



Procurement Policy of Raise for Development and Humanitarian Aid (RDHA)

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1. Introduction

This policy establishes transparent, accountable, and efficient procurement processes for RDHA, ensuring compliance with international humanitarian standards, donor requirements, and ethical practices. It aims to maximize value for money, mitigate risks, and uphold integrity in all transactions.

2. Core Principles

RDHA's procurement activities shall adhere to the following principles to ensure ethical, efficient, and accountable use of resources in humanitarian operations:

2.1 Transparency

- a) **Open Processes:** All procurement decisions, criteria, and outcomes must be documented and accessible to authorized stakeholders (e.g., donors, auditors, beneficiaries).
- b) **Public Disclosure:** For tenders above thresholds, opportunities must be publicly advertised to ensure equal access for suppliers.
- a) **Clear Documentation:** Maintain clear and accessible records of all procurement activities.
- b) **Beneficiary Focus:** Prioritize procurement decisions that maximize impact for affected populations.

2.4 Ethical Integrity

- a) **Zero Tolerance:** Prohibit bribery, kickbacks, or gifts that could influence decisions.
- b) **Conflict of Interest:** Staff and suppliers must declare any personal/financial interests in transactions.
- c) **Anti-Corruption:** Mandate compliance with local laws and international anti-corruption conventions (e.g., UN Convention Against Corruption).

2.5 Value for Money

- a) **Cost-Effectiveness:** Balance quality, timeliness, and lifecycle costs (e.g., maintenance, warranties).
- b) **Local Procurement:** Prioritize local suppliers where feasible to reduce costs, build community capacity, and expedite delivery.

- c) **Sustainability:** Favor environmentally friendly goods/services and suppliers with ethical labor practices.

2.6 Humanitarian Principles

- a) **Neutrality:** Procurement must not benefit parties involved in conflict or discrimination.
- b) **Do No Harm:** Avoid suppliers linked to human rights violations, environmental harm, or exploitative practices.
- c) **Gender Sensitivity:** Ensure equitable access for women-owned businesses and address gender-specific needs (e.g., hygiene kits).

2.7 Risk Management

- a) **Due Diligence:** Vet suppliers for financial stability, legal compliance, and past performance.
- b) **Contingency Planning:** Mitigate risks of supply chain disruptions (e.g., conflict, natural disasters).
- c) **Fraud Prevention:** Conduct random audits and implement whistleblower protections.

2.8 Compliance

- a) **Donor Alignment:** Adhere to specific donor rules (e.g., USAID, ECHO, UN agencies) for restricted funding.
- b) **Legal Adherence:** Follow host-country laws and tax regulations, including customs and import duties.

Implementation of Core Principles

- ✓ **Training:** Mandatory staff training on procurement principles and anti-corruption practices.
- ✓ **Monitoring:** Regular internal audits and third-party reviews to ensure adherence.
- ✓ **Reporting:** Transparent reporting to donors and beneficiaries on procurement outcomes.

3. Procurement Thresholds & Methods

Procurement methods at RDHA are determined by the **transaction value, risk level,** and **operational context**, ensuring proportionality, efficiency, and compliance with donor requirements.

3.1 Threshold Categories

Threshold Tier	Value Range / USD	Procurement Method	Approval Authority
Micro-Purchases	< 100	Direct Purchase/Single Quote	Program Officer + Finance Officer
Small-Scale	200 –500–1000	Single Quote or Simplified Bidding	Program Manager
Medium-Scale	1000–5,000–10,000	Competitive Bidding (≥3 quotes)	Finance Manager + Program Director
High-Value	> 10,000	Formal Tender	Executive Director + Board
Emergency Procurement	Any value (crisis only)	Expedited Process*	Country Director (retroactive approvals allowed)

*The thresholds are set defined in local currency equivalents and reviewed annually for inflation adjustments.

3.2 Procurement Methods

3.2.1 Direct Purchase/Single Quote

Applicability:

- a) Low-value, routine, or urgent purchases (e.g., office supplies, minor repairs).
- b) Sole-source scenarios (only one supplier available for specialized goods/services).

Key Requirements:

- a) **Single Quote:** One pre-invoice or internal quote with complete details.
- b) **Documentation:** PR, PO, GRN, payment receipt, and supplier ID.
- c) **Exceptions:** Justification required if Single Quote exceeds threshold.

3.2.2 Competitive Bidding

Applicability:

- a) Medium-value purchases (e.g., vehicles, bulk relief items).
- b) Non-urgent, standardized goods/services with multiple suppliers.

Key Requirements:

- a) **≥3 Quotes:** Sought from pre-vetted suppliers or local markets.
- b) **Bid Analysis Report:** Compare price, quality, delivery time, and sustainability.
- c) **PO & Contract:** Signed with winning bidder.

3.2.3 Formal Tender**Applicability:**

- a) High-value, complex, or strategic procurements (e.g., construction, long-term partnerships).
- b) Donor-mandated tenders (e.g., EU-funded projects).

Key Requirements:

- a) **Public Advertisement:** Published in local media, RDHA website, or UN Global Marketplace.
- b) **Bid Evaluation Committee:** Multidisciplinary team (procurement, finance, technical experts).
- c) **Contract:** Includes penalties for delays, warranties, and compliance clauses.

3.2.4 Framework Agreements**Applicability:**

- a) Recurring purchases (e.g., fuel, medical supplies).
- b) Long-term service providers (e.g., maintenance, logistics).

Key Requirements:

- a) **Pre-Qualified Suppliers:** Selected through competitive bidding.
- b) **Fixed Terms:** Pre-negotiated prices and conditions for up to 2 years.

3.2.5 Emergency Procurement

Applicability: Rapid-onset disasters, conflict zones, or life-saving interventions.

Key Requirements:

- a) **Expedited Process:** Reduced documentation (e.g., post-facto approvals).
- b) **Retroactive Reporting:** Full documentation submitted within 30 days.

3.3 Key Considerations

- a) **Local Procurement:** Prioritize local suppliers to reduce costs and support communities (minimum 20% target for local vendors in non-emergency contexts).
- b) **Sustainability:** Include environmental criteria (e.g., eco-friendly materials, carbon footprint).
- c) **Donor Compliance:** Adhere to specific rules (e.g., USAID requires full tender for >\$250,000).
- d) **Fraud Prevention:** Use sealed bids for tenders and secure e-procurement platforms.

3.4 Documentation & Compliance

All procurement files must include:

- **Threshold Justification:** Explanation for method selection (e.g., emergency waiver).
- **Bid Records:** Copies of quotes, bid analysis, and committee minutes.
- **Contracts:** Signed agreements with terms and conditions.
- **Delivery Proof:** GRN, inspection reports, or beneficiary sign-offs.

3.5 Exceptions

Sole-Source Procurement: Permitted if:

- a) Only one supplier exists (e.g., patented equipment).
- b) Continuity of service (e.g., software licenses).
- c) Justified by technical expertise (e.g., consultants).

Conflict of Interest: Requires full disclosure and independent review.

4. Procurement Procedures

RDHA follows standardized procedures for procurement, ensuring accountability, transparency, and compliance with donor requirements. The process varies by procurement method (*Single Quote, Competitive Bidding, Formal Tender*) as outlined below:

4.1 Single Quote Procedure

Applicability: Low-value, urgent, or sole-source purchases (e.g., < 100 USD).

Steps:

1. Purchase Requisition (PR)

- a) Submitted by program teams with technical specifications and budget codes.
- b) Approved by Program Manager and Finance Officer.

2. Single Quote Submission

- a) Obtain **one pre-invoice or internal quote** with complete details (price, specifications, delivery timeline).
- b) Validate supplier's legitimacy (e.g., business license, tax compliance).

3. Purchase Order (PO) Issuance

- a) Approved PO issued to the supplier, signed by the Procurement Officer.
- b) PO must include delivery terms, payment conditions, and penalties for delays.

4. Delivery & Verification

- a) **Goods:** Supplier delivers items with a **Goods Received Note (GRN)** stamped by RDHA and the supplier.
- b) **Services:** Submit a **Work Completion Certificate** signed by beneficiaries/RDHA staff.

5. Invoice & Payment

- 1. Submit final invoice matching the PO and GRN.
- 2. **Payment Request:** Approved by Finance Manager, supported by:
 - A. Copy of stamped check/bank receipt.
 - B. Supplier's valid ID (national ID/passport).
 - C. Delegation letter (if payment is collected by a third party).

- 6. **Documentation:** File includes PR, quote, PO, GRN, invoice, payment proof, and ID.

4.2 Competitive Bidding Procedure

Applicability: Medium-value purchases (e.g., 1000–5,000–10,000) requiring competition.

Steps:

1. **Purchase Requisition (PR):** Approved by Program Director with detailed technical specifications.
2. **Request for Quotations (RFQ)**
 - a) Solicit **≥3 written quotes** from pre-vetted suppliers (local/international).
 - b) Quotes must include pre-invoices or formal bids.
3. **Bid Analysis Report**
 - A. Compare quotes using criteria:
 - ✓ Cost-effectiveness (price, payment terms).
 - ✓ Quality (compliance with specifications).
 - ✓ Delivery time, warranty, and supplier capacity.
 - B. Report approved by Procurement Committee.
4. **Purchase Order (PO) & Contract**
 - a) PO issued to selected supplier.
 - b) **Contract** signed for complex/high-risk procurements (e.g., services, equipment).
5. **Delivery & Inspection**
 - a) GRN stamped by supplier and RDHA warehouse team.
 - b) Third-party inspection for specialized goods (e.g., medical equipment).
6. **Payment**
 - a) Submit final invoice, GRN, and bid analysis report.
 - b) Payment processed via bank transfer/check with supplier's stamped receipt.
7. **Documentation:** File includes PR, quotes, bid analysis, PO, contract, GRN, and payment proof.

4.3 Formal Tender Procedure

Applicability: High-value, strategic, or donor-mandated procurements (e.g., > 10,000 USD).

Steps:

1. **Advertisement**
 - a) Publish tender notice in local newspapers, RDHA's website, or UNGM.
 - b) Include clear deadlines, evaluation criteria, and submission guidelines.
2. **Bid Submission**
 - a) Receive sealed bids from ≥ 3 suppliers.
 - b) Maintain bid confidentiality (locked tender box/secure digital platform).
3. **Bid Evaluation Committee**
 - a) Multidisciplinary team (procurement, finance, technical experts) evaluates bids.
 - b) Document **Minutes of Meetings** with scoring rationale and final decision.
4. **Contract Award**
 - a) Notify winning bidder and sign contract with clauses for penalties, warranties, and compliance.
 - b) Publicly disclose award results (redacted for confidentiality).
5. **Delivery & Acceptance:** GRN or Work Completion Certificate validated by independent monitors (e.g., third-party auditors).
6. **Payment**
 - a) Final invoice, GRN, and contract submitted for payment.
 - b) For large sums, use phased payments (e.g., 30% advances, 70% post-delivery).
7. **Documentation:** File includes tender notice, bids, committee minutes, contract, GRN, and audit reports.

4.4 Emergency Procurement

Applicability: Crisis response (e.g., natural disasters, conflict zones).

Expedited Process:

1. **Simplified PR:** Approved verbally/by email, with retroactive documentation.
2. **Direct Contracting:** Single-source procurement if competition is impractical.
3. **Post-Delivery Compliance:** Submit full documentation (PR, quote, GRN) within 15 days.

4.5 Key Compliance Checks

1. **Anti-Fraud:** Segregate duties (requisition, approval, payment).
2. **Supplier Due Diligence:** Verify legal status, sanctions lists, and past performance.
3. **Audit Trail:** Archive all documents for ≥ 7 years or per donor requirements.

5. Payroll & Session/Workshop Payments Policy

Payroll & Session/Workshop Payments Policy for RDHA Aligned with International Standards (e.g., IASC, Sphere, and Donor Guidelines)

1. Payroll Procedures

Objective: Ensure accurate, timely, and transparent payment of staff salaries while complying with labor laws and donor requirements.

1.1 Key Steps

1. **Payroll Preparation:**
 - A. **Payroll Sheet:** Submit a detailed payroll sheet including:
 - ✓ Employee names, roles, and salary breakdown (base pay, allowances, deductions).
 - ✓ Overtime hours (supported by timesheets).
 - B. **Approval:** Reviewed and signed by HR Manager and Finance Director.
2. **Documentation Requirements:**
 - a) **Employment Contracts:** Valid, signed copies for all employees.
 - b) **Timesheets:** Verified by supervisors, indicating regular and overtime hours.
 - c) **ID Copies:** Valid national ID/passport for each employee.
 - d) **Tax Forms:** Compliance with local tax regulations (e.g., withholding tax filings).
3. **Payment Execution:**
 - a) **Method:** Salaries disbursed via **bank transfer** or **check** (preferred for traceability).
 - b) **Proof of Payment:**
 - ✓ Bank-stamped transfer receipt or check copy.
 - ✓ **Payment Voucher:** Includes employee name, amount, and budget code.

4. **Allocation Sheet:** Link payroll expenses to specific projects/donors using a cost allocation matrix.
5. **Data Security:** Protect sensitive employee data in compliance with GDPR or local privacy laws.

1.2 Compliance & Audits

- ✚ **Segregation of Duties:** HR prepares payroll; Finance approves and disburses funds.
- ✚ **Annual Audits:** External auditors verify payroll accuracy and compliance.
- ✚ **Record Retention:** Maintain records for **5 years** (or per donor requirements).

2. Session/Workshop Payments

Objective: Ensure accountable spending on trainings, workshops, and sessions while demonstrating impact to donors.

2.1 Pre-Event Requirements

1. **Technical Report:** Justify the session's purpose, objectives, and expected outcomes (e.g., "Training on emergency sanitation").
2. **Budget Approval:** Submit a cost breakdown (venue, materials, meals, facilitator fees) linked to project budgets.
3. **Invitation Letter:** Formal letter detailing the event's scope, dates, and participants.

2.2 Documentation during Event

1. **Attendance Sheet:** Signed by all participants and facilitators (include names, roles, and organizations).
2. **Photos/Video:** Minimum of 5 photos showing activities, materials used, and participant engagement.

2.3 Post-Event Payments

1. **Work Completion Certificate:** Signed by the facilitator and RDHA program manager, confirming deliverables.
2. **Invoice & Receipts:** Itemized invoice matching the approved budget (e.g., receipts for venue rental, printing).

3. **Payment Proof:**

- a) Bank transfer receipt or stamped check copy.
- b) **Supplier/Facilitator ID:** Valid ID of service provider.

2.4 **Cost Allocation & Reporting**

- a) **Allocation Sheet:** Assign costs to relevant projects/donors
- b) **Donor Reports:** Include participant feedback, photos, and outcomes (e.g., pre/post-test results).

3. **Anti-Fraud Measures**

Payroll:

- a) Cross-check timesheets with attendance logs.
- b) Conduct random spot-checks for ghost workers.

Sessions/Workshops:

- a) Verify receipts with third-party vendors (e.g., confirm venue booking).
- b) Require two staff signatures on attendance sheets.

4. **Emergency Flexibility**

- 1. **Payroll:** In crises, advance salaries may be paid with retroactive documentation within 10 days.
- 2. **Workshops:** Streamlined approval for urgent sessions (e.g., disease outbreaks), with full documentation submitted post-event.

6. **Roles & Responsibilities**

Roles & Responsibilities For RDHA Aligned with International Accountability Standards (e.g., CHS, IASC, and UN Guidelines)

6.1 **Procurement Officer/Team**

Responsibilities:

- 1. **Process Management:** Execute procurement processes (Single Quote, Competitive Bidding, Tender) in compliance with RDHA policies.

2. **Supplier Engagement:** Solicit quotes, pre-vet suppliers, and maintain a supplier database.
3. **Documentation:** Ensure complete procurement files (PR, quotes, PO, GRN, contracts).
4. **Bid Analysis:** Prepare objective bid comparison reports for competitive processes.
5. **Fraud Prevention:** Flag irregularities (e.g., duplicate invoices, conflicts of interest).

6.2 Program Managers/Requesters

Responsibilities:

1. **Needs Assessment:** Submit accurate **Purchase Requisitions (PR)** with technical specifications.
2. **Validation:** Confirm delivered goods/services meet quality standards before approving GRN.
3. **Budget Compliance:** Ensure procurements align with project budgets and donor agreements.
4. **Emergency Requests:** Justify urgent purchases during crises and provide retroactive documentation.

6.3 Finance Department

Responsibilities:

1. **Approval Authority:** Verify and approve payment requests against supporting documents (invoice, GRN, contract).
2. **Fund Allocation:** Link payments to correct budget codes and donor projects.
3. **Audit Trail:** Maintain records of bank transfers, check, and cash receipts.
4. **Tax Compliance:** Ensure adherence to local tax laws (e.g., withholding taxes, VAT).

6.4 Bid Evaluation Committee

1. **Composition:** Procurement Officer, Finance Representative, Technical Expert, Independent Observer.
2. **Responsibilities:**
 - a) **Tender Evaluation:** Score bids objectively using predefined criteria (price, quality, sustainability).
 - b) **Transparency:** Document evaluation minutes and justify supplier selection.

- c) **Conflict Mitigation:** Declare and address conflicts of interest during tender processes.

6.5 Warehouse/Logistics Team

Responsibilities:

1. **GRN Issuance:** Inspect delivered goods, verify quantities/quality, and stamp GRN with supplier.
2. **Inventory Management:** Update stock records and report discrepancies.
3. **Asset Tagging:** Label procured equipment for tracking and audit purposes.

6.6 Senior Management/Executive Director

Responsibilities:

1. **High-Value Approvals:** Authorize tenders and contracts exceeding 10,000 USD.
2. **Policy Enforcement:** Ensure staff adherence to procurement guidelines.
3. **Emergency Authority:** Approve expedited processes in crises (e.g., conflict zones).

6.7 Audit Committee/Internal Auditors

Responsibilities:

1. **Compliance Checks:** Conduct random audits of procurement files and payroll records.
2. **Fraud Detection:** Investigate irregularities (e.g., ghost workers, inflated invoices).
3. **Reporting:** Submit findings to the Board of Directors with corrective recommendations.

6.8 Compliance Officer

Responsibilities:

1. **Due Diligence:** Screen suppliers against sanctions lists and anti-terrorism databases.
2. **Training:** Deliver mandatory staff training on anti-corruption and procurement ethics.
3. **Whistleblower Support:** Manage secure channels for reporting misconduct.

6.9 Suppliers/Service Providers

Responsibilities:

1. **Ethical Standards:** Submit accurate quotes/invoices and avoid bribes/kickbacks.
2. **Delivery Compliance:** Meet agreed timelines, specifications, and quality standards.

3. **Documentation:** Provide valid IDs, tax certificates, and stamped delivery proofs.

6.10 Key Accountability Safeguards

- **Segregation of Duties:** No single individual controls all stages of a transaction (e.g., requester ≠ approver ≠ payer).
- **Authority Limits:** Monetary approval thresholds defined by role (e.g., Program Manager: 5,000, Executive Director: 10,000+).
- **Annual Reviews:** Update roles and thresholds based on operational needs and donor feedback.

7. Compliance & Anti-Corruption

RDHA is committed to the highest standards of compliance and anti-corruption to ensure integrity and accountability in all procurement operations.

7.1 Legal and Regulatory Compliance:

- a) **Compliance with Local Laws:** All procurement activities must comply with applicable laws and regulations in the host country. This includes labor laws, tax laws, and customs, import, and export regulations.
- b) **Donor Compliance:** Compliance with all rules and regulations specific to donor agencies that provide funding to the organization is mandatory. This includes, but is not limited to, the rules of the United States Agency for International Development (USAID), the European Commission's Humanitarian Aid Operations (ECHO), and United Nations agencies.
- c) **Compliance with International Standards:** Adherence to relevant international standards, such as the United Nations Convention Against Corruption, is required.

7.2 Anti-Corruption:

- a) **Zero Tolerance Policy:** The organization adopts a zero-tolerance policy towards corruption in all its forms, including bribery, commissions, embezzlement, and conflicts of interest.
- b) **Disclosure of Conflicts of Interest:** All employees and suppliers must disclose any potential conflicts of interest that may affect procurement decisions.

- c) **Due Diligence Procedures:** Due diligence checks must be conducted on all potential suppliers to ensure their integrity and reputation.
- d) **Reporting Mechanisms:** Mechanisms for reporting suspected cases of corruption must be established, with protection for whistleblowers.
- e) **Training and Awareness:** Training and awareness for employees and suppliers on anti-corruption policies and procedures must be provided.
- f) **Monitoring and Auditing:** Regular monitoring and auditing of procurement operations must be conducted to detect any cases of corruption.

7.3 Preventive Measures:

1. **Segregation of Duties:** Duties must be segregated between requisition, approval, receipt, and payment to prevent fraud.
2. **Authorization Levels:** Appropriate authorization levels for employees involved in procurement operations must be defined.
3. **Transparent Documentation:** All procurement operations must be fully and transparently documented.
4. **Fair Competition:** Fair competition between suppliers must be encouraged to ensure best value for money.
5. **Use of Secure E-Procurement Platforms:** Secure e-procurement platforms must be used to reduce the risk of fraud.

7.4 Consequences:

- a) **Disciplinary Actions:** Disciplinary actions, including dismissal, will be taken against any employee found to be involved in corruption.
- b) **Contract Termination:** Contracts with suppliers found to be involved in corruption will be terminated.
- c) **Reporting of Violations:** Cases of corruption will be reported to the competent authorities.

8. Exceptions

Although Raise For Development Humanitarian Aid (RDHA) adheres to standard procurement procedures, there may be exceptional circumstances that require alternative procedures.

9.1 Sole-Source Procurement:

- **Permissible Cases:**

- ✓ When there is only one supplier for the required goods or services (e.g., patented equipment).
- ✓ To ensure continuity of service (e.g., software licenses).
- ✓ When the supplier has specialized technical expertise that is essential (e.g., consultants).

- **Requirements:**

- ✓ A detailed written justification must be provided explaining why no alternative suppliers exist.
- ✓ Prior approval must be obtained from the Executive Director or the Board of Directors.

9.2 Emergency Procurement:

- **Permissible Cases:**

- ✓ In cases of natural disasters, conflicts, or other emergencies that require immediate response.
- ✓ When a delay in standard procurement would result in significant harm.

- **Requirements:**

- ✓ The emergency situation must be clearly documented.
- ✓ Procurement can be conducted urgently, with full documentation provided retroactively as soon as possible.
- ✓ The Country Director can approve these operations temporarily.
- ✓ Detailed reports on emergency procurement must be submitted to the Board of Directors as soon as possible.

9.3 Conflicts of Interest:

Requirements:

- ✓ Employees and suppliers must disclose any potential conflicts of interest.
- ✓ An independent review of procurement decisions involving conflicts of interest must be conducted.
- ✓ Steps must be taken to mitigate any conflicts of interest.
- ✓ All cases of conflict of interest and the actions taken must be documented.

9.4 Exceeding Procurement Thresholds:

Requirements:

- ✓ A detailed written justification must be provided explaining why the approved procurement thresholds were exceeded.
- ✓ Prior approval must be obtained from the appropriate higher level (e.g., the Executive Director or the Board of Directors).

9.5 Donor Requirements:

- a) Donors may have specific procurement requirements that exceed RDHA's policies and procedures.
- b) Donor requirements must be followed, even if they conflict with RDHA's policies and procedures.
- c) Any deviations from RDHA's policies and procedures due to donor requirements must be documented.

RDHA's policies balance efficiency with accountability, particularly in crises. Successful implementation hinges on staff training, robust monitoring (audits), and adherence to documentation protocols. Emphasis on local procurement and sustainability aligns with humanitarian goals while mitigating risks through structured oversight.