

Procurement Policy for Investees

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| Purpose | The purpose of this Policy is to inform you, the Investee, of the procedures you are expected to follow when procuring goods and services. |
| Principles | <p>REPP Procurement Policy is based on the following principles:</p> <ul style="list-style-type: none">(a) Value for Money: Goods or services acquired, wholly or partially, with REPP support should demonstrably represent value for money;(b) Transparency: The procurement process should be transparent, provide equality of opportunity, be based on objective selection criteria and be documented;(c) Integrity: The Investee shall in its procurement process observe the highest standards of transparency and ethical conduct, and comply with all applicable REPP Polices, and(d) Proportionality: The procurement process should be proportionate to the value, complexity and risks involved in the goods or services being procured, not excluding potential bidders by overly complex processes or pose an undue burden on an Investee receiving REPP support. |
| Applicability | <p>This Policy applies to all Investees (and their affiliates) receiving REPP support.</p> <p>Any requirements under national public procurement rules will apply in addition to the obligations under this Policy.</p> <p>When a Investee is receiving co-financing from an international financial institution (for example EIB, IFC or OPIC), REPP may on a case-by-case basis, subject to compliance with the principles stated above, agree to the application of the procurement policy of such international financial institution as an alternative to this Policy.</p> |
| Audit Right | REPP has the right to audit accounts, records and other documents relating to any procurement (both current and historical) to ensure that this Policy has been followed. |
| Rights and responsibilities of the Investee and REPP | <p>You are in charge of the development and implementation of your procurement process. To ensure that your process complies with the principles of this Policy, the REPP Manager may guide and support you throughout your procurement process.</p> <p>You shall:</p> <ul style="list-style-type: none">• Implement this Policy throughout your organisation;• Seek clarification from REPP if you have queries on the requirements of this Policy; and |

- Identify the key project contracts and the procurement process you propose in relation to them.

REPP Manager shall (acting reasonably):

- Respond to your queries on this Policy; and
- Assist you in the practicalities of your procurement including identifying eligible providers, reviewing your Requests for Proposals (“RfPs”), publicising RfPs and assisting with the review of responses to RfPs.

When REPP support is given by way of a loan certain restrictions and/or conditions precedent may be contained in the REPP financing agreement. As a general rule REPP will have the right to pre-approve all material contracts in relation to your project. We note that good procurement is key to ensuring high quality deliverables, and REPP reserves its rights not to disburse in relation to any deliverables that have not be completed to the satisfaction of REPP.

Thresholds

Generally, we would expect the stringency of the procurement process to increase with the materiality, contract value or complexity of the procurement. The following thresholds are guidelines to help to you determine an appropriate procurement process for your contracts. The thresholds are based on contract value (i.e. the total contract value over its lifespan).

<£40,000

A contract may be awarded without a competitive tender process but nevertheless should be awarded in a manner consistent with the principles of good procurement outlined in this Policy.

£40,000-£100,000

A competitive tender process is recommended. You should send RfPs to at least three eligible providers. Evaluate received proposals in light of the principles of good procurement outlined in this Policy.

£100,000-£400,000

A competitive tender process is recommended. Compared with the previous threshold, RfPs should be sent to a sufficient number of providers to ensure three qualifying responses to the RfP. The selection of the provider should be based on the principles of good procurement outlined in this Policy and specifically consider:

- experience in Africa;
- capability to comply with the reporting standards stated in the REPP Environmental and Social Policy and Procedure; and
- price and timeliness.

>£400,000

An open tender procurement procedure is recommended. In addition to the above, an open tender should include the following elements:

- RfP published on appropriate channels;
- Terms of reference including:
 - Description of Assignment;
 - Detailed scope of work;

- Proposal requirements (including minimum qualifying criteria for participating firms and skills and experience of key staff); and
- Required delivery schedule,
- Description of proposal evaluation and scoring methodology and procedures; and
- Detailed description of terms and conditions.

REPP standard terms

REPP requires that the following terms (where applicable) shall be included in contracts procured wholly or partly with REPP support:

- Adherence with applicable REPP Policies, specifically the Anti-Corruption and Integrity Policy, Safeguarding Policy and the Environmental and Social Policy and Procedures;
- Professional indemnity cover, the value of which shall be twice the contract value;
- Procurement of monitoring and auditing rights for REPP, and
- Non-assignment without the prior consent of the Investee

Understanding who you work with

To prevent that REPP support is used to benefit any prohibited practice (as defined in REPP Anti-Corruption and Integrity Policy), you should take reasonable steps to identify the ultimate beneficial owner of the entity that has been awarded any contract funded by REPP, and ensure that you have this information available. This obligation applies to all material contracts and any other contract in excess of £100,000 (in contract value).