



Hold the Child
OUR ACTION. OUR FUTURE

Hold the Child Standards #	Doc-2021-4-01
Title	Procurement Policy & Manual
Category	Guidelines
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Objective and Description	This policy and manual describes Hold the Child standards and processes for procurement
Audiences	<input checked="" type="checkbox"/> Board of Trustees <input checked="" type="checkbox"/> All Staff <input checked="" type="checkbox"/> Sub-awardees, Suppliers, Consultants <input checked="" type="checkbox"/> Interns and Volunteers

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Sept-12	• Operations Officer	• Head of Program	• Executive Director	First Issue
Oct- 16	• Procurement Manager	• Program Director	• Executive Director	Revision of sections to improve procurement process tools
26 th /Mar/2021	• Procurement Manager	• Program Development Director	• Executive Director	Revision of sections to improve segregation, updated cut-offs, tools and archives, as well as codes of conduct
16 th /April/2021	• Procurement Manager	• Program Development Director	• Executive Director	Final Version

This policy document has been reviewed to align with our operational scale and all our major donor standards, and approved under my hand



Deng Machuor
Executive Director

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1. Policy statement

The management of Hold the Child (HCO), a not for profit organization is committed to deliver on the organisational mission through professional resource management.

Standard procurement procedures and processes are an integral part of the organisation, towards upholding the minimum requirements of the rapidly evolving humanitarian and development working standards and accountability systems. Standard procurement systems too contributed to the long-term development of the country's business culture through capacity building, supplier development and contract management

The policy statements and procedural guidelines contained in this manual are designed to;

- Supports Hold the Child's program goals;
- Generates the best quality economic value;
- Complies with donor requirements
- Protects Hold the Child from fraud, abuse and non-performance;
- Enhance transparency in procurement activities;
- Enlighten staff members on purchasing procedures;
- To establish operational standards against which management and auditors can appraise performance;
- To act as an instructional document to all staff who may be involved in purchasing processes and also in orienting new staffs.

The procedures outlined in this manual will go into effect on 16th April 2021. Failure to follow these policies could lead to disallowed costs, un-needed procurements, procurement of inadequate or substandard goods/services, or even fraud.

The Executive Director and Head of Finance & Administration and team leaders in each field location will therefore ensure that procurement processes are being implemented according to the instructions in this manual.

2. Business at Hold the Child

2.1. Time and Procedures

Buying goods or services is not simply a case of deciding today what is needed, going to a supplier and buying it and using it tomorrow. To be efficient, receive the best value for money and have materials available when they are needed, it is important to be aware of the steps in the overall procurement process and particularly the need to plan for and start the process in advance in order to avoid delays in program implementation.

Time required – procurement activity starts when a completed approved Purchase Request form arrives to the Operations department, from this point the time required is dependent on the size of the order, location of supplier (local or international), whether this is a new item for which suppliers must be identified, specific donor regulations etc. Procurement times will range from one week to several months depending on the category (detailed in section 3.2 below)

Operations staffs are responsible for processing procurement requests as rapidly as possible while ensuring that the HCO policies and procedures are followed. operations staff should bypass required procedures to shorten the procurement process. Therefore, staffs requiring procurement are responsible for ensuring they submit procurement requests with sufficient lead time.

2.2. How do we do Business?

HCO is committed to implementing open, fair and transparent procurement practices, and to respect the host country laws. In addition, we strive to develop and maintain positive relationships with suppliers and local business communities to ensure effective working relationships which will assist in meeting our program needs.

2.3. Procurement Principles and Client Centricity

As an Organization it is necessary for Hold the Child to achieve Best Value for Money (BVM) in procuring goods, services, and works. It must do so, and be seen to be doing so, with fairness, integrity, and transparency.

These principles are the foundation of Hold the Child's procurement. When fraudulent and corrupt practices occur, the damage extends far beyond financial

losses, posing serious threats to the Organization’s credibility and to its ability to achieve its operational and programmatic objectives. Mandated staff are therefore expected to comply with these procurement principles in performing their work with a high level of care and professionalism.

2.4. Conflict of Interest

In line with our code ethics and conduct, all employees must be aware of what constitutes a conflict of interest and the procedures to follow should such a situation arise. No employee, officer, or agent of the HCO shall participate in the selection, award or administration of purchases or contracts where to his or her immediate family, or partner who has a financial interest in the supplier’s organization. Employees, officers, and agents of the HCO shall neither solicit nor accept cash, gratuities, favours, or anything of monetary value from suppliers or vendors.

To ensure objectivity and eliminate unfair competitive advantage, suppliers who participate in the development or drafting of specifications, requirements, request for quotes, or request for proposals (that include proprietary knowledge or equipment) should be excluded from competing for business related to their participation.

Employees, officers, and agents of the HCO who knowingly violate this policy will be subject to such disciplinary actions as deemed appropriate by the Ethics Committee.

All HCO staff that hold decision-making authority or influence over the procurement process will prior to the exercise, sign the HCO Conflict of Interest Disclosure Statement and the Gift Policy Disclosure Form

The signed copies will be held on staff personnel files for future references

2.4. Confidential Information

Staff must take care not to pass on information, intentionally or unintentionally, on estimated prices, budgets, other supplier quotes or any other internal procurement related information to any outside party. Disclosure of this kind of information may unfairly benefit a supplier, result in higher quotes and/or it may result in collusion on pricing-bids between suppliers

Date Updated: 05/04/2021.

Review Date: 31/03/2023

3. Procurement Process

3.1. Policy Expectations

- All purchases must be approved and carried out strictly in accordance with the approved Authorization Schedule according to the authority limits.
- Only fully completed and duly authorized *PRs* are to be submitted to the Operations Dept. Incomplete *PRs* might be returned to the originator which will cause delays in the procurement process.
- Specification of items: in order to ensure that the items procured meet the requirements of the programs, the items need to be fully specified in detail.
- Sequence of procurement forms: The Purchase Request Form and Bid Analysis Summary must be approved before the Purchase Order/Contract is signed.
- Timelines of procurement forms: The Executive Director and Head of Finance & Administration should take into account that it takes time to process procurement requests.

All procurement should be planned well in advance. Documents should be sent in a timely manner to allow for proper review and processing. Each stage of the procurement process takes time!!!

- To complete the internal HCO review process
- To identify suppliers
- To request and receive supplier offers
- For the supplier to prepare the order
- To deliver the order to the Operations Department
- To deliver the order to the requesting officer

Early planning through Annual and Project forecasts are therefore essential

3.2. Procurement Categories

3.2.1. Category One: \$ 0 - \$ 1,000 or equivalent

The purchaser should obtain at least 3 written quotation or use vendor price list in line with sound purchasing practices for purchases up to \$1,000
Request for Quotations will be issued for a period of at least 3 days, and offers expected to lasting for at least 21 days.

3.2.2. Category Two: \$ 1,001 - \$ 10,00 or equivalent

A duly authorized Purchase Request and Purchase Order is required for this procurement category.

Request for Quotations will be issued for a period of at least 14 days, and offers are expected to last for at least 60 days.

A minimum of three written bids on supplier letterhead are required for procurement decision through a committee session, and bid analysis form be signed + minutes.

3.2.3. Category Three: \$ 10,000 and above or equivalent

Request for Quotations will be issued for at least 28 days. Sealed bids are required (Restricted or Open) separated for Technical and Financial; and offers are expected to last for at least 90 days.

Should there be less than three local (in-country) suppliers, prices must be sought from and international source for comparative purposes. Where the supplier holds a sole distributorship, a “Sole Supplier Certificate” must be submitted with the sealed bid and form part of the procurement documentation.

Depending on the need and the scope of work, the composition of the procurement committee may be extended to include external specialities.

Standard documentations will Purchase Requests, Purchase Orders/ Contracts, and Bid Analysis Form + Minutes.

A *Contract* with the Supplier must be signed, specifying the terms of the transaction and the mutual obligations. Price proposals of potential suppliers will be kept on record and they might be invited to bid directly for future purchases

3.3. Procurement Stages

3.3.1. Requisition

Hold the Child's results based management works in a way that all costs by deliverables are assigned under the detailed implementation plan of every project by quarter inline with the annual procurement forecast. Individual procurement needs are initiated by project officers at project level and regular utilities initiated directly by are operational in-charges.

- a) For goods, detailed technical specifications are generated;
- b) For services or works, detailed technical scope of work and terms of reference are developed.

A **Purchase Request** is completed including (these attachments) all the specifications necessary to make a correct purchase for the need. This is sent to Operations Department, and the logistics & admin assistant registers before seeking for clearance of Finance Manager and approval.

The total estimated value (not the value of individual items listed) of the Purchase Request determines who is eligible to approve or authorize the purchase. Purchases can be authorized only by staff who are included on the Authorization Schedule and only within their limit.

The person authorizing the Purchase Request must verify that:

- i. The purchase is required for and eligible under the grant or approved annual procurement forecasts
- ii. Sufficient funds are available within the applicable budget

Note:

1. Purchase Requests must not be artificially split to avoid the HCO authorization schedule
2. Separate PRs should be used for different types of materials – i.e. don't mix purchasing office supplies with purchasing construction cement, or food with electronic accessories
3. A single PR should normally be used for a complete activity – i.e. for a workshop a single PR would cover room, rental, refreshments, participant travel, other workshop direct costs
4. A single PR should normally be done to cover the total cost of staff training i.e. including fees, travel, per diem etc.

5. All Purchase Requests regardless of category must be reviewed by the Finance Department to ensure accuracy in charging expenses to particular grant and availability of funds.

3.3.2. Request for Quotation or Proposals

Once the Purchase Request is approved, the logistics & admin assistant completes the:

- a) **Requests for Quotations** (for goods)
- b) **Requests for Proposals** (for services or works)

These with specific turnaround times based on the category of procurement section 3.2 above and dependent on factors among others the urgency (detailed in section 4 below), based on know supplier information the logistics & admin assistant may

- i. Issues an open invitation for quotations or proposals to the public
- ii. Issues a closed invitation for quotations or proposals to pre-qualified vendors

Dedicated contacts lists or physical box are made available for submission of quotes, proposals or bids which are appropriately addressed.

3.3.3. Quotation or Proposal Analysis

Depending on the category of purchase (see 3.2 above);

- a) For category one, collected quotations are weighed by the operations officer based on value for money principle ahead of issuance of the purchase order (3.3.1 documentation requirements apply)
- b) The logistics & admin assistant collects sealed quotes to the operations officer's locker ahead of the quotation analysis for category 2 and above. Dedicated emails are used to which are only opened before the procurement/proposal section committee whose composition and documentation is further advised below

The quotes or bids must be in writing (on company letterhead and preferably stamped) and valid for a specified amount of time. Item specifications and their cost in the **Bid Analysis Form** must match those on the bid submitted by the supplier. Transportation costs, if any, have to be taken into account and shown clearly on the Bid Analysis Form and considered whilst comparing prices.

HCO makes purchasing decisions based on the best value for money, so while normally the lowest price will be selected this is not required. Suppliers who offer better quality, faster delivery, more favourable payment terms, better guarantees and/or superior service may be selected even though their price is not the lowest if this provides HCO with overall better value for money. There must be clear justification when this occurs to support the selection of a higher priced supplier -this must be written in the Recommendation section of the Bid Analysis Form. The same applies for those cases where only one or two suppliers are trading in the desired goods; this should be clearly stated on the Bid Analysis Form.

The Bid Analysis Form therefore entails the following;

- Approval on the Bid Analysis Form has to be sought in accordance with the Authorization Schedule.
- Compare written prices to actual bids – Are bids attached? Does the BAS reflect the price and terms specified on the bids?
- Compare to Purchase Request – Are they the goods requested? Is the price within 10% of the PR estimated price?
- Is the grant being charged for the goods still open? Will proposed delivery time get goods to the program before grant ends? Are there any donor compliance issues?
- Recommendation – Does what is written explain why the supplier was chosen? This should be self-explanatory from reading the justification

Notes:

- i. The **Procurement committee** is required for category 2 & 3 and should be involved at each step.
- ii. It is absolutely forbidden for any HCO staff to separate purchase requests or orders or receipts in order to avoid compliance with the rules set forth in each of these categories.
- iii. Where actual costs exceed the approved PR amount, Operations are authorized to proceed with the purchase provided that the difference is less than 10%. If the difference is greater than 10% then operations must obtain additional approval from approving staff to proceed with the order.

3.2.4. Contract Management

Once the quote, proposal is approved, the operations officer moves ahead to:

- a) Issue a **Purchase Order** for goods needed and be signed by the appropriate signatory – depending on the value. The Purchase Order is the document confirming the details and terms of a purchase to be made from a supplier and once accepted by the supplier, represents a legal commitment between HCO and the supplier. When the Purchase Order does not facilitate full documentation of the transaction a contract must be used (detailed in segment b below).

The following should be checked before signing off a purchase order (PO)

- PO is supported by a PR and required bidding documents & analysis
- Grant is still open and delivery is before end date
- Delivery location and schedule is correct
- Vendor is correct – name & address
- Currency & payment terms completed
- Descriptions are complete
- Quantity, unit cost & total accurate
- Person signing must be an authorized signatory and the amount must be within their limit
- PO should be signed by both HCO and the supplier.
- PO Forms are printed in book format with two carbon copies. POs should be pre-numbered.

- b) Establish a **Service** or **Works Contract** with selected service or works vendor respectively. A Contract is used to document the nature, terms and conditions of a transaction as agreed to by both parties. As with the PO (which also constitutes a contract), a contract represents a legal commitment between the HCO and the supplier.

A contract is used

- When a simple PO does not facilitate full documentation of the agreement.
- When non-standard HCO terms and conditions are agreed to (for example: multiple deliveries, advance payments).
- For construction projects, leasing transactions and provision of services

HCO standard procurement contracts should be utilized in a way to conform to host country laws and business practice. The use of vendor contracts is discouraged though may be done on an exceptional basis. Supplier or

contractor contracts can only be used once they have been reviewed by Logistics to ensure adequate protection for HCO

The **Delivery Report** (DR) is to confirm goods are delivered by the supplier and received by HCO logistics staff. The DR should be signed by both parties, supplier and HCO, but prior to signing signatories must cross check that the delivery matches the Purchase Order, that the right goods and quantities are supplied. Staff should also note if any goods are damaged and if so how a replacement will be arranged. Procurement officer or any other staff involved in the procurement should not sign delivery reports. Copy of DR should be submitted to the Finance Department along with the Invoice for the payment process to begin.

Contract payment procedures are invoked by:

- a) A contract terms in case of advance payment consideration and terms associated to it
- b) An invoice upon approved delivery reports, verified progressive or final project milestones

Payment clearance, approvals, and transfers are guided by the Finance manual. And detailed vendor performance evaluation is further detailed in section 4 below.

4. Vendor Selection & Management

4.1. Vendors & Vendor Files

HCO aims to work with legal, reputable and reliable suppliers and service providers in a fair and equitable manner. HCO is also concerned that during the procurement of materials and services no conflict of interest exists, or is perceived to exist, between suppliers and staff

To facilitate this HCO will work with three types of suppliers:

1. **Ad-hoc** – suppliers used on an infrequent basis i.e. goods or services not routinely purchased. They may be used directly for smaller purchases or are selected on an individual basis, usually as a result of a competitive quote process.
2. **Authorized Suppliers** – Suppliers used on a regular, or frequent basis, for purchasing of materials, works and service contract. These suppliers will be established for goods and services used on a fairly regular basis. And Recorded in a Vendor List
3. **Contracted Suppliers** – used for materials or services purchased on a regular basis. After a formal selection process, the supplier is contracted as the primary supplier to provide a category of goods under an agreed price structure for a specified period.

4.2. Authorized Vendor – Selection and Basic Documentation

Authorized suppliers are pre-qualified through a formal survey process on annual basis. The prequalification status is an **internal HCO status**. There is **no contractual obligation** between the supplier and the HCO. The Operations Department will invite suppliers to complete a survey (formatted very similarly to a Request for Proposal RFP). Suppliers can be approached directly if there are limited numbers. The survey is intended to identify legal, reputable and competent suppliers. The survey can also include any donor regulations concerning vendors. Note also that some donor regulations (notably EU, ECHO, USAID and the World Bank) require the establishment of Authorized Vendors.

Suppliers will be instructed to return their responses/offers in sealed envelopes. A selection panel composed of (minimum) Operations, Finance and Program will review the offers and determine which suppliers meet the criteria for pre-qualified status. Suppliers will be informed of the selection results and they will be entered into “database” pre-qualified suppliers. Where suppliers fail to meet the qualification criteria, the HCO should if possible/appropriate indicate the grounds for the decision.

Subsequently, new suppliers, or suppliers wishing to be reconsidered will be reviewed on an individual basis.

The database/file for an authorized supplier will include the following information:

- Company name and address
- Name of the manager/contact person
- Names and addresses of the business owners
- Copies of registration documents
- Bank Account Details
- Phone/fax/email
- Type of goods or services offered
- Basis of pricing (list, catalogue, prevailing market etc.)
- Company capacity (staffing stocks etc.)
- Date of first entry into register
- Date of last information update

The operations department is responsible for the identification and gathering of vendor information and preparing and maintaining supplier files. The Head of Program and Head Finance & Administration will periodically review the files as part of their management oversight duties to ensure completeness and validity.

All vendors will be required to sign Hold the Child’s vendor code of conduct, as part of the core requirements of the pre-selection process (See Annex 3).

4.3. Contracted Vendors

A Contracted Supplier is a supplier contracted by the HCO to be the primary supplier of a specific item(s) or category of goods under an agreed price structure for a specified period of time. Contracts can only be established for items or equipment that the HCO commonly purchase for its activities i.e. may not be established for

occasional ad-hoc purchases. This will typically be for administrative or vehicle supplies and services or program supplies such as water/sanitation parts etc.

After a formal selection process, the supplier is contracted for a maximum period of twelve months and can be automatically renewed for another twelve months if both parties agree. After that another competitive RFP process must be conducted. Purchases from a contracted supplier **do not require bids** unless the total value of a single order exceeds 500 \$.

The establishment of Contracted Supplier allows HCO to;

- 1) Streamline the procurement of supplies purchased on a regular basis.
- 2) Eliminates the necessity for constant 3-bid processes.
- 3) Allows closer monitoring of prices and HCO / vendor relations; thereby reducing the risk of fraud
- 4) Allow HCO to negotiate terms and conditions for purchases

A formal agreement /contract; in HCO standard format is required. The agreement must not commit HCO to buying exclusively from the supplier.

Country policy and the terms agreed with the supplier will determine any special procedures to be followed when purchasing under the contract.

4.4. Procurement Waiver Authorisation

During circumstances where competitive bidding (the general rule) can not happen, Hold the Child may apply an exception to this rule, subject to the provision of the necessary justification include case:

- a) When there is no competitive marketplace for the requirement, such as where a monopoly exists, where prices are fixed by legislation, government regulation or where the requirement involves a proprietary product or service.
- b) When there has been a previous determination or there is a need to standardize the requirement;
- c) When offers for identical products and services have been obtained competitively within a reasonable period and the conditions of contract and price remain competitive;
- d) When, within a reasonable prior period, a formal solicitation has not produced satisfactory results;
- e) When the proposed procurement contract is for the purchase or lease of real property and the market conditions do not allow effective competition;
- f) When there is an exigency for the requirement;

- g) When the proposed procurement contract relates to obtaining services that cannot be evaluated objectively;
- h) When a formal solicitation will not give satisfactory results.

Where one or more of the above circumstances occur, the procurement committee may decide to waive the requirement of the competitive bidding process. Such a decision shall be fully documented and justified in writing and kept as part of the procurement records.

4.5. Vendor Performance Appraisal

Learning being a core development pillar for the organisation, our vendors are duly evaluated for performance by:

- a) Completed assignment i.e. supply, works or project. This ranges from days to months depends on the assignment
- b) Service contract period for core utilities like internet, security etc. This is usually a 1-year cycle

Performance evaluation processes monitor and measure the supplier's performance to inform cost reviews, risk risk management, and scope for potential service improvement.

- i. For one off supply or deliveries an evaluation score card is administered to the vendor representative immediately upon process closure
- ii. For progressive milestone assignments and utility services; the process consists of monitoring checklists for works and project milestones, and a summative evaluation score card.

These evaluation processes will among others score the vendors:

- 1) Commitment to quality and process controls
- 2) Commitment to delivery times
- 3) Communication efficiency
- 4) Capacity and fiscal reliability
- 5) Value for money

5. Procurement Records

The following documents in the following sequence, constitutes a complete and auditable Procurement File,

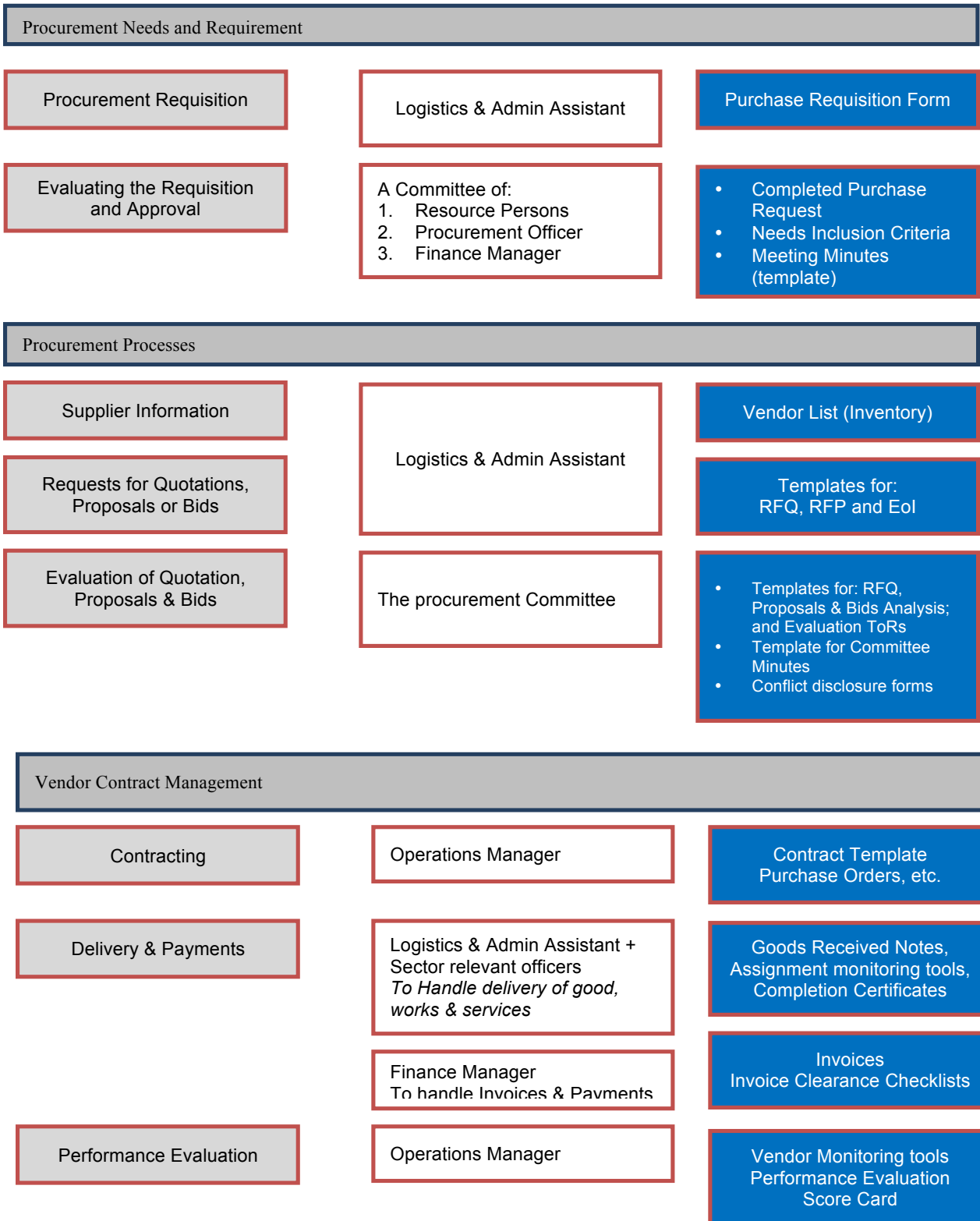
1. Vendor Pre-Qualification Form
2. Purchase Request Form
3. Request for Quotation (RFQ) or Request for Proposal (RFP)
4. Quotation or Bid Analysis Form + Committee Minutes
5. Vendor Contract
6. Purchase Order (if required for goods)
7. Donor waiver, if required
8. Non competitive bidding record, if necessitated
9. Delivery Report / Certificate of Completion
10. Vendor Invoice
11. Payment Receipts
12. Vendor Performance Score Card
13. Any additional documentation that is required to support or clarify the transaction. (Catalogue, emails, etc.)

Archiving

Original documents are submitted to Finance. The Operations department will maintain a complete set of duplicate documents for each procurement and including officers from the unsuccessful vendors.

All records will be shelved (in line with Hold the Child standards for filing) and marinated for a period of at least 5 years to allow for auditing and any future needs for evidence. This will go along with an online archive on Hold the Child Conet System.

ANNEX 1. Procurement Cycle, Role Segregation & Tools



ANNEX 2. Approval Schedule

#	Responsible Officer	Approval Limit
1	Area Coordinator	Approves Purchase Requests, Quotes, and Invoices below \$500 within approved budget limits
2	Head of Programs	Approves Purchase Requests, Quotes, and Invoices below \$2,000 within approved budget limits
3	Executive Director	Approves; <ul style="list-style-type: none"> • All contractors upon recommendation of the procurement/project selection committee • All Purchase Requests, Quotes, and Invoices within approved budget limits

ANNEX 3. Vendor's Code of Conduct

INTRODUCTION

In pursuit of the highest ethical standards in all its procurement activities; this Vendor Code of Conduct to provide a clear overview of Hold the Child's expectations in all procurement dealings.

In line with organisation's ethical principles enshrined in the code of ethics; Hold the Child procurements processes will ensure zero tolerance on corruption, avoiding any form conflict of interest and honest representation of vendor's capabilities.

This Code of Conduct shall apply to all vendors, sub-contractors and to other entities acting on behalf of them (with approval of Hold the Child). Therefore, vendors are strongly urged to familiarize themselves with this Code of Conduct for optimal business with Hold the Child

CODES OF CONDUCT

A. Position on Corruption and Conflict of interest

Vendors or potential Vendors must strictly comply with all rules and regulations on bribery, corruption and avoid unacceptable business practices. Vendors are expected to observe the following

- Shall over gifts or promise gratuity to Hold the Child staff expecting to favour decision making
- Immediately inform the Executive Director's desk (ethics@holdthechild.ngo) in the event that a staff is soliciting for such offers
- Immediately declare any Company's staff and/or officers had or have any relative employed with Hold the Child. Failure to declare shall be construed as a conflict of interest, liable to sanction

B. Confidentiality

We expect our vendors to protect confidential information. Vendors must adopt and maintain processes to provide reasonable protections for personal, proprietary and confidential information, including information that they access, receive or process on behalf of Hold the Child. Vendors should recognize that unauthorized use or disclosure of such information may have personal, legal, reputational and financial consequences for the vendor, individuals whose personal information may be implicated, and for Hold the Child.

C. Child Protection, Prevention of Sexual Exploitation and Abuse

Vendors must comply with with international standards and local labour regulations and in particular shall not employ individuals below the legally applicable minimum age of employment.

Minors or anyone below the local age of consent; mistaken belief of age will not be a defence.

Vendors are expected to protect individuals below 18 years of age ("Minors") from all types of abuse and maintain an environment that prevents such conduct occurring during the course of assignment delivery.

Abuse includes all physical and mental abuse, violence, offensive behaviour, sexual activity, neglect and sexual exploitation. Vendors are expected to adopt internal policies on Prevention of Sexual Exploitation and Abuse (PSEA).

VENDOR REPRESENTATION

Hold the Child expects all its Vendors to honestly declare and warrant that:

It will comply with all rules, regulations and statutory requirements relating to the provision of the products/ services to Hold the Child;

- It will not act in concert with other suppliers or agents when participating in a bid;
- It is a duly authorized/certified provider of the supplied products/services and shall not, expressly or impliedly hold itself out to be an agent/representative of a third party provider of the same products/services;
- It will only supply products that are certified to be of merchantable and satisfactory quality;
- The supplier possesses the necessary capabilities, equipment and suitable place of business to perform its obligations;
- It shall not contract out or subcontract or outsource any portion of the products/services unless prior written consent from Hold the Child has been obtained; and
- It shall maintain the highest standards of integrity and quality of work at all times.

COMPLIANCE MONITORING

To ensure Vendor Compliance to this Code of Conduct, Hold the Child expects Vendors to:

- Develop and maintain all necessary documentation is accurate and complete
- Provide Hold the Child’s representatives with access to relevant records, upon Hold the Child’s request;
- Allow Hold the Child’s representatives to conduct interviews with the Vendor’s employees and with management separately;
- Allow Hold the Child’s representatives to conduct announced and unannounced site visits of Vendor locations; and
- Respond promptly to reasonable inquiries from Hold the Child’s representatives in relation to the implementation of the Code of Conduct.

SANCTIONS

Breach of the Code of Conduct may result in actions being invoked against that supplier, in addition to any contractual or legal remedies. The actions applied will depend on the nature and seriousness of the breach and on the degree of commitment shown by the supplier in breach to its obligations under the Code of Conduct. The range of actions available to be imposed on the supplier includes but is not restricted to the following:

- Formal warnings – that the continued non-compliance will lead to more severe actions;
- Disclosure of nature of breach to all IOM subsidiaries and associate companies;
- Immediate termination of contract, without recourse;

ACKNOWLEDGEMENT AND ACCEPTANCE

This is to certify that I have fully read the Vendor’s Code of Conduct and its requirements, I hereby commit myself and my company to serve this Code of Conduct and to fully comply with all of its principles. I also certify that I am authorized by my company to sign and accept this document in its behalf.

Vendor: _____
Address: _____
Representative: _____
Signature: _____

ANNEX 4. List of Templates

- i. Vendor Pre-Qualification Form (Template)
- ii. Vendor Pre-Qualification Criterion
- iii. Purchase Request Form (Template)
- iv. Request for Quotation (RFQ) Template
- v. Request for Proposal (RFP) Template
- vi. Quotation or Bid Analysis Form (Template)
- vii. Committee Minutes (Template)
- viii. Vendor Contract Template
- ix. Purchase Order Template
- x. Delivery Report Template
- xi. Certificate of Completion Template
- xii. Vendor Performance Score Card (Template)

ANNEX 5. Conflict of Interest Disclosure Statement

Preliminary note: In order to be more comprehensive, this statement of disclosure/questionnaire also requires you to provide information with respect to certain parties that are related to you. These persons are termed “affiliated persons” and include the following:

- a) your spouse, domestic partner, child, mother, father, brother or sister;
- b) any corporation or organization of which you are a board member, an officer, a partner, participate in management or are employed by, or are, directly or indirectly, a debt holder or the beneficial owner of any class of equity securities; and
- c) any trust or other estate in which you have a substantial beneficial interest or as to which you serve as a trustee or in a similar capacity.

NAME OF EMPLOYEE OR BOARD MEMBER: (Please print)

2. CAPACITY:

- Board of directors
- Executive committee
- Officer
- Committee member
- Staff (position): _____

3. Have you or any of your affiliated persons provided services or property to Hold the Child in the past year?

YES NO

If yes, please describe the nature of the services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

4. Have you or any of your affiliated persons purchased services or property from Hold the Child in the past year?

YES NO

If yes, please describe the purchased services or property and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

5. Please indicate whether you or any of your affiliated persons had any direct or indirect interest in any business transaction(s) in the past year to which Hold the Child was or is a party?

YES NO

If yes, describe the transaction(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

6. Were you or any of your affiliated persons indebted to pay money to Hold the Child at any time in the past year (other than travel advances or the like)?

YES NO

If yes, please describe the indebtedness and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

In the past year, did you or any of your affiliated persons receive, or become entitled to receive, directly or indirectly, any personal benefits from Hold the Child or as a result of your relationship with Hold the Child, that in the aggregate could be valued in excess of \$1,000, that were not or will not be compensation directly related to your duties to Hold the Child?

YES NO

If yes, please describe the benefit(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

8. Are you or any of your affiliated persons a party to or have an interest in any pending legal proceedings involving Hold the Child?

YES NO

If yes, please describe the proceeding(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

Are you aware of any other events, transactions, arrangements or other situations that have occurred or may occur in the future that you believe should be examined by Hold the Child's [board or a duly constituted committee thereof] in accordance with the terms and intent of Hold the Child's conflict of interest policy?

YES NO

If yes, please describe the situation(s) and if an affiliated person is involved, the identity of the affiliated person and your relationship with that person:

I HERBY CONFIRM that I have read and understand Hold the Child's conflict of interest policy and that my responses to the above questions are complete and correct to the best of my information and belief.

I agree that if I become aware of any information that might indicate that this disclosure is inaccurate or that I have not complied with this policy, I will notify Executive Director immediately.

Signature

Date