Credit Card Purchase Order" and submit this to Finance when completed.
- 14.1.5 Purchases and use of the corporate credit card:
- 14.1.5.1 Corporate credit cards shall only be used for purchases of supplies or services in the performance of official duties for which there is a budget provision. Use of a corporate credit card, or the card number is restricted to the approved card-holder(s), Finance personnel and the Travel and Meetings Officer (or someone acting on her/his behalf). It is not permissible for the card to be used for personal or private purposes or for the withdrawal of cash through a bank branch or any automatic teller machine.



14.1.5.2 Corporate credit cards are held by the Finance Office, except in instances where use of the physical card is required by the card-holder. In such instances, the card-holder and Finance must sign and date when the card was taken out and sign and date when the card was returned.

Purchases can be made online, over the phone or by fax. **UNDER NO CIRCUMSTANCES IS A PHOTOCOPY TO BE MADE OF THE CORPORATE CREDIT CARD OR FOR THIS PHOTOCOPY TO BE SCANNED AND FAXED OUTSIDE OF THE OFFICE.** Where a faxed copy of a credit card is required only the AirPlus one-off Mastercard is to be used.

14.1.5.3 The Travel and Meetings Officer (or someone acting on her/his behalf) will have access to the corporate credit card number and the AirPlus Mastercard for travel related purchases. Only travel bookings that have a signed Travel Request (TR) can be made. Where an urgent travel related issue arises and one of the responsible officers cannot physically sign the TR, the Director of Finance must be contacted to assess how to resolve the situation.

14.1.5.4 All staff with access to the credit card or the credit card number must sign the declaration in Annex 1 acknowledging their understanding of the credit card policy and procedures and their responsibilities with respect to credit card usage.

14.1.5.5 Where a department identifies a need to purchase (non travel related) supplies or services online, only Finance personnel are authorized to use the credit card number for all other online purchases. An invoice will be required to support all purchases. However, the person responsible for identifying the supplier to be used must sign the declaration in Annex 2 acknowledging their understanding of the risks associated with credit card purchases and the guidelines issued as part of the credit card policy and procedure document for purchasing online.

14.1.5.6 Where a credit card payment is made for hospitality and entertainment, it is important to note on the invoice/receipt the number of persons entertained and to complete a Hospitality Approval Form if required. Please refer to the Board approved "Hospitality & Entertainment Policy and Procedures" for further information.

14.1.6 Misuse of corporate credit cards – It is strictly prohibited from using the corporate credit card for personal use. Cards which show unreasonable, excessive or unauthorized expenditure will be subject to audit and may result in the withdrawal of the card from the cardholder. Unauthorized expenditure or expenditure of a private nature that is proved to be inappropriate will be recovered by deductions from the next salary. Further action will also be taken in line with the PPPM.

14.1.7 Records Management - All documentation associated with the payment of a corporate credit card will be maintained within the Finance Office. Original receipts for all credit card transactions will be retained in the Finance Office.



- 14.1.8 Reconciliation - A financial reconciliation of cardholder purchases will occur on a monthly basis by Finance personnel. In addition, external auditors could carry out audits from time to time. Finance personnel will regularly review the credit card statements online for any unusual transactions.
- 14.1.9 Disputed Transactions - Disputed transactions must be resolved with the Supplier and the Bank by the cardholder. The cardholder must notify the Bank immediately for resolution and the Finance Office should be informed to provide further guidance and assistance.

15 ICT Supplies and Services Procurement Policy

- 15.1 The ICT Team, in consultation with any external ICT providers, is responsible for guiding the Crop Trust in the choice of computer hardware, software and related equipment taking account of current technologies, service providers available, support service needs and available budget.
- 15.2 An annual inventory of the status of all ICT equipment will be made by the ICT Team in collaboration with the Corporate Operations Team and replacement needs shall be identified for the Organization. Similarly, teams interested in purchasing new hardware/software or other IT equipment shall inform the ICT Team accordingly.
- 15.3 The ICT Team, in collaboration with any external ICT providers, shall advise on the appropriate hardware such as hardware, software, services and projects. They should take into account the needs of the Crop Trust for ICT products or services, options of available technologies, the market prices, and quality or availability of ICT service providers in Germany. To facilitate maintenance, the ICT Team may, when possible, endeavor to standardize the brand/type of hardware to be used in the Organization. Crop Trust Staff shall be consulted on their preference as well, if appropriate.
- 15.4 Subject to the Organization's procurement guidelines, computer hardware and accessories should be purchased from reputable suppliers to ensure appropriateness and technical adequacy of the equipment ordered and delivered.
- 15.5 The ICT Team must ensure that adequate warranty is provided for the hardware purchased and that necessary spare parts are purchased or planned for.



PART II – PROCUREMENT PROCEDURES

16 General Considerations

- 16.1 Supplies and services shall be procured through open, international competitive bidding, except when circumstances justify using other procurement methods, subject to the requirements provided herein.
- 16.2 Procurement of information technology (IT) related supplies and services shall only be made with the endorsement of the IT team.
- 16.3 When Crop Trust staff are offered free supplies, services and/or entertainment from service contractors, vendors or service providers, the policies and procedures stated in the PPPM shall apply.
- 16.4 Crop Trust staff shall immediately declare in writing any actual and/or potential conflict of interest in the institutional procurement of supplies and services. This declaration will be filed with the DoF. Bidders will also be required to include in their bids a disclosure statement of any actual or potential conflict of interest that they may have in the procurement of supplies and services that they are participating in. When applicable, the IPG and/or the DoF, in consultation with the Legal Advisor and the Executive Director, will determine the best means of handling a particular conflict of interest situation. Staff who are or may be perceived to be in conflict should not exercise any responsibility in relation to the procurement exercise.
- 16.5 Bidding documents for institutional procurement will include an undertaking that bidders will abide by the relevant national laws against fraud or corruption. The Crop Trust may suspend the procurement process at any stage when there is sufficient evidence to support a finding that an employee, agent or representative of the bidders, suppliers, consultants, contractors and/or service contractors has engaged in any integrity violation in competing for or in executing a Crop Trust-financed contract. The Crop Trust will not award a procurement contract to a winning bidder that has directly or indirectly engaged in any integrity violation in competing for the contract in question.
- 16.6 Former Crop Trust staff will not be engaged directly as service contractors or service providers, or as employees, consultants or agents of service contractors or service providers assigned to handle any Crop Trust account for three months after leaving the Crop Trust except at the discretion of the ED.

17 Approval thresholds

- 17.1 The choice of procurement method, the initiation of the process and the approval of recommendation of award of procurement actions, shall be based on the estimated value of the contract, pursuant to the thresholds detailed in the Table below. The thresholds may vary from time-to-time as approved by the ED upon recommendation of the IPG.



Estimated Value (USD incl. any applicable VAT)	Procurement Method	Endorsing Authority	Approving Authority
1,000 or less (EUR 900 or less)	Purchase of low-value supplies /services by comparing at least three offers on web pages, through letter, phone, fax or e-mail (results documented and attached to PO) see section 20.4.1 for reference	Budget Holder	Budget Holder
1,001 to 10,000 (EUR 900 to 9,000)	Shopping by obtaining quotations from at least three suppliers through letter, phone, fax or e-mail, see section 20.4.2 for reference	Procurement Office	Budget Holder
10,001 to 50,000 (EUR 9,000 to 45,000)	Limited tender from pre-selected and suitable suppliers in the Crop Trust's Registry of Vendors. Users may further recommend pre-selected suppliers, in addition to those available in the registry, see section 20.4.3 for reference	Procurement Office	Director of Corporate Operations & HR
50,001 up to 150,000 (EUR 45,001 to 135,000)	Limited tender from pre-selected and suitable suppliers in the Crop Trust's Registry of Vendors. Users may further recommend pre-selected suppliers, in addition to those available in the registry, see section 20.4.3 for reference	IPG	ED
150,001 and above (EUR 135,001 and above)	Open international competitive tender with pre- and/or post-qualification, as appropriate, see section 20.4.4 for reference	IPG	ED

Other methods of procurement may be used as deemed necessary by the approving authority identified above and confirmed by the DoF.

18 Requisition procedures

18.1 Each of the Crop Trust's teams will designate a staff member to act as the procurement focal point who will request procurement of supplies and services, with the approval of the Budget Holder.



- 18.2 For any request over USD 1,000 (incl. any applicable VAT) (or EUR 900) the procurement focal point will consult with the Procurement Office to inquire about the appropriate procurement method which will be the basis for preparing a Request for Proposal (RfP). Based on the RfP the Procurement Office will initiate the most appropriate procurement action.
- 18.3 A Budget Holder will endorse requests for any supplies and services and provide sufficient justification that explains the need for and the operational function of the supplies and services requested. Teams should plan to purchase such supplies and services as far in advance as possible and include them in their respective budget.
- 18.4 To ensure proper identification of the type and scope of supplies and services required, the procurement focal point of the team will submit the following documents to the Procurement Office. These documents will be used as the basis for initial inputs, sourcing and preparation of bid documents:
- (a) Written approval from the Budget Holder of the team;
 - (b) Budget code;
 - (c) Specification of the supplies and/or services: with details of the supplies and/or services to be procured, desired quality of the supplies, standard or level of service to be attained and performance measurement or monitoring systems to be used for assessing attainment of performance or quality standards (Before a service provider can be contacted, the objective and scope of the proposed work, and the functions and duties to be assigned to the service provider, should be clearly and adequately defined in the workplan); and
 - (d) Cost estimates (Budget for the product/service/assignment): Well-developed cost estimates are essential to ensure that realistic budgetary resources are provided. The cost estimates shall be prepared by the Crop Trust staff based on assessment of the required supplies or resources needed to carry out the assignment—that is, expert time and logistical support.
- 18.5 The Procurement Office will review the request for supplies and services and determine the appropriate procurement method.
- 18.6 Preparation and Issuance of the RfPs: Where required, the Procurement Office shall use the standard RfPs, which include:
- (1) Letter of invitation;
 - (2) Introduction to the Crop Trust, instructions and definitions of the supplies and/or services asked for, including (for services) a workplan and the evaluation criteria; and
 - (3) In case of a limited- or open international competitive bidding tender, the supplier self-assessment.
- In general, the Crop Trust shall distribute the RfP through an electronic system.



18.7 Advertising: The Crop Trust shall list all requests for supplies and services with an estimated value of over USD 10,000 (incl. any applicable VAT) on its website.

18.8 Confidentiality: Information relating to the evaluation of proposals and recommendations concerning awards shall not be disclosed to the service provider who submitted the proposals or to other persons not officially concerned with the process until the publication of the award of contract.

19 Institutional Procurement Group (IPG)

19.1 The IPG will be convened for institutional procurement with estimated values above USD 50,001 (incl. any applicable VAT). The responsibilities of the IPG include, but are not limited to, conducting pre- or post-qualification review of bidders, bid opening, bid evaluation and negotiations in the procurement of supplies and/or services of a specified value and recommending the award of contract to the ED for approval. The IPG may issue additional regulations from time-to-time to carry out its functions more effectively.

19.2 The IPG will be composed of the following:

Director of Finance	Chairperson
Member of Procurement Office	Secretary
SMT representative (if relevant for specific procurement)	Member
Member of Contracts Office	Member
Independent members or observers, upon endorsement of the Chairperson, Institutional Procurement Group, and approval of the Executive Director	Member/ Observer

19.3 For institutional procurement of complex supplies and services, or for procurement that involves complex legal issues, the IPG shall include the General Counsel or designated representative as an ex-officio member.

19.4 The IPG will decide by majority vote, with the members having one vote each.

19.5 All Crop Trust contracts are signed by the ED or designated staff member.

20 Procurement methods

20.1 Public competitive bidding is the preferred method of procurement, where reasonable. However less competitive methods of procurement that constitute exceptions to public competitive bidding may be considered in the following cases:

20.1.1 The supplies and services are highly specialized and therefore provided by a sole or a limited number of manufacturers or suppliers;



- 20.1.2 Open international competitive bidding is not likely to be cost-efficient, based on experience or as determined by the team and confirmed by the Purchase Office and approved by the ED.
- 20.1.3 A previous tender for the supplies and/or services was not successful or had to be canceled; or
- 20.1.4 The ED decides, for other reasons deemed appropriate and necessary, or the IPG advises against the use of public competitive bidding as the method of procurement. This decision should be documented in writing.
- 20.2 The team will submit sufficient justification for adopting any of the exceptions to public competitive bidding herein provided. Any such request will have to be endorsed by the ED or the IPG, as appropriate.
- 20.3 The ceilings of authority to approve exceptions to public competitive bidding, based on the estimated value of the contract, will be the same as those provided in section 17.1 above.
- 20.4 Any of the following methods may be used, except when a less competitive procurement method has been specifically approved:
- 20.4.1 **Purchase of low-value supplies and services** – low-value supplies and/or services worth USD 1,000 (incl. any applicable VAT) or less and subject to the approval required under section 17.1 above will be procured by the team's focal point. Requirements for supplies and services should not be disaggregated to remain under the USD 1,000 (incl. any applicable VAT) threshold value for this method of procurement.
- 20.4.2 **Shopping** – a procurement method based on comparing price quotations obtained from at least three suppliers to assure competitive prices.
- (a) Subject to the approvals required under section 17.1 above, shopping is an appropriate method for procuring supplies and services with an estimated cost of not more than USD 10,000 (incl. any applicable VAT) when:
- (i) The supplies and services are available off-the-shelf;
 - (ii) The supplies and services are standard specification commodities or simple civil works of small value; or
 - (iii) Critical items are to be procured from specialist suppliers.
- (b) The Procurement Office will endorse at least three suppliers or sources. The Procurement Office may choose from among those listed in the Crop Trust's Registry of Vendors or consult the team for recommendations.
- (c) The Procurement Office will obtain, through the most efficient method (i.e. postal mail, telephone, fax or email), quotations from the endorsed sources or suppliers based on the scope of services, specifications, bill of quantities, schedule of rates or specimen contract from the team.
- (d) The evaluation of quotations will follow the principles of open bidding. The terms of the accepted quotation will be incorporated in a purchase order or brief contract.
- (e) The team will conduct a technical evaluation of proposals obtained under shopping and submit to the Procurement Office a corresponding technical evaluation report.



20.4.3 **Limited tender** – for supplies and services with an estimated value from USD 10,001 to USD 150,000 (incl. any applicable VAT):

- (a) The Procurement Office will prepare the bidding documents, which include, but are not limited to, an invitation to bid, instructions to bidders, bid form, technical specifications and the proposed contract terms and conditions based on standard forms approved by the Legal Advisor. The Procurement Office will refer the draft bidding documents to the team for review and comments, and the contract stipulations or conditions to the Legal Advisor, as necessary. Referrals to the Legal Advisor will specify the particular legal issues in the contract that need to be addressed;
- (b) The DoF will approve the bidding documents and the Procurement Office will issue them based on a limited tender from pre-selected and suitable companies (local and international) from the Crop Trust's Registry of Vendors. Users may also recommend pre-selected companies, in addition to those available in the registry;
- (c) Minimum of two bids will be submitted in the prescribed form, together with the bid-securing declaration, if required, and other required documents, on or before the submission time and date specified in the bidding documents;
- (d) The team will conduct technical evaluation of proposals obtained in a limited tendering exercise and submit to the Procurement Office a corresponding technical evaluation report within five working days from receipt of the proposals; or
- (e) If there is only one complying bid it may be considered if it represents value for money.

20.4.4 **Open international competitive bidding** – for supplies and/or services with an estimated value over USD 150,001 (incl. any applicable VAT):

- (a) The Procurement Office, in consultation with the team, shall prepare the bidding documents and formulate the bid evaluation methodology to be adopted, including evaluation criteria and evaluation framework, and submit them for approval to the appropriate approving authority defined in sub-section 17.1 above. In formulating bid evaluation methodology, contracts for supplies and/or services that warrant greater attention to contractor's technical capability, such as contracts for services of a professional nature, shall be duly considered. In evaluating these contracts, technical considerations and other objective factors may weigh as much as the price.
- (b) For procurement involving large and/or complex contracts, the team will recommend experts from among the Crop Trust staff to help prepare the bidding documents and evaluate the bids. However, if the expertise required is not available within the Crop Trust, the Procurement Office, in consultation with the team, will engage service contractors as necessary:
 - (i) Service contractors shall disclose any actual or potential conflict of interest in the particular procurement; and
 - (ii) Current Crop Trust staff will not be engaged concurrently as service contractors, but former Crop Trust staff may be engaged as service contractors after a three-month cooling-off period or with the endorsement of the Executive Director and the Procurement Office.
- (c) Bidding documents will be made available via the Crop Trust's website (and may also be advertised elsewhere) and will contain provisions appropriate to implement the requirements of these guidelines:



- (i) Although the detail and complexity of bidding documents may vary depending upon the kind and value of supplies and/or services to be procured, these documents must provide all information necessary for bidders to prepare responsive bids;
 - (ii) The evaluation criteria and methodology shall be disclosed in the instructions to bidders with the corresponding pass-fail criteria or weighting and scoring table. The IPG may change the previously approved and published evaluation criteria and methodology when:
 - There are exceptional circumstances warranting such change;
 - All bidders are notified of the change;
 - The bidders have not yet submitted their bids; and
 - Adequate time is given for the bidders to adjust their proposals to the modified evaluation criteria.
 - (iii) Any additional information, clarification, correction of errors or alteration in bidding documents shall be provided to all those who have received the original bidding documents; and
 - (iv) In the event of any substantive amendments to the bidding documents, the IPG will give adequate time to bidders to make any necessary changes in their bids resulting from such amendments. A period of 15 calendar days is considered adequate for this purpose where the changes involved are substantial.
- (d) All eligible suppliers and contractors will be notified of opportunities to bid through public notices or advertisements.

20.4.5 **Emergency purchases** – emergency purchases refer to purchases that are not foreseen and which should be urgently made as justified by the team. Emergency purchases will be approved by the Procurement Office based on strong justification provided by the appropriate endorsing authority in section 17.1 above. In no case will the provision for emergency purchase be used to circumvent the procedure for regular procurement.

20.4.6 **Credit card purchases** – intended for supplies and/or services:

- (a) That must be procured urgently to avoid an imminent degradation or suspension of a continuing service;
- (b) The procurement of which may be undertaken only by means of a credit card facility; and/or
- (c) As a payment method where credit card payment is required to provide a deposit or replace the need for payment in cash. These supplies and/or services normally include, but are not limited to, low-value, expendable supplies such as IT-related supplies, maintenance/support services; hotel reservations; visa issuances fees/charges; and air tickets that are booked online.

20.4.7 **Direct contracting or Single-Source Selection** – contracting without competition. Subject to the approvals required under section 17.1 above, direct contracting is an appropriate method of procurement when public competitive bidding or the use of other competitive methods of procurement would not respond to the institutional needs. However, as it does not provide the benefits of competition with regard to quality and cost, lacks transparency in selection and could encourage unacceptable practices it shall be used only in exceptional cases:

- (a) Repeat orders when additional quantities of supplies and/or services that have already been procured through public competitive bidding are needed to meet additional requirements. This is permissible provided that



the additional quantity for the repeat order does not exceed 20 percent of the original quantities, or if there are justifiable reasons for a price increase that does not exceed 5 percent of the original unit price and the repeat order is made within 18 months from the date of approval of purchase order or date when the contract commenced, whichever is later. The Procurement Office shall be satisfied in such cases that no advantage could be obtained by further competition and that the prices on the extended contract are reasonable;

- (b) The required equipment is proprietary and obtainable only from one source;
- (c) When only one service provider is qualified or has experience of exceptional worth for the assignment;
- (d) The procurement of certain supplies from a particular supplier is essential to achieve the required performance or functional guarantee of the desired equipment;
- (e) For tasks that represent a natural continuation of previous work carried out by the service provider (see next section);
- (f) In exceptional cases, such as (but not limited to) in response to natural disasters and emergency situations declared by the ED.

However, the team will conduct a technical evaluation of any direct contracting bid or proposal and submit a corresponding technical evaluation report to the Procurement Office. In particular, to use the following forms of direct contracting, the conditions under each must be clearly established:

- (a) The supplies and/or services are proprietary in character and obtainable only from one or a limited number of sources or suppliers;
- (b) Standardization is important, and equipment and spare parts required for expansion or repair of existing equipment must be procured from the original supplier, or from a supplier of identical supplies; or
- (c) Works to be undertaken are a natural extension of an earlier or ongoing job and the engagement of the same contractor will be more economical and will ensure compatibility of results in terms of quality of work;

20.4.8 Pre-bid meetings - Before receiving bids in excess of USD 500,000 (incl. any applicable VAT) a pre-bid meeting may be conducted to:

- (a) Answer bidders' queries or provide clarifications concerning, for example, the nature and/or complexity of the supplies and/or services;
- (b) Furnish all information that may be necessary for preparing the bid and subsequently executing a contract; and
- (c) Allow bidders to inspect the premises where the supplies and/or services will be used or provided. The Procurement Office will be present during any visits or meetings.

The Procurement Office will advise bidders to send an appropriate representative to attend the pre-bid meeting. Any subsequent claim by the bidder that he/she did not understand the bid requirements will not be entertained. A member of the Procurement Office and at least one member of the requesting team will participate in a pre-bid meeting



21 Bidding procedures

21.1 The Procurement Office will give bidders adequate time to prepare and submit their bids. Bidding periods will normally be 15–30 calendar days, counted from the issuance of bidding documents until the deadline for submitting bids. Deadlines may be extended by the appropriate approving authority (in Table 17.1).

21.2 Bidding procedures

The following procedures are done manually, but may be carried out electronically, as deemed appropriate by the Director of Finance and Procurement Office:

21.2.1 Single-Stage One-Envelope: The usual bidding procedure used for the institutional procurement of most supplies and/or simple services:

- (a) Bidders submit bids in one envelope containing both a financial proposal and technical proposal;
- (b) The envelopes are opened on the date and time advised in the bidding document; and
- (c) The bids are evaluated and the contract is awarded to the bidder who submitted the lowest evaluated substantially responsive bid or to the bidder with the highest score, if the scoring methodology is used.

21.2.2 Single-Stage Two-Envelopes: This allows bids to be initially evaluated on purely technical and administrative grounds without reference to price:

- (a) Bidders submit their technical proposal and financial proposal in two separate sealed envelopes;
- (b) On the date and time indicated in the bidding document, the IPG or the Procurement Office opens and subsequently evaluates the technical proposals. The IPG may clarify contents of but will not allow amendments or changes to the technical proposals;
- (c) To allow evaluation of the technical proposals without consideration of the price, the financial proposals will remain sealed in the custody of the Procurement Office;
- (d) Bids with technical proposals that do not conform to the specified requirements will be rejected as non-responsive bids and their financial envelopes will be returned unopened;
- (e) The corresponding financial proposals of bidders that comply with the technical requirements will then be opened on a date and time duly communicated by the IPG to the bidders; and
- (f) The financial proposals are evaluated and the contract is awarded to the bidder whose bid is determined to be the best technically and financially, or such bid that offers the best value for money using the most appropriate among the evaluation methodologies described in section 22.3 below.

21.2.3 Two-Stage Two-Envelopes: This may be adopted for procurement involving large and/or complex contracts and where technically unequal proposals are likely to be offered, or when two or more different but equally acceptable technical solutions are available in the marketplace:

- (a) First stage: Bidders will submit their technical proposal in accordance with the specifications and requirements for two-stage bidding;
- (b) The IPG will open the technical proposals on the date, time and place indicated in the bidding and subsequently evaluate them. The financial



proposals remain sealed documents in the custody of the Procurement Office;

- (c) To ensure that all technical proposals conform to the same acceptable technical standards and meet the required technical solution, the IPG will discuss with the bidders possible amendments or changes to the technical proposals. Bidders who agree to make such adjustments will be given time to do so;
- (d) Bidders who are unable or unwilling to bring their technical proposal to conform to the acceptable technical standard will be allowed to withdraw their bids without penalty;
- (e) Individual discussions with bidders will be duly recorded, but the IPG will ensure that minutes of these discussions are not disclosed to other bidders;
- (f) Second stage: After evaluating the technical proposals, the IPG will invite the complying bidders to submit their revised technical proposals and supplementary financial proposal, if any, based on the agreed technical standard;
- (g) The IPG will then set the time and date for opening the original and supplementary financial proposals and the revised technical proposal; and
- (h) The financial proposals, supplementary financial proposals and revised technical proposals will be evaluated in a single-stage, one-envelope bidding procedure. The contract is awarded to the bidder whose bid is determined to be the best technically and financially, or such bid that offers the best value for money.

21.3 After opening the bids, the IPG will ascertain whether:

- (a) The documents are properly signed;
- (b) The bids are substantially responsive to the bidding documents;
- (c) No arithmetic errors in computation are made in the bids;
- (d) The bids are otherwise generally in order; and
- (e) Any overall discounts or reservations apply.

21.4 After the deadline for submitting bids, no bidder will be requested or permitted to alter the bid, except in the case of two-stage bidding. However, the Procurement Office may request clarifications or allow correction of arithmetical and typographical errors that would not affect the substance or validity of the bid.

21.5 A bid that is not substantially responsive to the bidding documents or contains inadmissible reservations will be rejected. A bid will be rejected if it is determined to contain an omission or misrepresentation that the Procurement Office, in consultation with the Legal Advisor, determines to amount to an integrity violation. A bid that is considered to be unreasonable (at least more than 15 percent lower than all other bids) may be rejected by the IPG.

21.6 A technical analysis will then be made to evaluate responsive bids and enable bids to be compared. Bids that conform to the technical specifications and are substantially responsive to the bidding documents will be evaluated according to the evaluation criteria.



- 21.7 The IPG will evaluate bids with a contract value of more than USD 500,000 (incl. any applicable VAT) and submit its recommendations to the ED for approval. The Procurement Office will prepare confidential minutes of the proceedings of the IPG. Bids with a contract value of US 500,000 or less will be evaluated by the Procurement Office in conjunction with the team.
- 21.8 No information relating to the examination, clarification and evaluation of bids and recommendations concerning awards will be communicated to any person not officially concerned with these procedures.
- 21.9 Clarifications may be sought on all bids as necessary by the Procurement Office. Negotiations may only take place with the bidder scoring the highest score in an evaluation meeting. However, if negotiations fail, the IPG may authorize negotiations with the second-rated bidder.
- 21.10 Bid opening and evaluation will be duly recorded and the minutes accordingly filed in sufficient copies with the Procurement Office.
- 21.11 The Procurement Office will keep all bids received in a confidential file.
- 21.12 Post-qualification:
- 21.12.1 In procurement without pre-qualification, or where pre-qualification was conducted more than 12 months earlier, the Procurement Office, or the IPG when it is convened, will determine whether the bidder with the lowest evaluated bid has the capability and resources to carry out the contract effectively, based on a fixed set of criteria. This is the final step in evaluating bids. If the bidder fails to meet these criteria, the Procurement Office or the IPG will reject its bid and will then post-qualify the bidder with the next-lowest evaluated bid.

22 Qualification criteria

- 22.1 In addition to consulting the Registry of Vendors, the IPG may further determine the qualification of suppliers and/or service contractors to supply supplies to and/or perform the services that the Crop Trust requires, either before being invited to submit a proposal (pre-qualification) or after submitting a proposal (post-qualification). For procurement of supplies and/or services involving large and/or complex contracts, the IPG may decide to pre- or post-qualify only upon recommendation of the team.
- 22.2 Qualification:
- 22.2.1 The criteria against which the qualification of bidders will be evaluated include, but are not limited to, the following:
- (a) Financial condition;
 - (b) Technical qualifications;
 - (c) Relevant experience;
 - (d) Key employees; and



- (e) Record of compliance with applicable laws and/or standards on environmental protection, corporate social responsibility, and fraud and corruption.

22.2.2 In procurement where pre-qualification is determined to be necessary, the following procedure will apply:

- (a) The team submits to the Procurement Office the minimum requirements to be included in the pre-qualification, bidding and related contract documents;
- (b) The Procurement Office prepares the pre-qualification documents including the evaluation criteria agreed upon with the team and endorsed by the IPG;
- (c) Invitations to pre-qualify are advertised through the Crop Trust's website.
- (d) The Procurement Office issues pre-qualification documents to prospective bidders who respond to the advertisements;
- (e) The Procurement Office and the team review the pre-qualification documents from the prospective bidders. The Procurement Office then presents the result to the IPG for discussion and endorses the qualified firms for subsequent approval by the ED; and
- (f) All providers found capable of delivering the supplies and/or performing the services satisfactorily in accordance with the approved minimum pre-qualification criteria will be pre-qualified and invited to submit bids.

22.2.3 Technical and commercial evaluation criteria against which the contractor and/or supplier will be technically and commercially evaluated will be defined.

- (a) The technical and financial criteria that the Procurement Office or the IPG will apply to prospective bidders should include:

Technical Criteria

- (i) Experience;
- (ii) Resources;
- (iii) Employees;
- (iv) Work performance statement;
- (v) Organization/references/key staff;
- (vi) Health, safety and environment;
- (vii) Quality management;
- (viii) Procedures and systems; and
- (ix) Acceptance of the proposed terms and conditions.

Financial Criteria

- (i) Financial standing; and
 - (ii) References (if applicable).
- (b) Depending on the size, value and complexity of the team's requirements and the recommendation of consultants in the procurement of supplies and/or services involving large and/or complex contracts, additional criteria may be considered, provided all criteria for pre-qualification are specified in the bidding documents.

22.3 The Procurement Office will use a Pass and Fail Evaluation Framework as a determination of compliance with approved minimum requirements, unless other evaluation frameworks are decided to be more applicable and indicated accordingly in the bidding documents.



23 Award of contract

- 23.1 Upon selection of a successful bidder, the Procurement Office will inform the Contract Office to prepare the letter of acceptance/contract offer with the appropriate approving authority's signature and send it to the successful bidder accordingly. The Procurement Office will also prepare the letters notifying unsuccessful bidders of the outcome of the bidding process.
- 23.2 Upon notification of the award of contract, the successful bidder will be required to submit the applicable liability insurance policies and performance security before commencing performance under the contract. The Procurement Office or the IPG will fix the amount of performance security, which will not be less than 10 percent of the contract value. The Procurement Office will ensure that performance securities and liability insurance policies are maintained.
- 23.3 The team will issue a 'Notice to Proceed' to the successful bidder as necessary.
- 23.4 Advance payments may be prescribed in the bidding documents as follows:
- 23.4.1 The Crop Trust will not normally make advance payments, except when direct contracting (single source) and/or when buying from suppliers on an indent basis. However, when requested to do so, the Crop Trust must first expressly agree in writing to make an advance payment. In those cases, the advance payment must not exceed 20 percent of the contract price, and the contractor will be required to furnish sufficient security to ensure recovery of the advance payment should the contractor fail to deliver. [The security shall be in the form of a bank guarantee in the same amount and currency as the advance and should be furnished to the Crop Trust before receiving advance payment.]
- 23.4.2 Advance payments of more than 20 percent of the total cost may be made, but only when endorsed by the team, required by industry practice for the particular procurement, and approved following the levels of authority provided under sub-section 17.1 above and with exceptional approval by the Executive Director. The Procurement Office will ensure that the contractor posts sufficient security for such advance payment.
- 23.5 Form and conditions of contract:
- 23.5.1 Contracts for the supply of supplies and/or services will be in writing and executed by the parties in person or in counterparts through duly authorized representatives.
- 23.5.2 To suit specific needs of the team, contract provisions in standard formats of contracts for the supply of supplies and/or services may be modified accordingly, in consultation with the team. The Procurement Office may request the assistance of the Legal Advisor, as necessary.



- 23.5.3 A retainer agreement (RA) will be entered into with service providers where:
- (a) The service or concession subject matter of the RA is critical;
 - (b) Frequent changes in the service provider would impact negatively on the Crop Trust;
 - (c) Previous bidding exercises have shown that no advantage would be gained in re-tendering the particular service; and
 - (d) The provider has shown satisfactory performance.
- 23.5.4 RAs will include a workplan to assist the team in monitoring the performance of the service provider or concessionaire.
- 23.6 Duration/extension of contract:
- 23.6.1 To promote transparency and efficiency, and to maintain high-quality service, service contracts in general may be awarded for an initial period of up to three years. However, a contract may be considered for an extension for a term to be negotiated with the contractor and approved by the ED.
- 23.6.2 Unless otherwise approved by the ED, contracts for services that do not fall under those that may be covered by RAs will have a maximum duration of three years.
- 23.7 Contract amendments:
- 23.7.1 Upon a written request from the Provider, the Crop Trust may consider amendments to the Contracts. The Crop Trust must approve any such amendments in writing. Amendments may refer to, but are not limited to,
- extension of the contract period
 - change in the total value of the agreement
 - changes in the specification of service
 - terms of payment, etc.
- 23.7.2 The Procurement Office will advise the relevant team to ensure that the terms and conditions of amended contracts comply with the provisions of these guidelines. The Contracts Office will process contract amendments.
- 23.7.3 Specific endorsement and approval from the respective original if the total contract value, including the proposed amendment, exceeds the initial threshold of the contract, shall be obtained for any change that:
- (a) Increases the initial contract amount by 15 percent or more;
 - (b) Increases the initial contract duration by 25 percent;
 - (c) Substantially alters the original scope or object of the contract, to the extent that the change constitutes in essence a new procurement;
 - (d) Where the contract variations extend the total term of the contract over five years; or
 - (e) Where the total cumulative value of the multiple contract amendments exceeds 200 percent of the initial contract value.



24 External Gifts, Benefits, Favors or Recognition Given to Crop Trust Personnel

24.1 Guidelines on handling gifts, benefits and favors can be found in the PPPM.



PART III – ANNEXES

1 ANNEX A - Guidelines on Using a Credit Card on the Internet

Use of a corporate credit card, or the card number, is restricted to the approved cardholder(s), Finance personnel and the Travel and Meetings Officer (or someone acting on their behalf). Outlined below are recommended guidelines from the Finance Office to manage the risks associated with online transactions.

- 1.1 **Take care of your card details online**
Secure sites will start with https, not http. Secure sites have an added encrypted transaction layer. Other security systems include Secure Socket Layer (SSL), Secure Electronic Transaction (SET) and Hypertext Protocol Secure (HTTPS). Use these whenever possible.
- 1.2 **Use of Paypal**
PayPal is the preferred method of payment by the Crop Trust and must be used where possible. Paypal protects financial information with industry-leading security and fraud prevention systems. When using PayPal, financial information is not shared with the merchant. Once the payment is complete, a receipt for this transaction will be emailed to Finance.
- 1.3 **Get to know a company before you buy**
If you're not familiar with a supplier, it is a good idea to contact them first and ask for some company background before proceeding with the purchase. Are the company's registered details displayed on the home page? Keep a record of them and make sure that there is not a mobile telephone number. Is there some form of accreditation that can be verified? If you are unsure do not proceed with the purchase.
- 1.4 **Be aware of private sellers**
Do not use your card to buy from private sellers. Members of the public often use classified ads and auctions to sell online. However, if you do have any problems, your legal rights may not be the same as they would be if you were dealing with a business. So always make sure you know who you are buying from.
- 1.5 **Keep your passwords secret**
If you register with a particular site, you'll be asked to enter a username and password. Keep your passwords completely secret in the same way that you would look after your personal card ATM PIN. Never disclose this information to anyone even if they claim to be from the bank or the police, and never send it over the Internet. Close your browser after completing transactions to ensure that passwords are not retained in the cache.
- 1.6 **Read the delivery and returns policy before you buy**
Read the delivery and return policies on the supplier's home page before completing an online transaction. Verify that you can return any unsatisfactory items and check whether you will get a refund or a credit. The website ideally should also cover delivery methods, delivery cost, currency accepted, taxes applied, return and refund policy, and a contact telephone number or e-mail address.



- 1.7 Check for a secure connection before you enter your card details
First, make sure that you're using a secure browser (see point 1 above).
- 1.8 Save a record of your transactions
Keep receipts and a record of all online transactions. Print and save a copy of your completed order form and your order confirmation. Most reputable suppliers will e-mail you with an order confirmation within 24 hours. Always keep a record of the website address.
- 1.9 Inspect your supplies carefully
When you take delivery of supplies you buy online, be sure to check that they are exactly what you ordered. If you are unhappy with the quality or have any other problem, first contact the supplier directly. If you have any difficulty resolving the query with the supplier, then contact the Finance Office. Keep a track of impending delivery due dates. If the supplies have not arrived, contact the supplier.



CARDHOLDER AND CARD NUMBER HOLDER AGREEMENT

I, _____, hereby acknowledge receipt of the following credit card or have been given access to the credit card number:

--	--

CREDIT CARD COMPANY

CARD NUMBER

I understand that improper use of this card and the card number may result in disciplinary action, as outlined in the corporate credit card policy, as well as personal liability for any improper purchases. As a cardholder or designated employee with access to the credit card number, I agree to comply with the terms and conditions of this agreement, including the attached Credit Card Policies and Procedures agreement.

I acknowledge receipt of said Agreement and Policies/Procedures and confirm that I have read and understand the terms and conditions. I understand that by using this card or the card number, I will be making financial commitments on behalf of the Global Crop Diversity Trust and that the Global Crop Diversity Trust will be liable to

_____ for all charges made on this card.
(Name of Credit Card Company)

I will strive to obtain the best value for the Global Crop Diversity Trust when purchasing merchandise and/or services with this card or card number.

As a holder of this card or card number, I agree to accept the responsibility and accountability for the protection and proper use of the card or card number, as mentioned above. I will return the card to the Finance Department upon demand, during the period of my employment. I further agree to return the card upon termination of employment. I understand that the card or card number is not to be used for personal purchases. If the card or card number is used for personal purchases or for purchases for any other entity, the Global Crop Diversity Trust will be entitled to reimbursement from me of such purchases. The Global Crop Diversity Trust shall be entitled to pursue legal action, if required, to recover the cost of such purchases, together with costs of collection and reasonable attorney fees.

Signature _____ Date _____
(Cardholder or Holder of Account Number)

Signature _____ Date _____
(Director of Finance)



**CARDHOLDER AND CARD NUMBER HOLDER AGREEMENT
(FINANCE COPY)**

I, _____, hereby acknowledge receipt of the following credit card or have been given access to the credit card number:

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CREDIT CARD COMPANY

CARD NUMBER

I understand that improper use of this card and the card number may result in disciplinary action, as outlined in the corporate credit card policy, as well as personal liability for any improper purchases. As a cardholder or designated employee with access to the credit card number, I agree to comply with the terms and conditions of this agreement, including the attached Credit Card Policies and Procedures agreement.

I acknowledge receipt of said Agreement and Policies/Procedures and confirm that I have read and understand the terms and conditions. I understand that by using this card or the card number, I will be making financial commitments on behalf of the Global Crop Diversity Trust and that the Global Crop Diversity Trust will be liable to

_____ for all charges made on this card.
(Name of Credit Card Company)

I will strive to obtain the best value for the Global Crop Diversity Trust when purchasing merchandise and/or services with this card or card number.

As a holder of this card or card number, I agree to accept the responsibility and accountability for the protection and proper use of the card or card number, as mentioned above. I will return the card to the Finance Department upon demand, during the period of my employment. I further agree to return the card upon termination of employment. I understand that the card or card number is not to be used for personal purchases. If the card or card number is used for personal purchases or for purchases for any other entity, the Global Crop Diversity Trust will be entitled to reimbursement from me of such purchases. The Global Crop Diversity Trust shall be entitled to pursue legal action, if required, to recover the cost of such purchases, together with costs of collection and reasonable attorney fees.

Signature _____ Date _____
(Cardholder or Holder of Account Number)

Signature _____ Date _____
(Director of Finance)



**Agreement for Staff Members Identifying Purchases Requiring Credit Card
Payment (but who are not cardholders or card number holders)**

By signing this agreement I declare that for all purchases or subscriptions that I identify requiring credit card purchase:

- I understand the risks associated with credit card purchases;
- I have first determined whether it is possible to pay via Paypal, Airplus, by bank transfer or by other more secure method;
- I understand that if the Organization uses this card for a payment or subscription requested by me that I will be making financial commitments on behalf of the Organization and that the Organization will be liable to Visa/Mastercard for all charges made on this card;
- I will strive to obtain the best value for the Global Crop Diversity Trust when purchasing merchandise and/or services via credit card;
- I understand that the card is not to be utilized for personal purchases;
- I have made all reasonable efforts to ensure that the company identified for the purchase is a reputable company;
- I have made all reasonable efforts to ensure that the website requiring the credit card transaction is a secure website;
- I have followed all procedures for purchasing including obtaining the required number of quotations (based on the Organization's policies in this regard) and obtained all required authorizations required to proceed with the purchase;
- In the case of an ongoing subscription, I will immediately inform the Finance Department as soon as a subscription is no longer needed with a copy of the subscription cancellation, where applicable;
- I understand that failure to follow these policies may result in disciplinary action.

Signature _____ Date _____
(Responsible Person)

Signature _____ Date _____
(Director of Finance)



**Agreement for Staff Members Identifying Purchases Requiring Credit Card
Payment (but who are not cardholders or card number holders)
(FINANCE COPY)**

By signing this agreement I declare that for all purchases or subscriptions that I identify requiring credit card purchase:

- I understand the risks associated with credit card purchases;
- I have first determined whether it is possible to pay via Paypal, Airplus, by bank transfer or by other more secure method;
- I understand that if the Organization uses this card for a payment or subscription requested by me that I will be making financial commitments on behalf of the Organization and that the Organization will be liable to Visa/Mastercard for all charges made on this card;
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- I understand that the card is not to be utilized for personal purchases;
- I have made all reasonable efforts to ensure that the company identified for the purchase is a reputable company;
- I have made all reasonable efforts to ensure that the website requiring the credit card transaction is a secure website;
- I have followed all procedures for purchasing including obtaining the required number of quotations (based on the Organization's policies in this regard) and obtained all required authorizations required to proceed with the purchase;
- In the case of an ongoing subscription, I will immediately inform the Finance Department as soon as a subscription is no longer needed with a copy of the subscription cancellation, where applicable;
- I understand that failure to follow these policies may result in disciplinary action.

Signature _____
(Responsible Person)

Date _____

Signature _____
(Director of Finance)

Date _____



2 ANNEX B - Additional Guidelines on Information and Communication Technology (ICT) Procurement

2.1 To facilitate procurement, ICT related supplies and/or services will be categorized as follows:

2.1.1 Supplies – hardware/software, including but not limited to the following:

- (a) Desktop computers;
- (b) Notebooks/laptops;
- (c) Mobile devices (tablets and phones);
- (d) Servers;
- (e) Printers;
- (f) Communications/telecommunications;
- (g) Computer projectors;
- (h) Storage devices;
- (i) Low-value, off-the-shelf or non-customized software applications; and
- (j) Large and/or complex contracts for customized software applications and related implementation services.

2.1.2 Services, including but not limited to, the following:

- (a) IT contractual employees;
- (b) Outsourced services and/or hosted applications;
- (c) Maintenance;
- (d) Technical support;
- (e) Training (see below);
- (f) Subscriptions (telecommunications, domains);
- (g) Upgrades (software and hardware; may further include certified levels of maintenance and support services); and
- (h) Project management.

2.1.3 Combination of ICT related supplies and services, including miscellaneous items:

- (a) ICT projects – include service provider employees and usually include customized requirements delivered through fixed-price and/or time and materials contracts; and
- (b) Memberships – offers supplies and/or services at a discount (e.g. training and publications).

2.2 Endorsement and /or Approval process for ICT-related supplies and/or services:

2.2.1 Whenever a Team has an ICT related request it has to first contact the ICT-team for confirmation that the technical specifications and their compatibility with the Crop Trust's ICT standards, strategic direction and technology fit.

2.2.2 After the technical requirements are specified, the team needs to obtain the required internal approvals. Upon review and approval, the team will formally issue a request for supplies and services to the Procurement Office.



- 2.2.3 Requests for procurement of ICT related supplies and services must use where ever possible generic terms to describe the technical specifications, without directly or indirectly indicating specific brands that could inappropriately render competitive bidding impossible.
- 2.3 In the IT industry, training and/or attendance at conferences is often an integral part of contracts for the supply of hardware and/or software. Hence, training and/or attendance at conferences associated with or bundled in such contracts by Crop Trust staff or contractors may be included as part of the requirements or offer. Whenever possible, the cost of training (including accommodations, airfare and per diem) should be detailed in the bidding documents or proposals/price quotations, as appropriate, and in the contract to be awarded. In no case should such costs exceed the entitlements allowed under the Crop Trust's established policy or rules. All outcome of procured training activities and/or attendance in conferences associated with contracts for the supply of hardware and/or software will be recorded on a staff development feedback form and filed with the HR office.



3 ANNEX C – Circulation Sheet for Clearance of Service Contracts

Contract Number:			
Project & Project Code (if applicable):			
Budget Code:			
UNIT	Account	Donor	Project
Activity	Sub-Act		
Total Contract Amount (incl. currency):			
Service to be provided:			
Provider			
Justification for the provider selected:			
Terms of Payment (to be completed by Contract Manger)			
Installments	<input type="checkbox"/> (Yes)	Number of Installments (if yes)	
Invoice based	<input type="checkbox"/> (Yes)	Rate (if applicable)	
Payment Schedule	<input type="checkbox"/> Monthly <input type="checkbox"/> Quarterly <input type="checkbox"/> Yearly <input type="checkbox"/> Not specified		
Signatories		Signature *	Date
Originator:			
Budget Holder:			
Contracts & Grants Office: <input type="checkbox"/> PPPM considered (summary overleaf) <input type="checkbox"/> terms of payment/ payment plan (30 days) <input type="checkbox"/> original invoices <input type="checkbox"/> minimum amount of German Tax (EUR 25) <input type="checkbox"/> invoices addressed to finance department <input type="checkbox"/> contract number & budget code provided <input type="checkbox"/> Anti-terrorism check conducted ¹		Stefan Thyen	
Director of Finance:		Janet Muir	
Scientific Advisor:		Paula Bramel	
Executive Director:		Marie Haga	
Legal Advisor:		Required: <input type="checkbox"/>	
		Justification:	

¹ **Partners checked against these lists:**

US Department of the Treasury, Office of Foreign Assets Control (OFAC): Specially Designated Nationals List (SDN):

<https://sdnsearch.ofac.treas.gov/>

<http://www.treasury.gov/resource-center/sanctions/Programs/Pages/Programs.aspx>

Common Foreign and Security Policy (CFSP) of the European Union:

http://eeas.europa.eu/cfsp/sanctions/consol-list/index_en.htm

UN Security Council Sanctions Committees:

http://www.un.org/sc/committees/list_compend.shtml



Summary of Procurement Policy & Procedures Manual
(as approved by the Executive Board at its meeting xx October 2016)

Estimated Contract Value	Procurement Method	Endorsing Authority	Approving Authority
1,000 or less (EUR 900 or less)	Purchase of low-value supplies /services by comparing at least three offers on web pages, through letter, phone, fax or e-mail, see Manual 20.4.1 for reference	Budget Holder	Budget Holder
1,001 to 10,000 (EUR 900 to 9,000)	Shopping by obtaining quotations from at least three suppliers through letter, phone, fax or e-mail, see Manual 20.4.2 for reference	Procurement Office	Budget Holder
10,001 to 50,000 (EUR 9,000 to 45,000)	Limited tender from pre-selected and suitable suppliers in the Crop Trust's Registry of Vendors. Users may further recommend pre-selected suppliers, in addition to those available in the registry, see Manual 20.4.3 for reference	Procurement Office	Director of Corporate Operations & HR
50,001 up to 150,000 (EUR 45,001 to 135,000)	Limited tender from pre-selected and suitable suppliers in the Crop Trust's Registry of Vendors. Users may further recommend pre-selected suppliers, in addition to those available in the registry, see Manual 20.4.3 for reference	Institutional Procurement Group	Executive Director
150,001 and above (EUR 135,001 and above)	Open international competitive tender with pre- and/or post-qualification, as appropriate, see Manual 20.4.4 for reference	Institutional Procurement Group	Executive Director

Direct contracting or Single-Source Selection (section 20.4.7)

In exceptional cases, such as (but not limited to):

- i) required equipment and/or service is proprietary and obtainable only from one source;
- ii) only one service provider is qualified or has experience of exceptional worth for the assignment;
- iii) The procurement of certain supplies from a particular supplier is essential to achieve the required performance or functional guarantee of the desired equipment;
- iv) For tasks that represent a natural continuation of previous work carried out by the service provider (see next section);

The Originator will conduct a technical evaluation of any direct contracting bid or proposal and submit a corresponding technical evaluation report to the Procurement Office ('Justification for the Provider Selected').