Standard Operating Procedure (SOP)

PROCUREMENT POLICY

Effective Date: 1 January 2026

KILIMORA CLG

PREFACE

This **Procurement Policy** establishes Kilimora CLG's framework for acquiring goods, services, and works in a manner that achieves best value for money, ensures transparency and accountability, complies with applicable legal and donor requirements, prevents fraud and corruption, and supports organizational mission and sustainability. The policy provides comprehensive guidance on procurement planning, vendor selection, contract management, and quality assurance ensuring consistent, ethical, and efficient resource utilization across all organizational activities. This policy applies to all procurement activities regardless of funding source, value, or geographic location including purchases of goods such as equipment, supplies, and materials, acquisition of services such as consulting, training, and professional services, contracting for works like construction, installation, and infrastructure development, and engagement of individuals as contractors or consultants. It applies to all personnel involved in procurement including project managers identifying requirements, procurement officers conducting sourcing processes, technical staff evaluating proposals, finance personnel processing payments, and executive management approving high-value contracts.

The policy ensures compliance with Kenya Public Procurement and Asset Disposal Act 2015 and its regulations governing public procurement principles applicable to organizations receiving public funds, donor procurement requirements specified in grant agreements including competitive procurement thresholds and eligible country restrictions, international standards including transparency, fair competition, and value for money principles, and organizational values of integrity, accountability, and stewardship. Non-compliance with procurement requirements may result in cost disallowances by donors, audit findings affecting organizational reputation, legal liability for procurement irregularities, and disciplinary action against responsible personnel. All personnel involved in procurement including approving authorities must acknowledge receipt and understanding of this Procurement Policy through signed acknowledgment forms maintained in personnel files. Acknowledgments are renewed annually confirming continued awareness of policy requirements. Training completion is documented and tracked ensuring procurement participants understand their responsibilities before engaging in procurement activities.

a. SOP Version

Version	Date	Owner	Approver
1.0	October 11, 2025	CCO	Board of Directors

SOP CONTENT

1. Procurement Principles and Values

All procurement activities must adhere to fundamental principles ensuring fairness, efficiency, and accountability regardless of transaction value or complexity. These principles guide decision-making when policy provisions prove ambiguous or unprecedented situations arise requiring judgment. Value for money represents the optimal combination of quality, cost, and sustainability meeting organizational needs rather than simply lowest price. Value assessment considers total cost of ownership including purchase price, delivery costs, installation expenses, operating costs, maintenance requirements, and disposal costs rather than initial acquisition cost alone. Quality considerations include fitness for purpose, durability, reliability, compatibility with existing systems, and supplier reputation for performance. Sustainability factors encompass environmental impact, social responsibility, and economic development contribution particularly supporting local suppliers and small businesses when quality and price are competitive.

Transparency requires open, documented processes enabling external scrutiny and stakeholder confidence in procurement integrity. Procurement opportunities are advertised publicly when required by policy thresholds or donor rules providing equal access to potential suppliers. Evaluation criteria are predetermined and disclosed to bidders before proposal submission preventing arbitrary or biased assessments. Evaluation processes are documented through scoring matrices, evaluation reports, and selection justifications creating audit trails. Contract awards are published identifying selected suppliers, contract values, and selection rationale. Procurement records are maintained systematically enabling audit review and demonstrating compliance with policy and legal requirements.

Fair competition ensures all qualified suppliers have equal opportunity to compete for organizational business without discrimination, favoritism, or conflicts of interest. Procurement opportunities are advertised with sufficient time for proposal preparation typically minimum 14 days for goods and services and 21 days for works. Technical specifications describe functional requirements rather than brand names or features unique to single suppliers unless genuine technical necessity exists. Evaluation criteria assess proposals objectively based on predetermined factors applied consistently to all bidders. Communication with bidders during procurement processes is documented and shared equally preventing information advantages. Unsuccessful bidders receive debriefing on selection decisions enabling learning and informed decisions about future participation.

Integrity and ethical conduct require procurement personnel and decision-makers to act honestly, objectively, and free from conflicts of interest throughout procurement processes. Conflicts of interest including financial interests in bidding firms, family relationships with supplier representatives, and outside employment with competitors must be disclosed and managed through recusal from evaluations and decisions. Gifts, hospitality, or other benefits from suppliers are declined or disclosed per organizational policy preventing perceptions of favoritism. Confidential information accessed during procurement including competitor pricing, technical approaches, and commercial terms is protected from unauthorized disclosure. Corruption, fraud, collusion, and other unethical practices are prohibited with violations resulting in contract termination, personnel discipline, and potential prosecution.

Accountability and oversight ensure procurement decisions are documented, justified, and subject to review by appropriate authorities. Procurement files maintain comprehensive records including requisitions documenting needs, market research supporting approach selection, solicitation documents distributed to suppliers, proposals received from bidders, evaluation documentation showing objective assessment, approval records from authorized decision-makers, contracts or purchase orders formalizing agreements, and correspondence documenting significant communications. Procurement oversight occurs through management review of transactions exceeding approval thresholds, internal audit testing of procurement process compliance, external audit examination during annual financial audits, and donor monitoring when procurements use restricted grant funds.

Sustainability and social responsibility incorporate environmental and social considerations into procurement decisions advancing organizational values beyond immediate operational needs. Environmental sustainability preferences include energy-efficient equipment reducing operating costs and environmental impact, recyclable or biodegradable materials minimizing waste, products with minimal packaging, and suppliers demonstrating environmental management practices. Social responsibility considerations include preference for local suppliers supporting community economic development when quality and price are competitive, engagement of women-owned or youth-led enterprises advancing inclusion, fair labor practices by suppliers including decent wages and safe working conditions, and accessibility features ensuring products serve diverse user needs including persons with disabilities.

2. Procurement Planning and Budgeting

Effective procurement begins with comprehensive planning ensuring requirements are identified, budgets are adequate, procurement timelines align with project schedules, and approaches are appropriate for goods or services being acquired. Procurement planning occurs during project design, annual budgeting, and quarterly operational planning cycles depending on requirement nature and urgency. Annual procurement plans consolidate anticipated procurements across all projects and operational units identifying major acquisitions including goods exceeding $5,000 individually, services contracts exceeding $10,000, works contracts exceeding $20,000, and any procurement requiring competitive bidding under donor rules regardless of value. Plans specify estimated quantities and values, anticipated procurement methods such as competitive bidding or direct contracting, tentative solicitation timelines enabling advance market research and supplier identification, budget sources including specific grants or organizational funds, and approval requirements based on value thresholds.

The CCO consolidates departmental inputs into comprehensive annual plans reviewed by the CEO and board finance committee. Plans are updated quarterly incorporating new requirements, timing adjustments, and budget revisions. Published procurement plans provide transparency to potential suppliers enabling business planning and market preparation particularly for specialized goods or services requiring lead time. Plans also enable donor review ensuring proposed procurement approaches comply with grant requirements and procurement schedules align with project implementation timelines.

Procurement requisitions initiate specific procurements documenting detailed requirements and obtaining necessary approvals before supplier engagement. Requisitions include clear descriptions of goods, services, or works required specifying technical specifications, quality standards, quantities, delivery locations and schedules, budget availability confirmation including grant or budget line references, and requestor information including name, department, and purpose. Technical specifications describe functional requirements rather than brand names unless genuine compatibility or standardization needs exist, enabling competitive bidding among multiple suppliers meeting technical needs.

Project managers or department heads approve requisitions confirming operational need, budget adequacy, and appropriate specification of requirements. The Finance Manager verifies budget availability preventing commitments exceeding approved allocations or violating donor restrictions. Requisitions are recorded in centralized registers enabling procurement planning, workload management, and tracking from request through delivery. Urgent requisitions requiring expedited processing must document circumstances justifying urgency and obtain executive approval preventing routine use of emergency procedures to circumvent competitive processes.

Market research informs procurement approaches, specification development, and budget estimation through investigation of available suppliers, typical pricing ranges, standard delivery timeframes, and product or service alternatives. Research methods include internet searches identifying potential suppliers and typical market prices, consultation with other organizations about supplier experiences and pricing benchmarks, supplier inquiries requesting capability statements and indicative pricing, and industry publications providing market intelligence. Research findings inform decisions about procurement methods such as whether competitive markets exist enabling open bidding or limited suppliers necessitate direct negotiation, realistic budget adequacy or need for budget revisions, and specification appropriateness or need for alternative approaches when requirements exceed typical market offerings.

3. Procurement Methods and Thresholds

Procurement methods vary based on estimated value, market characteristics, urgency, and donor requirements with specific methods prescribed for different value ranges ensuring appropriate balance between competition, efficiency, and administrative burden. Higher-value procurements require more competitive processes and senior management approval while lower-value purchases permit streamlined approaches. Direct procurement is permitted for low-value acquisitions below $500 where competitive processes prove administratively burdensome relative to purchase value. Requestors obtain informal quotations from known suppliers, verify pricing reasonableness through comparison with previous purchases or market research, and place orders directly with selected suppliers. Documentation requirements are minimal including purchase requisitions, supplier quotations, and receiving confirmations. Project managers approve direct procurements within their delegated authority limits. While competition is not mandatory, requestors are encouraged to obtain multiple quotations when practical ensuring reasonable pricing even for small purchases.

Request for Quotations (RFQ) applies to procurements valued between $500 and $10,000 for goods and services or $500 and $20,000 for works. Written quotations are solicited from minimum three qualified suppliers identified through market research, organizational supplier databases, or industry networks. RFQ documents include clear descriptions of requirements, delivery terms, payment terms, evaluation criteria typically emphasizing price but potentially including quality factors, and response deadlines typically 7 to 14 days depending on complexity. Quotations are evaluated using predetermined criteria with lowest priced responsive quotation typically selected unless quality considerations justify premium pricing. The CCO approves RFQ procurements with Finance Manager verification of budget availability.

Invitation to Bid (ITB) applies to procurements valued between $10,000 and $50,000 for goods and services or $20,000 and $100,000 for works. Public advertisement occurs through organizational website, industry publications, or procurement portals inviting qualified suppliers to submit sealed bids. ITB documents include detailed technical specifications, terms and conditions, evaluation criteria with weighted scoring when technical factors are assessed alongside price, and bid validity periods. Bids are opened publicly on specified dates with all bidders invited to attend promoting transparency. Evaluation committees comprising technical specialists and procurement staff assess bids using predetermined criteria. The CEO approves ITB awards based on evaluation committee recommendations.

Request for Proposals (RFP) applies to complex procurements where technical approach, methodology, or qualitative factors are equally or more important than price including consulting services, training programs, technology solutions, and specialized professional services. RFP documents include scope of work or terms of reference describing objectives and deliverables, proposal content requirements including technical and financial proposals, evaluation criteria with significant weighting on technical approach typically 60-70% with price weighted 30-40%, and submission deadlines typically 21 to 30 days for complex requirements. Two-stage evaluation occurs with technical proposals evaluated independently of price, followed by financial proposal consideration for technically qualified bidders. The CEO approves RFP awards with board approval required for contracts exceeding $50,000.

Single-source procurement involves direct contracting with specific suppliers without competition and is permitted only under exceptional circumstances including proprietary technology or intellectual property where single supplier has exclusive rights, emergency situations where competitive processes would cause unacceptable delay threatening project success or organizational operations, follow-on contracts for works where original contractor familiarity reduces costs and risks compared to rebidding, standardization requirements where compatibility with existing systems necessitates same supplier, and insufficient qualified suppliers where market research reveals fewer than three capable suppliers. Single-source justifications are documented in writing explaining circumstances, approved by CEO or board depending on value, and disclosed to donors when using grant funds requiring compliance with donor policies that may restrict single-source procurement more stringently than organizational policy.

Donor-specific thresholds apply when procurements use restricted grant funds and donor procurement policies specify different thresholds, methods, or requirements than organizational policy. The more restrictive requirements apply ensuring compliance with both organizational and donor policies. Common donor variations include lower competitive thresholds requiring bidding at lower values than organizational policy, prior approval requirements where donors must approve procurement approaches or vendor selections before contract award, eligible country restrictions limiting procurement to specific geographic regions, and specialized documentation requirements including certifications, warranties, or contract clauses. The Finance Manager maintains donor procurement requirement summaries for each active grant with updates provided to procurement staff and project managers ensuring awareness during procurement planning.

4. Solicitation and Bidding Process

Solicitation documents communicate requirements to potential suppliers, establish evaluation criteria, specify submission requirements, and define contractual terms applicable to successful bidders. Well-prepared solicitation documents attract qualified suppliers, enable objective evaluation, and prevent post-award disputes about scope, specifications, or terms. The document content includes project or organizational background providing context, scope of work or technical specifications describing detailed requirements, delivery schedule or project timeline, terms and conditions including payment terms, warranties, insurance requirements, and dispute resolution, evaluation criteria with weighting when multiple factors are assessed, submission requirements specifying proposal format, required certifications, and supporting documents, contact information for questions, and submission deadlines and delivery instructions. Standard terms and conditions are incorporated by reference to organizational template contracts avoiding customization for each procurement while permitting amendments when special circumstances warrant variations.

Public advertisement for competitive procurements exceeding specified thresholds occurs through organizational website, government procurement portals, industry publications, social media platforms with wide reach, and direct distribution to known qualified suppliers from organizational databases. Advertisements include brief requirement descriptions, estimated contract values, submission deadlines, and instructions for obtaining detailed solicitation documents. Adequate solicitation periods provide suppliers time for proposal preparation typically minimum 14 days for straightforward goods or services and 21 days for complex requirements or works contracts. Extensions are granted when questions reveal specification ambiguities requiring clarification or when supplier requests demonstrate that more time would enable additional competition.

Pre-bid meetings or site visits may be conducted for complex procurements enabling suppliers to ask questions, inspect work sites, and clarify ambiguities. Meetings are scheduled shortly after solicitation document release allowing sufficient time for attendance but enabling answers to inform proposal preparation. All suppliers expressing interest receive meeting invitations preventing information advantages. Meetings are documented through minutes recording questions asked, answers provided, and any specification clarifications or amendments with distribution to all potential bidders including those not attending. Mandatory attendance may be specified for procurements where site conditions significantly affect pricing such as works contracts or equipment installation requiring facility assessment.

Questions and clarifications are managed through structured processes ensuring all bidders receive same information. Questions are submitted in writing to designated contact persons by specified deadlines typically one week before proposal due dates. Responses are compiled and distributed simultaneously to all bidders preserving anonymity of questioners unless clarifications require identification. Material clarifications affecting specifications, evaluation criteria, or submission requirements are formalized through written amendments to solicitation documents with submission deadline extensions when necessary to enable proposal revisions. No clarifications are provided within 72 hours of submission deadlines preventing last-minute advantages and ensuring adequate time for proposal adjustments.

Proposal receipt and opening procedures ensure integrity, confidentiality, and fairness. Proposals are submitted in sealed envelopes or through secure electronic submission portals preventing premature disclosure. Submission locations and procedures are clearly specified with confirmation receipts issued to submitters. Late submissions are rejected and returned unopened regardless of excuses preventing post-deadline submission advantages. For formal bidding processes, public openings occur on specified dates with all bidders invited to attend. Opening officials verify proposal receipt, announce bidders and proposed pricing, and record information in opening registers signed by witnesses. Technical proposals for consultant selections may be opened privately to protect confidential methodologies pending evaluation completion.

5. Proposal Evaluation and Contract Award

Evaluation processes assess proposals objectively using predetermined criteria for selection of suppliers offering best value rather than personal preferences, relationships, or other inappropriate factors. Evaluation documentation demonstrates objectivity, creates audit trails, and enables debriefing of unsuccessful bidders. Evaluation committees comprise minimum three individuals including technical specialists assessing whether proposals meet specifications, procurement professionals ensuring process compliance, and end-user representatives confirming fitness for purpose. Committee members sign conflict of interest declarations confirming absence of relationships with bidders, financial interests in competing firms, or other circumstances affecting objectivity. Individuals with conflicts recuse themselves from evaluations with replacements appointed by CCO or CEO. Committee chairpersons ensure orderly processes, fair treatment of proposals, and complete documentation.

Preliminary evaluation verifies proposal responsiveness and bidder eligibility before detailed assessment. Responsiveness checks confirm proposals include all required documents, meet technical specifications, accept solicitation terms and conditions without material deviations, and arrive before submission deadlines. Non-responsive proposals are rejected without further evaluation preventing consideration of proposals that fail to meet basic requirements. Eligibility verification confirms bidders meet qualification requirements such as business registration, professional licenses, insurance coverage, and absence of debarment or suspension. Ineligible bidders are rejected with notifications explaining deficiency reasons.

Technical evaluation assesses responsive proposals from eligible bidders using predetermined criteria specified in solicitation documents. Common criteria include understanding of requirements demonstrated through proposal content addressing specifications, technical approach or methodology showing how requirements will be met, qualifications and experience of proposed personnel or organizations, past performance references from similar projects, delivery schedule feasibility meeting required timelines, quality assurance plans ensuring deliverable standards, and risk mitigation approaches addressing potential challenges. Evaluators score proposals independently using numerical rating scales such as 1 to 5 or 1 to 10 points for each criterion. Individual scores are compiled and averaged or weighted per predetermined formulas. Evaluators document rationale for scores enabling audit review and explaining assessment basis.

Financial evaluation assesses pricing reasonableness, completeness, and competitiveness. Price reasonableness is determined through comparison with independent cost estimates prepared during procurement planning, comparison among bidders with significant variations scrutinized for errors or misunderstandings, and historical pricing benchmarks from previous procurements. Financial proposals are reviewed for completeness ensuring all cost elements are addressed, clarity preventing ambiguity about what is included, and arithmetic accuracy with corrections made through formal clarification processes rather than evaluation assumptions. For procurements where technical quality is primary factor such as consulting services, price may receive lower weighting such as 30% with technical factors weighted 70%. For standardized goods where specifications are precise and technical differentiation is minimal, price may receive higher weighting such as 70 to 100%.

Combined evaluation integrates technical and financial assessments through weighted scoring formulas specified in solicitation documents. Common approaches include quality-cost based selection where technical scores are multiplied by technical weighting percentages and financial scores are multiplied by financial weighting percentages with totals producing combined scores, ranking bidders by combined scores and selecting highest-ranked bidder. Evaluation reports document methodology, individual evaluator scores, combined results, and selection recommendations with rationale explaining why recommended bidder offers best value. Committee members sign reports confirming agreement with findings. The CCO or CEO reviews reports before approval ensuring evaluation integrity and selection justification adequacy.

Due diligence and reference checks verify information provided in winning proposals before contract award. Reference checks contact organizations listed by bidders confirming project descriptions, performance quality, timeline adherence, budget compliance, and overall satisfaction. Financial stability assessment reviews financial statements, credit reports, or bank references for high-value contracts ensuring suppliers have capacity to fulfill obligations without financial distress affecting performance. Legal verification confirms business registration, tax compliance, and absence of legal judgments or liens suggesting operational or financial instability. Site visits may inspect facilities, equipment, or ongoing projects assessing actual capacity rather than relying solely on written representations. Due diligence findings inconsistent with proposal representations may result in disqualification and award to next-ranked bidder.

Contract negotiation and award formalizes terms with selected suppliers finalizing details not fully specified in solicitation documents. Negotiable items may include delivery schedules, payment terms, warranty provisions, performance security requirements, and change order procedures while fundamental scope, specifications, and pricing remain fixed preventing post-evaluation advantage. Negotiations are documented through negotiation memoranda or correspondence creating records of agreed modifications. Final contracts incorporate solicitation terms, proposal commitments, and negotiated modifications into comprehensive documents signed by authorized representatives. Contract award notifications are issued to successful bidders confirming selection and requesting signed contract returns. Unsuccessful bidders receive notifications explaining selection decisions and offering debriefings on evaluation results.

6. Contract Management and Performance Monitoring

Effective contract management ensures suppliers deliver goods, services, or works per contract terms, schedules, quality standards, and pricing. Proactive monitoring identifies performance issues early enabling corrective action before project impacts occur. Strong supplier relationships balance accountability with collaboration promoting mutual success. Contract administration encompasses activities from contract signature through final acceptance including contract file maintenance with complete documentation, payment processing per agreed schedules and terms, amendment processing when scope or schedule changes occur, dispute resolution when disagreements arise, and closeout verification upon completion. The Finance Officer maintains contract files with original contracts, amendments, correspondence, delivery documentation, payment records, and closeout certifications. Files are organized systematically enabling retrieval for management review, audit examination, or dispute resolution. Electronic document management systems ensure version control, access tracking, and backup preservation.

Performance monitoring verifies supplier compliance with contract requirements through mechanisms appropriate to contract type and risk level. Goods contracts require inspection at delivery verifying quantities match orders, specifications are met per technical requirements, quality standards are acceptable per contract terms, packaging is adequate preventing damage, and documentation is complete including invoices, warranties, and instruction manuals. Services contracts require progress monitoring through periodic reports, site visits, milestone reviews, and deliverable assessments. Works contracts involve regular inspections assessing construction progress, workmanship quality, material conformance, safety compliance, and schedule adherence. Project managers or designated contract administrators conduct monitoring with findings documented in inspection reports, progress notes, or correspondence.

Delivery acceptance formalizes receipt verification through documented processes preventing payment disputes and confirming satisfaction. Receiving personnel verify goods against packing slips and purchase orders noting any discrepancies such as shortages, damages, or incorrect items. Technical personnel assess whether goods meet specifications through testing, inspection, or trial operation. Acceptance certificates are issued for services or works confirming satisfactory completion and deliverable quality per contract standards. Conditional acceptance may be granted with punch lists documenting minor deficiencies requiring correction before final payment. Rejection occurs when deliverables fail to meet contract requirements with written notices specifying deficiencies and remediation deadlines. Suppliers have opportunities to correct deficiencies within reasonable periods before contracts are terminated for default.

Payment processing follows acceptance verification ensuring suppliers are compensated promptly for satisfactory performance while protecting organizational interests against payment for substandard or incomplete deliverables. Supplier invoices are verified against contracts confirming prices match agreed rates, quantities align with delivery documentation, and payment requests comply with contract terms such as milestone-based payments, progress billing percentages, or net payment periods. The Finance Officer processes payments within contract terms typically 30 days from invoice receipt following dual approval requirements from project managers confirming acceptance and Finance Manager verifying financial accuracy. Payment delays beyond contract terms require documented justification and prompt resolution preventing supplier relationship damage and potential late payment interest obligations.

Contract amendments address changes in scope, schedule, pricing, or other material terms arising during implementation. Change requests are documented explaining changed circumstances, describing proposed modifications, quantifying cost and schedule impacts, and providing justification for amendments. Project managers assess whether changes are within contract scope or constitute new procurement requiring separate competitive processes. Contract amendments are prepared as formal documents referencing original contracts, specifying modifications, and signed by both parties. Significant amendments exceeding 10% of contract values or 20% of contract durations require approval at same authority levels as original contracts typically CEO or board, and maintained with original contracts ensuring complete documentation.

Dispute resolution mechanisms address disagreements about contract interpretation, performance standards, payment issues, or other conflicts threatening successful implementation. Initial resolution attempts occur through direct negotiation between project managers and supplier representatives seeking mutually acceptable solutions. Escalation to senior management may resolve disputes through broader perspective and greater flexibility than field-level personnel possess. Mediation by neutral third parties may facilitate agreements when direct negotiation stalemates. Arbitration or litigation represents final recourse for intractable disputes with outcomes binding on parties. Dispute resolution clauses in contracts specify applicable mechanisms, governing law, and venue selection. Legal counsel advises on significant disputes ensuring organizational interests are protected and dispute strategies are appropriate.

Supplier performance evaluation assesses overall contract execution quality creating records informing future procurement decisions. Evaluations rate performance factors including quality of deliverables meeting specifications and standards, timeliness of delivery per contract schedules, cost management staying within budgets and avoiding cost overruns, communication responsiveness to requests and proactive problem-solving, and overall professionalism including ethics, cooperation, and relationship management. Ratings use numerical scales such as 1 to 5 or qualitative categories such as excellent, satisfactory, marginal, or unsatisfactory. Project managers prepare evaluations with input from technical personnel and end users. Evaluations are shared with suppliers providing feedback on strengths and improvement areas. Performance records inform vendor selection decisions in future procurements with poor performers excluded from future opportunities and high performers receiving preference when proposals are otherwise equal.

7. Vendor Management and Relationship Development

Strategic vendor management encompasses activities beyond individual transaction management including supplier identification and qualification, relationship development, performance monitoring across multiple contracts, and continuous improvement collaboration. Effective vendor management ensures access to qualified suppliers, negotiates favorable commercial terms, mitigates supply chain risks, and creates value through strategic partnerships. Supplier database maintenance provides centralized repository of qualified suppliers including contact information, product or service categories, geographic coverage, quality certifications, financial information, insurance documentation, past performance records, and prequalification status. The procurement officer maintains the database with regular updates incorporating new suppliers identified through market research, removing suppliers with poor performance or business failures, and updating information based on requalification assessments. Database access enables efficient procurement planning by identifying potential suppliers quickly, supports emergency procurement through readily available supplier contacts, and facilitates competition by enabling broad supplier outreach.

Supplier prequalification assesses supplier capabilities before specific procurement opportunities reducing evaluation time and ensuring only qualified suppliers participate. Prequalification criteria include business registration and legal status, financial stability through financial statements or credit reports, technical capacity demonstrated through equipment, facilities, and personnel qualifications, quality management systems such as ISO certification, safety records for works contractors, insurance coverage meeting liability requirements, and references from previous clients. Prequalified suppliers are approved for defined procurement categories and value ranges. Prequalification status expires after specified periods such as two years requiring renewal to maintain database inclusion.

Supplier performance monitoring tracks cumulative performance across multiple contracts identifying trends, emerging issues, or exceptional performance warranting recognition. Performance metrics include on-time delivery percentages, quality defect rates, cost overrun frequencies, customer satisfaction ratings from end users, and responsiveness ratings from project managers. Performance dashboards visualize trends enabling data-driven supplier management decisions. Quarterly performance reviews discuss results with key suppliers identifying improvement opportunities, addressing recurring issues, and exploring value enhancement possibilities. Poor performers receive performance improvement plans specifying expectations, support provided, and timelines for improvement, and failure leading to termination and future exclusion.

Strategic partnerships develop collaborative relationships with suppliers providing critical goods or services where long-term relationships create mutual value. Benefits include preferential pricing through volume commitments or long-term contracts, priority delivery during supply constraints, joint process improvements reducing costs or improving quality, innovation collaboration developing new products or services meeting organizational needs, and risk sharing through inventory management or demand forecasting cooperation. Partnership development begins with identifying strategic suppliers based on spend volume, supply criticality, or relationship potential. Partnership agreements formalize commitments including volume targets, performance standards, pricing terms, and governance mechanisms such as quarterly business reviews.

Supplier diversity and local content initiatives promote supplier base diversity supporting organizational social responsibility objectives. Diversity programs establish goals for procurement from women-owned enterprises, youth-led businesses, small and medium enterprises, local suppliers within project communities, and suppliers from underrepresented groups. Procurement planning considers diversity objectives when selecting suppliers among otherwise equal competitors. Capacity building programs support diverse suppliers through training in business management, quality systems, financial management, or technical capabilities addressing gaps limiting their competitiveness. Mentoring programs pair diverse suppliers with established businesses facilitating knowledge transfer and market access. Progress reporting tracks diversity procurement percentages, diverse supplier numbers, and spending trends measuring initiative effectiveness.

Supplier code of conduct establishes expectations for supplier behavior including compliance with applicable laws and regulations, ethical business practices prohibiting corruption and fraud, labor standards ensuring fair wages and safe working conditions, environmental responsibility minimizing ecological impact, human rights respect prohibiting child labor or forced labor, and confidentiality protection for organizational proprietary information. Suppliers acknowledge code acceptance through signed commitments included in contracts. Compliance monitoring occurs through self-assessment questionnaires, on-site audits for high-risk suppliers, and third-party certification verification. Code violations result in corrective action requirements with contract termination for serious violations or failure to remediate.

8. Special Procurement Circumstances

Certain procurement situations require special procedures accommodating circumstances not addressed by standard competitive processes while maintaining transparency, accountability, and value for money. Emergency procurement addresses urgent, unforeseeable requirements where standard competitive processes would cause unacceptable delay threatening organizational operations, project success, or stakeholder welfare. Qualifying emergencies include natural disasters requiring rapid response, critical equipment failures preventing operations, security incidents necessitating immediate protective measures, and urgent requirements from donors or partners with short deadlines. Emergency justifications are documented explaining circumstances, quantifying impacts of delay, describing actions to prevent recurrence, and confirming no advance warning permitted normal planning. Emergency procurements require Chief Executive Officer approval before commitments. Post-emergency reviews assess whether emergencies were genuine or resulted from poor planning with accountability for avoidable emergencies.

Repeat orders or contract extensions enable additional purchases of goods or services previously procured through competitive processes when original contracts allow extensions or when repeat procurements are substantially similar to recent competitive awards. Allowable circumstances include contracts with renewal options exercised per original terms, follow-on purchases within specified periods and value limits preventing repeated competitions for identical requirements, and urgent repeat needs where competitive processes would cause delay and original procurement was recent enough that pricing remains competitive. Limitations prevent indefinite extensions undermining competition such as maximum extension periods of one year, cumulative extension values capped at 50% of original contract values, and prohibitions on extensions when market conditions changed significantly affecting competitive landscape.

Consulting services procurement employs specialized procedures recognizing that consultant selection emphasizes qualifications and technical approach over price given difficulty comparing consulting methodologies and importance of consultant capability. Selection methods include quality-based selection where technical qualifications dominate and price receives minimal consideration appropriate for complex assignments where quality is paramount, quality-cost based selection where quality receives 60-80% weighting and cost receives 20-40% weighting appropriate for assignments where both quality and cost are important, and least-cost selection where price is determining factor among technically qualified consultants appropriate for standard assignments with well-defined scope. Consultant terms of reference describe assignment background and objectives, scope of services and deliverables, consultant qualifications and experience, assignment duration and schedule, budget constraints if applicable, and evaluation criteria. Individual consultants may be engaged without competition for specialized expertise, limited duration assignments below specified value thresholds, or situations where competition is impractical.

Framework agreements establish terms with multiple suppliers for defined goods or services over specified periods enabling streamlined ordering without repeated competitive processes. Framework benefits include reduced procurement administrative burden through single competition establishing terms, price certainty through agreed rates, quality assurance through prequalified suppliers, and rapid response through simplified ordering. Framework establishment follows competitive processes with solicitations specifying goods or services covered, estimated quantities or values but no guaranteed minimums, framework duration of one to three years, and selection of multiple suppliers creating competition even within frameworks. Orders are placed through simplified purchase orders or call-off contracts specifying quantities, delivery schedules, and prices per framework rates. Frameworks are rebid upon expiration for continued competitiveness.

Micro-purchases below specified thresholds such as $200 involve minimal documentation and approval requirements proportionate to value and risk. Micro-purchases permit direct ordering from suppliers without competitive quotations or formal documentation beyond receipts. Users exercise judgment selecting suppliers offering reasonable value without extensive market research. Aggregation rules prevent circumventing competitive processes through artificial requirement splitting into multiple micro-purchases. Periodic review of micro-purchase patterns identifies potential abuse or opportunities for aggregation achieving better pricing through volume.

9. Procurement Ethics and Compliance

Procurement integrity requires compliance with legal requirements, donor policies, and ethical standards throughout all procurement activities. Ethics and compliance programs prevent corruption, fraud, and other misconduct while promoting organizational values in supplier relationships. Conflicts of interest in procurement arise when personal interests interfere with objective supplier selection including financial interests in bidding firms through ownership, investment, or employment relationships, family relationships with supplier owners or key personnel, personal relationships affecting objectivity such as friendships or romantic relationships, outside employment or consulting arrangements with suppliers or competitors, and gifts, hospitality, or other benefits from suppliers creating sense of obligation. Personnel involved in procurement must disclose conflicts to supervisors or the CCO who determine whether conflicts are manageable through recusal or constitute unmanageable conflicts requiring personnel reassignment. Discovered undisclosed procurement conflicts result in procurement cancellation, contract termination, and personnel disciplinary action.

Gifts and hospitality from suppliers must comply with organizational anti-corruption policy provisions. Modest promotional items displaying supplier logos such as pens, calendars, or notepads are generally acceptable. Business meals discussing legitimate business matters at reasonable restaurants are permitted when costs remain modest. Invitations to conferences or training programs with substantial educational content may be accepted when approved by management and costs are reasonable. Cash, gift cards, luxury items, entertainment without business purpose, and benefits to family members are prohibited. Gifts or hospitality during active procurement processes are declined preventing appearance of attempting to influence selection. Supplier gifts exceeding nominal value are returned, donated to charity, or shared among teams rather than retained personally.

Bid rigging, collusion, and anticompetitive conduct by suppliers undermines procurement integrity and is strictly prohibited. Prohibited conduct includes bid rigging where competitors agree which will submit lowest bid, complementary bidding where competitors submit deliberately high bids making one bidder appear competitive, bid rotation where competitors take turns being low bidder on successive procurements, market allocation where competitors agree not to compete in certain markets or for certain customers, and price fixing where competitors agree on pricing levels. Indicators include identical pricing, unusual bid patterns, bidder withdrawal before award, same personnel submitting bids for supposedly independent firms, and correlations between bid amounts. Suspected collusion is reported to competition authorities and law enforcement. Colluding suppliers are disqualified, contracts are cancelled, and suppliers are debarred.

Fraud in procurement includes false invoicing for goods not delivered or services not performed, inflated pricing through kickbacks or undisclosed commissions, product substitution delivering inferior goods than specified, quantity short-changing delivering less than invoiced amounts, and document falsification including false certifications, fake references, or altered financial statements. Fraud prevention relies on segregation of duties between requisitioning, receiving, and payment, inspection and acceptance verification before payment, vendor due diligence confirming legitimacy and capabilities, and audit trails documenting all procurement steps. Fraud detection occurs through internal control testing, analytics identifying unusual patterns such as frequent below-threshold splitting, and whistleblower reports. Confirmed fraud results in contract termination, legal action for recovery and damages, law enforcement referral for criminal prosecution, and vendor debarment.

Procurement documentation and record retention requirements ensure transparency and enable audit verification of process integrity. Files include requisitions documenting needs, market research supporting approach selection, solicitation documents distributed to suppliers, proposals or quotations received from bidders, evaluation documentation including scoring sheets and selection justifications, approval records from authorized personnel, contracts or purchase orders formalizing agreements, delivery documentation confirming receipt and acceptance, payment records including invoices and payment confirmations, correspondence documenting significant communications, and closeout records certifying completion. Files are maintained in electronic document management systems or physical filing systems for seven years per retention policy enabling audit review, dispute resolution reference, and lessons learned documentation.

Procurement audits and monitoring assess compliance with policy requirements, donor rules, and legal regulations through internal audits, external audits, and management reviews. Internal audits occur annually testing procurement transaction samples, assessing control effectiveness, and identifying improvement opportunities. Testing includes verification that competitive thresholds were followed, evaluation documentation supports selection decisions, required approvals were obtained before commitments, contracts include required terms and conditions, and payments align with delivery documentation. External audits during annual financial statement examinations include procurement testing particularly for donor-funded procurements subject to specific requirements. Audit findings are documented in reports to management and board audit committee with corrective action plans addressing identified deficiencies and implementation timelines ensuring prompt remediation.

Supplier suspension and debarment provide remedies when suppliers engage in fraud, corruption, serious contract breaches, or other misconduct making them unsuitable for future organizational business. Temporary suspension prevents new contract awards during investigation of serious allegations such as fraud, corruption, collusion, or material contract breaches while allowing existing contracts to continue pending final determinations. Permanent debarment prohibits future procurement participation for specified periods typically three to five years or permanently for egregious violations. Debarment grounds include conviction for fraud, corruption, or other crimes affecting business integrity, falsification of documents or information during procurement, collusion or anticompetitive practices, serious contract breaches causing substantial harm, repeated poor performance across multiple contracts, and violations of labor, environmental, or human rights standards. Debarment procedures provide due process including written notification of proposed debarment with specific violation descriptions, opportunity for supplier response within specified timeframes typically 14 to 21 days, consideration of mitigating factors such as corrective actions taken or cooperation with investigations, and final debarment decisions by Chief Executive Officer or board based on record review.

Training and capacity building ensures procurement personnel understand policy requirements, donor rules, best practices, and ethical standards. New procurement staff receive comprehensive training during onboarding covering procurement principles, organizational policy requirements, applicable legal frameworks including Kenya Public Procurement and Asset Disposal Act, donor procurement requirements for major funding sources, documentation standards, and ethics expectations. Role-specific training addresses specialized topics such as technical specification development for engineering staff, proposal evaluation techniques for evaluation committee members, and contract management for project managers. Annual refresher training updates all procurement personnel on policy revisions, regulatory changes, lessons learned from audits or incidents, and emerging best practices. Certification programs support professional development for procurement specialists including membership in professional associations such as Kenya Institute of Supplies Management, pursuit of professional certifications such as Certified Professional in Supply Management, and participation in continuing education programs maintaining knowledge currency.

Continuous improvement processes incorporate lessons learned from procurement experiences, audit findings, and stakeholder feedback into policy and practice enhancements. Procurement process reviews occur annually assessing efficiency, effectiveness, and user satisfaction. Reviews examine transaction cycle times identifying bottlenecks, approval processes evaluating whether authority levels remain appropriate, documentation requirements assessing whether burden is proportionate to value and risk, and technology utilization identifying automation opportunities. Stakeholder consultations gather perspectives from project managers as internal customers, suppliers as external partners, and auditors as oversight authorities. Benchmarking against peer organizations and industry standards identifies improvement opportunities and validates practice adequacy. Benchmarking activities include policy comparisons identifying provisions warranting adoption, process comparisons revealing efficiency opportunities, and performance metric comparisons assessing organizational procurement effectiveness. The CCO reviews benchmarking findings and recommends policy updates, process improvements, or technology investments enhancing procurement outcomes. Technology investments improve procurement efficiency, transparency, and control through e-procurement systems enabling electronic requisitioning, online supplier registration and prequalification, electronic solicitation distribution, online bid submission, automated evaluation support, electronic contract management, and procurement analytics and reporting. System benefits include reduced cycle times through automated workflows, improved compliance through system controls preventing policy violations, enhanced transparency through electronic audit trails, better data analytics enabling spend analysis and supplier performance monitoring, and reduced administrative burden through automation of routine tasks.

10. Environmental and Social Considerations

Sustainable procurement integrates environmental protection and social responsibility into procurement decisions advancing organizational values beyond immediate operational requirements. Environmental and social considerations are incorporated throughout procurement planning, specification development, supplier selection, and contract management ensuring organizational purchasing power supports broader societal objectives. Environmental sustainability considerations reduce ecological impact of organizational consumption and operations through preferences for energy-efficient equipment reducing operating costs and carbon emissions, renewable energy sources such as solar-powered equipment for off-grid applications, recycled or recyclable materials minimizing waste and resource extraction, products with minimal packaging reducing disposal requirements, durable goods with long useful lives reducing replacement frequency, locally sourced goods reducing transportation emissions and supporting local economies, and suppliers with environmental management systems demonstrating systematic environmental responsibility. Environmental criteria are incorporated into technical specifications where relevant such as energy efficiency standards for computing equipment, environmental certifications for cleaning supplies, and emission standards for vehicles. Evaluation criteria may include environmental performance factors such as product lifecycle environmental impact, supplier environmental management practices, and environmental compliance records. Environmental considerations are balanced against functionality, quality, and cost requirements avoiding specification of environmental features compromising fitness for purpose or creating unreasonable cost premiums.

Social responsibility considerations promote fair labor practices, human rights, and inclusive economic development through preferences for suppliers demonstrating decent work conditions including fair wages, reasonable working hours, safe workplaces, and freedom of association, prohibition of child labor, forced labor, or human trafficking in supply chains, promotion of diversity through procurement from women-owned enterprises, youth-led businesses, and enterprises owned by underrepresented groups, local content requirements supporting community economic development particularly in project implementation areas, accessibility considerations ensuring products serve diverse users including persons with disabilities, and fair trade certifications for agricultural commodities ensuring producer fair compensation. Social responsibility due diligence assesses supplier labor practices, human rights records, and social impact particularly for high-risk categories such as goods manufactured in countries with weak labor protections, agricultural commodities with documented child labor or forced labor risks, extractive materials with conflict mineral concerns, and services requiring large labor forces. Due diligence includes supplier self-assessment questionnaires, third-party certification verification, supply chain transparency investigations, and on-site audits for high-risk suppliers. Non-compliance with social responsibility standards results in disqualification from procurement, contract termination for violations discovered post-award, and supplier development support addressing remediable deficiencies.

Community engagement and local content promote procurement's contribution to community development particularly in project implementation areas. Local content strategies include preference for local suppliers when quality and price are competitive typically defined as suppliers based within project districts or regions, requirement for specified percentages of contract value to be sourced locally or subcontracted to local firms, employment of local labor for works contracts providing income and skills development, use of local materials when technically suitable reducing transportation costs and supporting local industries, and capacity building programs preparing local suppliers to meet organizational standards and compete effectively. Community consultation during procurement planning identifies local supplier capabilities, potential barriers to participation such as certification requirements or bonding capacity, and opportunities for procurement design facilitating local participation such as contract packaging into sizes manageable for small firms. Supplier development programs address gaps limiting local supplier competitiveness through training in business management, quality systems, financial management, and technical capabilities. Mentoring programs pair local suppliers with established businesses facilitating knowledge transfer and market access. Progress reporting tracks local content percentages, local supplier participation numbers, and employment figures measuring community economic impact.

11. Technology and Innovation in Procurement

Technology adoption improves procurement efficiency, transparency, and effectiveness through digital tools, automation, data analytics, and innovative approaches. The organization pursues continuous modernization balancing innovation benefits against implementation costs, change management requirements, and system risks. E-procurement systems digitize procurement processes from requisitioning through payment reducing manual paperwork, accelerating cycle times, and improving compliance. System capabilities include electronic requisitioning with online forms replacing paper requisitions, automated workflow routing requisitions to appropriate approvers based on value thresholds and budget codes, supplier portal enabling vendors to register, update information, download solicitation documents, and submit proposals electronically, online catalog ordering for standard items with pre-negotiated pricing, contract repository storing executed contracts with search and retrieval functionality, automated alerts notifying users of pending deadlines, required approvals, or exception conditions, and reporting dashboards providing real-time visibility into procurement pipeline, spending patterns, and supplier performance.

Implementation follows phased approach beginning with core functionality such as requisitioning and catalog ordering, expanding to competitive procurement through online bidding, and integrating with financial systems enabling seamless budget checking and payment processing. User training ensures adoption with hands-on workshops, reference guides, and ongoing support. Change management addresses resistance through leadership communication emphasizing benefits, early adopter identification demonstrating value, and feedback mechanisms incorporating user suggestions for system improvements. Data analytics and spend analysis provide insights into procurement patterns, opportunities for consolidation, supplier performance trends, and policy compliance. Analytics capabilities include spend cube analysis examining expenditures by category, supplier, department, and time period revealing concentration, fragmentation, and trends, supplier performance scorecards tracking quality, delivery, cost, and responsiveness metrics, compliance monitoring identifying policy violations such as below-threshold splitting or single-source procurement frequency, savings tracking quantifying benefits from competitive bidding, volume discounts, or strategic sourcing initiatives, and predictive analytics forecasting future requirements enabling proactive procurement planning and supplier relationship management. Analytics inform strategic decisions about category management, supplier consolidation, contract negotiation, and process improvement. Regular analytics reviews identify optimization opportunities presented to management with recommended actions. Dashboard visualization enables self-service analysis by procurement staff and project managers promoting data-driven decision making throughout the organization.

Mobile procurement applications enable field-based requisitioning, receipt confirmation, and approval workflows supporting operations in remote locations with limited desktop computer access. Mobile apps allow project managers to photograph needed items and submit requisitions, receive and approve requisitions while traveling, confirm deliveries through mobile signatures and photos, and access supplier contact information and contract terms. Offline functionality enables use without continuous internet connectivity with synchronization occurring when connections are available. Mobile adoption is particularly valuable for field projects in informal settlements and rural areas where Kilimora CLG operates. Blockchain and distributed ledger technology offers potential applications in procurement including smart contracts automating payment upon delivery confirmation, supplier qualification verification through shared databases, procurement audit trails with tamper-evident transaction records, and supply chain traceability for goods requiring provenance verification. Pilot implementations may explore blockchain applications in specific procurement areas assessing feasibility, benefits, and costs before broader deployment. Technology adoption decisions balance innovation opportunities against implementation complexity, vendor ecosystem maturity, and practical value delivery.

12. Policy Governance and Review

Ultimate responsibility for procurement policy effectiveness and compliance rests with the board of directors who exercise oversight through policy approval, performance monitoring, and accountability enforcement. The board finance committee reviews major procurements, audit findings, and policy compliance reports providing governance-level assurance about procurement integrity and effectiveness. The CCO bears operational responsibility for procurement policy implementation including policy communication and training, process oversight and quality assurance, supplier relationship management, procurement staff supervision, and performance monitoring and reporting. The Chief Executive Officer approves high-value contracts and strategic supplier relationships, resolves procurement disputes and policy interpretation questions, and represents organizational interests in significant supplier negotiations.

Annual policy review assesses continued adequacy considering organizational growth, regulatory changes, donor requirement evolution, audit findings, and stakeholder feedback. Review include staff consultations gathering procurement officer and user perspectives on policy practicality, donor requirement alignment ensuring policies meet evolving funding source expectations particularly as new donors with specific requirements are engaged, legal counsel review confirming compliance with Kenya Public Procurement and Asset Disposal Act amendments and regulations, peer benchmarking identifying best practices and improvement opportunities, and performance analysis assessing whether procurement outcomes including cycle times, cost savings, and supplier quality meet organizational needs. Review findings are documented in reports to board finance committee and full board with recommendations for policy updates, process improvements, or resource investments. Material policy amendments require board approval maintaining governance oversight while technical or administrative updates may be approved by CEO with subsequent board notification. Policy update communication includes distribution of revised policy documents, training on significant changes, and confirmation of receipt and understanding through signed acknowledgments.

Procurement performance metrics measure efficiency, effectiveness, and compliance providing management and governance visibility into procurement operations. Key performance indicators include procurement cycle time from requisition to contract award or purchase order issuance measuring process efficiency, cost savings from competitive procurement comparing awarded pricing to budget estimates or previous pricing, supplier delivery performance measuring on-time delivery percentages and quality defect rates, policy compliance rate assessing percentage of procurements following required procedures, and user satisfaction measuring internal customer satisfaction through surveys of project managers and end users. Quarterly performance reports compile metrics with trend analysis and benchmarking against targets established during annual planning. Performance discussions identify improvement priorities, resource needs, and accountability for results. Continuous improvement initiatives address identified gaps through process redesign, technology investment, or capacity building. Exception reporting and escalation mechanisms ensure senior management and board awareness of significant procurement issues including policy violations such as unauthorized single-source procurement or inadequate competition, fraud or corruption allegations involving procurement processes or supplier relationships, significant disputes with suppliers threatening project delivery or creating legal liability, emergency procurements bypassing standard competitive processes, and high-value procurements exceeding board approval thresholds. Exception reports trigger investigations, corrective actions, and pattern analysis determining whether exceptions reflect isolated incidents or systemic issues requiring policy or process modification.

APPENDICES

Appendix A: Procurement Authority Matrix

Procurement Value (USD)	Procurement Method	Approval Authority
Up to $500	Direct Procurement	Project Manager
Above $500 to $10,000	RFQs (minimum 3)	CCO
Above $10,000 to $50,000	Invitation to Bid	CEO
Above $50,000 to $100,000	Invitation to Bid or RFP	Board Finance Committee
Above $100,000	Invitation to Bid or RFP	Full Board of Directors
Single Source (any value)	Justified Single Source	CEO (under $50K), Board (over $50K)

Appendix B: Standard Procurement Timeline

Procurement Value (USD)	Procurement Method	Approval Authority
Up to $500	Direct Procurement	Project Manager
Above $500 to $10,000	RFQs (minimum 3)	CCO
Above $10,000 to $50,000	Invitation to Bid	CEO
Above $50,000 to $100,000	Invitation to Bid or RFP	Board Finance Committee
Above $100,000	Invitation to Bid or RFP	Full Board of Directors
Single Source (any value)	Justified Single Source	CEO (under $50K), Board (over $50K)

Appendix C: Required Procurement Documentation Checklist

The checklist in the RFP process will entail the following mandatory files:

- ☐ Procurement requisition with budget code and approval
- ☐ Market research or price comparison documentation
- ☐ Solicitation document (RFQ, ITB, or RFP)
- ☐ List of suppliers contacted or public advertisement evidence
- ☐ Proposals/quotations received from suppliers
- ☐ Evaluation documentation (scoring sheets, evaluation report)
- ☐ Approval record from authorized signatory
- ☐ Signed contract or purchase order
- ☐ Delivery documentation and acceptance certificate
- ☐ Supplier invoice and payment record
- ☐ Performance evaluation (for contracts above $10,000)

Appendix D: Conflict of Interest Declaration Form

Kilimora CLG

PROCUREMENT CONFLICT OF INTEREST DECLARATION

SECTION 1: DECLARATION INFORMATION

Procurement Ref. No.: Declaration Date:
Procurement Description:
Estimated Value (USD):

SECTION 2: DECLARANT INFORMATION

Full Name:

Position/Title: Department:

Role in Procurement Process:

☐ Requisitioner/End User
☐ Procurement Officer
☐ Approving Authority
☐ Other (specify):
☐ Technical Evaluator
☐ Evaluation Committee Member
☐ Contract Manager

SECTION 3: CONFLICT OF INTEREST DISCLOSURE

I hereby declare the following regarding potential conflicts of interest in relation to this procurement:

A. FINANCIAL INTERESTS

Do you, your spouse, domestic partner, or immediate family members (parents, children, siblings) have any financial interest in any organization that may submit a proposal or quotation for this procurement?

☐ NO - I have no financial interests to disclose

☐ YES - I have financial interests to disclose as follows:

Organization Name	Nature of Financial Interest	Ownership % or Value	Relationship to You

Note:

a. Immediate family members include: spouse, domestic partner, parents, children, siblings, in-laws, and any other household members.
b. Financial interest includes: ownership shares, stock holdings, partnership interests, directorship positions, significant creditor or debtor relationships, trust beneficiary status, or any financial arrangement exceeding USD $1,000 in value.

B. FAMILY AND PERSONAL RELATIONSHIPS

Do you have any family relationships or close personal relationships with owners, directors, officers, or key personnel of any organization that may submit a proposal or quotation for this procurement?

☐ NO - I have no family or personal relationships to disclose

☐ YES - I have relationships to disclose as follows:

Name of Individual	Organization	Position	Nature of Relationship	Relationship Type

Note: Relationship types include spouse, domestic partner, parent, child, sibling, in-laws, romantic relationship, close personal friendship, business partnership, or any reasonably perceived affiliation that may affect objectivity in this procurement.

C. OUTSIDE EMPLOYMENT AND BUSINESS INTERESTS

Are you currently employed by, consulting for, or providing services to any organization that may submit a proposal or quotation for this procurement, or have you been so engaged within the past 12 months?

☐ NO - I have no outside employment to disclose

☐ YES - I have outside employment or business interests to disclose as follows:

Organization Name	Nature of Engagement	Time Period	Compensation/Value	Current Status

Note: Nature of engagement includes: employee, contractor, consultant, advisor, board member, volunteer with decision-making authority, or any compensated or uncompensated position.

D. GIFTS, HOSPITALITY, AND BENEFITS

Have you or your immediate family members received any gifts, hospitality, entertainment, travel, or other benefits with a value exceeding USD $50 from any organization or individual that may submit a proposal or quotation for this procurement within the past 12 months?

☐ NO - I have received no gifts or benefits to disclose

☐ YES - I have received gifts or benefits to disclose as follows:

Provider Name	Organization	Type of Gift/Benefit	Estimated Value	Date Received	Circumstances

Note: Benefits include: cash, gift cards, meals, entertainment, travel, accommodation, event tickets, promotional items exceeding nominal value, favors, or anything of value.

E. COMPETITIVE OR BUSINESS INTERESTS

Do you have any business interests, investments, or relationships with competitors of organizations that may submit proposals or quotations for this procurement that could affect your objectivity?

☐ NO - I have no competitive interests to disclose

☐ YES - I have competitive interests to disclose as follows:

Organization Name	Nature of Interest	Potential Impact on Objectivity

F. PRIOR DEALINGS AND DISPUTES

Have you or your immediate family members had any significant prior business dealings, disputes, litigation, or other adverse relationships with any party that may submit a proposal or quotation for this procurement?

☐ NO - I have no prior dealings or disputes to disclose

☐ YES - I have prior dealings or disputes to disclose as follows:

Organization Name	Nature of Prior Dealing/Dispute	Time Period	Current Status/Resolution

G. OTHER POTENTIAL CONFLICTS

Are there any other circumstances, relationships, interests, or information not covered above that could reasonably be perceived to affect your objectivity or create an advent of impropriety in this procurement?

☐ NO - I have no other potential conflicts to disclose

☐ YES - I have other potential conflicts to disclose as follows:

Description of other potential conflicts:

SECTION 4: CERTIFICATION AND COMMITMENT

I certify that:

1. The information provided herein is true, complete, and accurate to the best of my knowledge.
2. I understand that any actual or perceived conflict of interest may compromise the integrity of the procurement process and organizational reputation.
3. I acknowledge my responsibility to immediately disclose any conflicts of interest that arise or come to my attention after submitting this declaration and before completion of the procurement process.
4. I commit to conduct myself objectively and professionally throughout the procurement process, basing all decisions solely on merit criteria specified in procurement documents.
5. I understand that failure to disclose known conflicts of interest or providing false information constitutes serious misconduct that may result in disciplinary action up to and including termination of employment or contract, reversal of procurement decisions, and potential legal consequences.
6. I agree to recuse myself from any aspect of the procurement process if directed to do so by management based on disclosed conflicts or if I determine that my objectivity is compromised.
7. I will not use my position or confidential information obtained through the procurement process for personal gain or to advantage any party.

SECTION 5: DECLARANT SIGNATURE

Signature: Date:

Printed Name:

SECTION 6: MANAGEMENT REVIEW AND DETERMINATION

Reviewed By: Position:

Review Date:

Management Determination:

☐ NO CONFLICT IDENTIFIED - Declarant may participate fully in procurement process

☐ POTENTIAL MANAGEABLE CONFLICT IDENTIFIED (declarant may participate with the following restrictions/conditions):

- ☐ Recusal from evaluation of specific bidder(s):
- ☐ Recusal from technical evaluation (may participate in administrative review only)
- ☐ Recusal from approval/decision-making (may provide technical input only)
- ☐ Enhanced oversight by:
- ☐ Disclosure to evaluation committee members
- ☐ Other measures:

☐ POTENTIAL UNMANAGEABLE CONFLICT IDENTIFIED (declarant must be recused entirely from procurement process, with Reason for Full Recusal stated out):

Replacement Personnel:
Reviewer Signature: Date:

SECTION 7: ESCALATION (IF REQUIRED)

For high-value procurements (above $50,000) or when management determination requires senior review:
Escalated To: Position:

Escalation Review Date:

Final Determination:

Signature: Date:

NOTES AND GUIDANCE FOR COMPLETING THIS FORM:

a) Filing Instructions:
- Original signed form to be filed in procurement file reference number:
- Copy to be provided to:
  - Declarant
  - Procurement Officer
  - Chief Commercial Officer
  - Human Resources (if disciplinary implications)
  - Legal Counsel (if significant conflict requiring guidance)
- Retention Period: 7 years from procurement completion date per document retention policy

b) When to Complete: This declaration must be completed before participating in any procurement activity including requisitioning, specification development, market research, supplier communication, proposal evaluation, contract negotiation, or approval.

c) Updates Required: Declarants must immediately notify the Chief Commercial Officer or designated procurement officer if circumstances change after submission creating new conflicts or if information becomes known that should have been disclosed initially.

d) Confidentiality: Information disclosed will be maintained confidentially to the extent possible while enabling appropriate conflict management. Disclosures may be shared with legal counsel, senior management, board members, or auditors as necessary.

e) Questions: Contact the company at hello@kilimora.africa or partnerships@kilimora.africa for procedural or related concerns for guidance on whether circumstances constitute conflicts requiring disclosure.

f) Consequences of Non-Disclosure:
Failure to disclose known conflicts may result in:
- Procurement cancellation or contract termination
- Disciplinary action including written warnings, suspension, or termination
- Recovery of any personal benefits obtained through undisclosed conflicts
- Legal action for fraud or breach of fiduciary duty
- Referral to professional regulatory bodies or law enforcement

Appendix E: Emergency Procurement Justification Template

Kilimora CLG

EMERGENCY PROCUREMENT JUSTIFICATION AND AUTHORIZATION

SECTION 1: EMERGENCY PROCUREMENT IDENTIFICATION

Emergency Reference Number (assigned by procurement office):

Date of Emergency Declaration:

Requisitioner Name: Department:

Requisitioner Position: Contact:

Emergency Category:

- ☐ Natural Disaster (flood, earthquake, fire, storm, etc.)
- ☐ Equipment/System Failure (critical infrastructure, technology, vehicle, etc.)
- ☐ Security Incident (threat, breach, urgent protective measures required)
- ☐ Health/Safety Emergency (medical emergency, hazardous condition, public health threat)
- ☐ Donor/Partner Urgent Requirement (short-notice request with immovable deadline)
- ☐ Project Critical Situation (delay would cause project failure or significant loss)
- ☐ Other (describe):

SECTION 2: DETAILED EMERGENCY DESCRIPTION

A. NATURE OF EMERGENCY

Provide detailed description of the emergency situation, including what occurred, when it occurred, and current status:

Date (and Time) Emergency Situation Arose (and Identified):

Geographic Location Affected:

B. IMPACT ASSESSMENT

a. Impact on Organizational Operations:
   - ☐ Complete operations cessation
   - ☐ Partial operations disruption affecting (% of activities):
   - ☐ Specific function/department affected:
   - ☐ Number of staff unable to work:
   - ☐ Other operational impact:

b. Impact on Project Delivery:
   - ☐ Project implementation stopped
   - ☐ Project milestone at risk:
   - ☐ Beneficiary services disrupted affecting (number of beneficiaries):
   - ☐ Donor reporting deadline at risk
   - ☐ Partner commitments at risk
   - ☐ Other project impact:

c. Impact on Health, Safety, or Security:
   - ☐ Immediate threat to personnel safety
   - ☐ Number of individuals at risk:

- ☐ Beneficiary safety concerns affecting _____ individuals
- ☐ Property (or asset) security threat:
- ☐ Environmental hazard:
- ☐ Other health (and safety) impact:

d. Financial Impact (in USD):
- ☐ Estimated daily financial loss from emergency:
- ☐ Estimated total financial loss if unresolved:
- ☐ Contractual penalties at risk:
- ☐ Revenue loss:
- ☐ Asset damage/loss value:

e. Reputational Impact:
- ☐ Donor confidence affected
- ☐ Beneficiary trust impacted
- ☐ Partner relationships at risk
- ☐ Media attention or public scrutiny
- ☐ Regulatory compliance concerns
- ☐ Other reputational risk:

C. PROJECTED IMPACTS IF EMERGENCY UNRESOLVED

Describe consequences if emergency procurement is not authorized and situation continues:
a. Within 24 hours:
b. Within 1 week:
c. Beyond 1 week:
d. Irreversible consequences:

SECTION 3: WHY STANDARD PROCUREMENT PROCESSES CANNOT BE USED

Time Criticality Assessment:
Timeframe required to resolve emergency: _____ hours/days
Standard procurement timeline for similar requirement (in days):
- ☐ Market research and planning:
- ☐ Solicitation preparation and approval:
- ☐ Public advertisement period:
- ☐ Proposal preparation by suppliers:
- ☐ Proposal evaluation and approval:
- ☐ Contract negotiation and execution:
- ☐ Total standard process duration:

Specific reasons standard competitive procurement is not feasible:
- ☐ Time constraint (of standard and emergency resolution timeframe):
- ☐ Unique supplier capability:
- ☐ Existing relationship dependency:
- ☐ Geographic constraint:
- ☐ Technical compatibility:
- ☐ Immediate availability:
- ☐ Other justification:

SECTION 4: VERIFICATION OF EMERGENCY LEGITIMACY

a. Could this emergency have been reasonably anticipated or prevented through proper planning?
☐ NO - Emergency was unforeseeable and unavoidable
☐ YES - Emergency could have been anticipated/prevented
If YES, explain circumstances and actions taken to prevent recurrence:

b. Was advance warning or indication of this situation available that should have prompted earlier action?
☐ NO - No advance warning existed
☐ YES - Warning signs existed but were not recognized/acted upon
If YES, explain what warning signs existed and why earlier action was not taken:

c. For equipment/system failures:
☐ Equipment age (with expected useful life):
☐ Maintenance history (Regular/Irregular/None):
☐ Date of last maintenance:
☐ Known issues prior to failure: YES/NO (if yes, describe):
☐ Backup systems available: YES/NO (if yes, why not utilized):

d. For donor/partner urgent requirements:
☐Date requirement was communicated by donor/partner:
☐Notice period provided (in days):
☐Was earlier communication possible? YES/NO (if yes, explain):
☐Attempts made to negotiate extended timeline (YES/NO; if yes, describe):

SECTION 5: GOODS/SERVICES/WORKS REQUIRED

Detailed Description of Requirement:
Category:
☐ Goods (equipment, supplies, materials)
☐ Services (consulting, professional, maintenance, repair)
☐ Works (construction, installation, infrastructure)

Specific Item(s)/Service(s) Required:

Item/Service Description	Quantity	Technical Specifications	Unit	Estimated Unit Cost	Total Cost

Total Estimated Cost (in USD):
Delivery Location:
Required Delivery (or Completion Date):
Installation (or Implementation Support Required, YES/NO):
Training Required (YES/NO):
Warranty (or Maintenance) Requirements:

SECTION 6: PROPOSED SUPPLIER SELECTION

Supplier Name:

Contact Person: Position:

Phone: Email:

Physical Address:

Business Registration Number: Tax ID:

Rationale for Supplier Selection:

- ☐ Only supplier with immediate availability
- ☐ Only supplier with required technical capability
- ☐ Only supplier within required geographic proximity
- ☐ Existing contractual relationship enabling rapid mobilization
- ☐ Previous satisfactory performance on similar requirements
- ☐ Competitive pricing verified through: ___________________________
- ☐ Other rationale: ___________________________

Supplier Due Diligence Completed:

- ☐ Business registration verified
- ☐ Tax compliance confirmed
- ☐ Sanctions screening completed (OFAC, UN, EU lists)
- ☐ References checked (contacts: _________________________)
- ☐ Financial stability assessed
- ☐ Insurance coverage verified (if required)
- ☐ Previous performance with organization: Excellent/Satisfactory/First-time supplier
- ☐ Conflict of interest declaration obtained from procurement participants

Were other suppliers considered (YES/NO, with reasons for non-selection):

Supplier Name	Reason Not Selected

SECTION 7: PRICING AND BUDGET

Price Reasonableness Assessment:

- ☐ Comparison with previous purchases of similar items (Purchase Order #):
- ☐ Comparison with market research/published price lists (Source):
- ☐ Comparison with alternative supplier quotations obtained:
- ☐ Independent cost estimate:
- ☐ Negotiation (% in price reduction from initial quote):
- ☐ Other verification method:

Detailed pricing:

Cost Element	Amount (USD)	Justification/Basis
Base goods/services cost		
Delivery/transportation		
Installation/setup		
Training		
Contingency (_____%)		
TOTAL		

Budget Availability:

Budget Code:

Project/Grant:

Original Budget Amount (in USD):

Year-to-Date Expenditure (in USD):

Remaining Budget Balance (in USD):

This Emergency Cost (in USD):

Balance After Emergency (USD $):

Date:

Budget Approved By:

If budget insufficient, describe funding source/reallocation plan:

SECTION 8: RISK MITIGATION AND SAFEGUARDS

Measures to Protect Organizational Interests:

a. Contract Terms:
   - ☐ Written contract/purchase order will be executed before delivery
   - ☐ Payment terms (e.g., 50% advance, 50% on delivery):
   - ☐ Performance security required (YES/NO, amount in USD if YES):
   - ☐ Warranty period (in months):
   - ☐ Delivery penalty clause (in % per day):
   - ☐ Quality acceptance criteria specified
   - ☐ Dispute resolution mechanism:

b. Quality Assurance:
   - ☐ Technical inspection upon delivery by:
   - ☐ Acceptance testing procedures:
   - ☐ Documentation requirements:
   - ☐ Training/handover requirements:

c. Monitoring and Oversight:
   - ☐ Designated contract monitor (name and position):
   - ☐ Progress reporting frequency:
   - ☐ Site visit schedule (for works):
   - ☐ Payment linked to milestones/deliverables:

Documentation:

- ☐ All emergency procurement documentation will be compiled in procurement file
- ☐ Photographic evidence of emergency situation attached: YES/NO
- ☐ Supporting documents attached (correspondence, technical assessments, quotes): YES/NO
- ☐ Post-procurement review will be conducted to assess outcome and identify improvements

SECTION 9: PREVENTIVE MEASURES FOR FUTURE

Systemic improvements implemented to prevent similar emergencies?

a. For equipment/system emergencies:
   - ☐ Enhanced preventive maintenance schedule
   - ☐ Backup equipment/system procurement
   - ☐ Spare parts inventory establishment
   - ☐ Early replacement before end of useful life
   - ☐ Service level agreement with supplier for rapid response
   - ☐ Other:

b. For planning-related emergencies:
   - ☐ Improved procurement planning processes
   - ☐ Earlier stakeholder communication requirements
   - ☐ Buffer time built into project schedules
   - ☐ Framework agreements for rapid procurement
   - ☐ Pre-qualified supplier lists
   - ☐ Other:

Responsible Person for Implementation:

Target Date:

SECTION 10: REQUISITIONER CERTIFICATION

I certify that:

1. The information provided in this emergency justification is true, complete, and accurate to the best of my knowledge.
2. This is a genuine emergency situation that could not have been reasonably anticipated or prevented through proper planning.
3. Standard competitive procurement processes cannot be used due to the time-critical nature described above.
4. The proposed supplier and pricing have been determined to represent best value available under emergency circumstances.
5. All feasible measures have been taken to protect organizational interests and ensure value for money.
6. I have no personal conflict of interest related to this emergency procurement or the recommended supplier.
7. Preventive measures will be implemented to reduce likelihood of similar emergencies in the future.

Requisitioner Name:

Requisitioner Signature: Date:

SECTION 11: TECHNICAL REVIEW AND ENDORSEMENT

a. Technical Assessment:

☐ Emergency situation verified and confirmed
☐ Technical specifications appropriate and adequate
☐ Proposed solution will effectively address emergency
☐ Supplier capability assessed as adequate
☐ Pricing appears reasonable for emergency circumstances
☐ Risk mitigation measures adequate

b. Comments (or Recommendations):

Reviewed By:

Position: Signature: Date:

SECTION 12: FINANCIAL REVIEW AND BUDGET CONFIRMATION

Financial Assessment:

☐ Budget availability confirmed
☐ Expenditure authorized under budget code: ___________________________
☐ Pricing reasonableness verified
☐ Payment terms acceptable and protect organizational cash flow
☐ Donor restrictions checked (if grant-funded): No restrictions/Compliant/Requires donor approval
☐ Financial documentation requirements confirmed

Reviewed By:

Position: Signature: Date:

SECTION 13: PROCUREMENT OFFICE REVIEW

Procurement Assessment:

☐ Emergency justification substantiated
☐ Standard processes genuinely not feasible within required timeframe
☐ Single-source selection adequately justified
☐ Price reasonableness verification adequate
☐ Due diligence completed appropriately
☐ Contract terms protect organizational interests
☐ Documentation adequate for audit purposes
☐ Preventive measures appropriate

Recommendation:

☐ Approve emergency procurement as requested
☐ Approve with Conditions: ___________________________
☐ Request Additional Information: ___________________________
☐ Deny - emergency not substantiated or alternative approaches available

Reviewed By:

Position: Signature: Date:

SECTION 14: FINAL AUTHORIZATION

a. Authorization Level Required Based on Value:
   - Chief Commercial Officer (up to $10,000)
   - Chief Executive Officer (above $10,000 to $50,000)
   - Board Finance Committee (above $50,000 to $100,000)
   - Full Board (over $100,000)

b. Final Decision:
   - Emergency Procurement Authorized or Denied (with Reason):
   - Authorized Amount (in USD):
   - Special Conditions (or Restrictions):
   - Validity Period:
   - Required Follow-up Actions:
     - Donor notification required
     - Board ex-post ratification required at meeting on:
     - Post-procurement review required (in days of completion):
     - Other:
   - Alternative Approach Required:

Authorizing Officer Name:

Position: Signature: Date:

SECTION 15: POST-PROCUREMENT REVIEW (to be completed after emergency resolved)

a. Emergency Resolution Outcomes:
   - Was emergency successfully resolved (YES/NO)?
   - Actual Delivery (or Completion) Date vs. Required Date:
   - Actual Cost (in USD) vs. Estimated Cost (in USD) and the Variance (in %):
   - Quality of goods/services/works (Exceeded, Met, or Below Expectations):
   - Supplier performance: Excellent/Satisfactory/Unsatisfactory

b. Issues encountered:

c. Lessons Learned:
   - What worked well:
   - What could be improved:
   - Were preventive measures implemented as planned (YES/NO/IN PROGRESS)?
   - Verification of implementation:

d. Recommendations for policy/procedure improvements:

Review By:

Reviewer Signature: Date:

NOTES AND GUIDANCE OF COMPLETING THIS FORM:

a) Filing Instructions:
- Original completed and signed form with all supporting documentation to be filed in:
  - Emergency procurement file reference number:
  - Project (or Grant) File, if applicable:
  - Annual emergency procurement compilation for board review
- Supporting documents to be attached:
  - Photographic or other evidence of emergency situation
  - Supplier quotations and due diligence documentation
  - Technical specifications and assessments
  - Budget approval documentation
  - Contract or purchase order
  - Delivery/acceptance documentation
  - Payment records
  - Post-emergency review findings
- Distribution:
  - Requisitioner
  - Finance Manager
  - Chief Commercial Officer
  - Chief Executive Officer
  - Board Finance Committee Chair (for high-value emergencies)
  - Procurement file
  - Donor (if notification required)
- Retention Period: 7 years from emergency resolution date per document retention policy

b) Definition of Emergency: A genuine unforeseen circumstance requiring immediate action where delay would cause significant harm to operations, projects, personnel, assets, or organizational interests, and where standard competitive procurement timelines genuinely cannot be accommodated.

c) Not Emergencies: Poor planning, routine requirements with predictable timelines, convenience preferences, or attempts to circumvent competitive processes do not constitute emergencies.

d) Approval Timeframes: Emergency procurement authorization requests should be reviewed and decided within 4-24 hours depending on value and availability of approving authorities.

e) Donor Notification: Emergency procurements using restricted grant funds must be reported to donors within timeframes specified in grant agreements, typically within 5-10 business days, with full justification and documentation.

f) Board Ratification: High-value emergency procurements approved by CEO may require ex-post board ratification at the next scheduled board meeting.

g) Questions: Contact the company at hello@kilimora.africa for guidance on whether circumstances constitute genuine emergencies warranting expedited procurement.