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Document Title: **Procurement Manual**

For the purpose of the following the term Implementing Unit (IU) is defined as any entity, regardless of legal status, implementing NURI activities financed by grant transfers from either Royal Danish Embassy (RDE) or NURI CF.

The term Supplier in the following refers to any kind of supplier, provider, vendor, manufacturer or shop.

This manual, which is a part of the NURI manuals, contains the rules to be followed by an IU during its proceedings while procuring goods, services, consultancy services or works on behalf of NURI. The manual must be followed by all IUs but will include explicit exemptions where relevant.

## **1. Publication of tenders, call for expression of interest, for quotations and for inclusion in standing lists**

When the procurement manuals refer to a demand for publications, these are the guidelines:

As a main rule, CF will be publishing advertisements either twice in one national newspaper or once in two national newspapers. If the procurement proceedings advertised contain a deadline for submission of expression of interest, quotations etc., the first advertisement must appear no later than 15 days before that deadline.

After the call appears in the newspaper, all implementing units may promote the call via relevant channels.

CF may in writing delegate the authority to publish an advertisement in a newspaper to one of the other implementing units.

The advertisement should contain information about the goods, services or consultancy services to be procured, their quantity and specification of quality, delivery destination, procurement procedure and selection and evaluation criteria, where, when and what to submit to be considered as a supplier. To ensure presence at office for receipt of paper based submissions, the submission deadline indicated in the advertisement should be well before the hour of office closure.

When calling for inclusion in standing lists, the detailed quality, ToR, delivery destination, quantities etc. may not be known at the time of publication, and the description may thus be on a more general level. Instead of specifications, the call may indicate general documentation to be submitted and criteria for successful inclusion.

Detailed information to be advertised can also be published on [www.nuri.ag](http://www.nuri.ag) (or other websites). In this case the newspaper advertisement should as a minimum contain a brief description of the

requested goods or services and have a clear reference to the website containing the detailed information.

When procurement is conducted by RDE, RDE will decide and undertake the procedure for advertisements.

It is important that no preferential treatment is given. This does, for instance, mean that same information is provided to all prospective suppliers and that all suppliers are treated equal during the entirety of the procurement process.

## 2. Creation, maintenance and use of Standing Lists

At least once a year the CF publishes an open call for inclusion in standing lists. Any interested party can submit the required information. Criteria for successful inclusion should be limited to objectively documentable and relevant conditions like presentation of tax registration, licenses and authorisations.

The different standing lists, one for each category of goods, services and consultancy services, remain open for inclusion of prospective suppliers as and when interest in inclusion is expressed.

A supplier can be taken off the list if the party has expressed such a desire. A supplier, vendor or provider can also be taken off the list if on three consecutive occasions NURI's request for quotations have remained unanswered.

When procuring using the standing list, a written request for quotation/proposals specifying quantity and specification of quality, delivery destination, procurement procedure and selection and evaluation criteria, where, when and what to submit must be elaborated.

The above specifications should be formulated as a request for quotation/proposals and e-mailed to, if possible, 5 – 10 suppliers on the standing list, giving a submission deadline of at least 3 working days. Quotations and other relevant documentation must be submitted to [procurement@nuri.ag](mailto:procurement@nuri.ag).

Quotations and other relevant documentation can alternatively be submitted in paper form to NURI CF, Kampala or to the physical address(es) indicated in the request for quotation/proposal.

## 3. Request for Quotations

When procuring through a process involving requesting quotations/proposals from selected suppliers, the following must be adhered to.

A written request for quotation/proposals specifying quantity and specification of quality, delivery destination, procurement procedure and selection and evaluation criteria, where, when and what to submit must be elaborated.

The above specifications should be formulated as a request for quotation/proposals and e-mailed to potential suppliers giving a submission deadline of at least 3 working days. Quotations, proposals and other relevant documentation must be submitted to [procurement@nuri.ag](mailto:procurement@nuri.ag) or delivered by hand, post or courier to a physical address indicated in the request for quotation/proposals.

## **4. Goods and Services**

At the starting point the method for selecting a supplier of goods or services is lowest price, i.e. the contract is awarded on the basis of the lowest price only. The lowest price methodology is useful for simple or standardised procurements, as it merely involves selecting the lowest price response that meets all of the informed minimum requirements/specifications.

### **Procuring Unit**

Authorization to procure normally follows from the approved work plan (including procurement plan) and budget, which instructs the head of the entity to acquire goods, services and consultancy services according to the Programme needs.

CF communicates to the Implementing Units which items and at which volumes the unit should procure.

The following thresholds and principles must be observed:

### **Procurement of Goods and Services above 100 million UGX**

CF will contact RDE for guidance and approval on procedure.

### **Procurement of Goods and Services between 50 and 100 million UGX**

CF will invite prospective suppliers through a published call for proposals.

### **Procurement of Goods and Services between 10 and 50 million UGX**

CF will request quotations from 5 – 10 suppliers on the relevant and updated standing list.

### **Procurement of Goods and Services between 2 and 10 million UGX**

NURI will request quotations from at least 3 suppliers on the relevant standing list. If no relevant standing list has been created or if it contains less than 3 suppliers, 3 – 4 quotations may be requested from known suppliers or providers.

### **Procurement of Goods and Services below 2 million UGX**

When the IU assesses it to be most effective and efficient to procure by direct selection, the IU can do so where the total contract value is not above 2 million UGX.

Any one supplier of Goods and/or Services can be used by direct selection only once per year, per IU. If an IU wishes to conduct direct procurement under this rule more than once a year from the same supplier, a prior written authorization must be obtained from the Programme Management Advisor or the Financial Management Advisor.

### **Procurement of Goods and Services in emergency situations**

Where urgent delivery is needed for the sake of safe guarding assets, wellbeing of staff or preventing destruction of agricultural inputs and crops financed by NURI, the Implementing Unit can procure by direct selection of supplier or provider. In such cases the Implementing Unit shall, prior to the procurement, obtain a written authorization from the Programme Management Advisor, the Financial Management Advisor or any other person who this role may have been delegated to.

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In case CF needs to conduct direct procurement under this emergency rule, a written authorization from RDE must be obtained.

### **Warranty and retention**

Provisions to be elaborated.

## **5. Bid Appraisal**

Provisions and templates to be elaborated.

## **6. Works**

To be elaborated.

## **7. Procurement of Repair and Maintenance of Goods**

Vehicles and equipment, hereunder office equipment, should if possible be repaired and maintained by authorised providers of such service. The authorization of the provider should originate from the manufacturer or its representation in Uganda.

If more than one authorised provider exists in the market, quotations must be collected from all authorised providers. The call in national media for inclusion in a standing list is NURI's documentation for presence of authorised providers.

## **8. Administrative provisions**

### **a. Rejection of all bids, re-tendering and cancellation of bids**

CF NURI has the right to reject all bids, offers or quotations and to cancel procurement proceedings. NURI in doing so is not obliged to justify such action to any third party. NURI is not responsible for any cost occurred for any third party.

NURI's rejection of bids, offers or quotations or cancellation of procurement proceedings will not limit NURI's access to begin a new proceeding for a similar acquisition.

### **b. Formation of procurement committee**

Under elaboration.

### **c. The functioning of the Procurement Unit**

Will contain responsibility matrix, description of roles. Under elaboration.

### **d. Documentation of Proceedings**

Documentation for communication, approval, choice of procurement method, publications, quotations/offers and evaluation forms related to the procurement must be annexed the payment process. The payment process should, besides the invoice, copy of LPO and other relevant documents, include documentation for update of asset register in relation to acquisition of assets.

### **e. Procurement from vendors and providers with a TIN number**

NURI must to the extent possible procure from entities registered with a TIN.

Rules are being elaborated for situations where this is not possible.

### **f. Conflict of interest**

Rules are being elaborated

## **9. VAT, Import Duty and Withholding Tax**

Both the CF and the implementing units are required to deduct withholding tax on consultancy services unless the company can prove that they have been exempted from withholding tax by URA

Withholding tax should only be deducted if the invoiced amount (excl. of VAT) is above one mill. UGX.

Neither the CF nor the implementing partners have to deduct withholding tax on procurement of goods and services.

## **10. Exceptions**

The organization Danish Refugee Council is exempted from following the NURI procurement manuals under the condition that the organization adheres to its own official procurement guidelines while implementing its contract under the NURI programme.

AFARD and ARUA DFA must adhere to their own official procurement guidelines or, in absence of such, to the NURI procurement manuals.

## **11. Assets**

The following rules apply to the following assets:

Buildings, vehicles, furniture, communication equipment and computers, other equipment and other goods in the programme’s possession

Items in these categories with a value of or above UGX 500,000 should be entered in the implementing unit’s asset register in QuickBooksOnline immediately after they have been received.

Assets, when possible, should be engraved with a unique permanent number making it easy to identify the asset. That the number must be unique means a specific number can only appear once among the NURI assets. To help insuring this, the first digit in a unique asset number must follow the below structure:

Unique numbers by	Must have the following first digit
a. Arua DFA	1xxx
b. AFARD	2xxx
c. Moyo	3xxx
d. Adjumani	4xxx
e. Kitgum/Lamwo	5xxx
f. Agago	6xxx
Coordination Function	0xxx

The first digit in the unique number must be followed by three digits.

At the end of the fiscal year the existence of assets should be verified. The verification should be documented. The asset list must make part of the implementing unit’s annual financial reporting.

### **Sale of Assets**

CF will forward any request for sale of assets to RDE for approval. Sale of assets is done via open ascending price auctioning in the presence of the participants, or via silent auctioning, where participants submit their undisclosed bid on a piece of paper in a box. Both methods can also be conducted digitally.

Auctioning of assets must be published in a national newspaper at least two weeks before the auction.

### **Transfer of Ownership to Assets**

The transfer of assets to a partner or other beneficiary normally takes place at the end of the programme and can only happen with written approval from the RDE. A handing over certificate should be prepared detailing asset number, make and model, identification numbers, procurement price, condition and physical location. The receiver and RDE will jointly sign the certificate.

### Damage/Loss of Fixed Assets

The damage or loss of any asset has to be reported to the CF immediately. The CF will then assess the action taken and report it to the RDE. Theft should always be substantiated by a police report.

In case of sale, transfer or loss of an asset the fixed assets register should be updated with information about how the asset has been disposed of.

### Insurance

Danida is self-insured so assets should only be insured where it is required by law, e.g. in the case of third party insurance for vehicles and motorcycles.

## 12. Vehicles

Programme vehicles and motorbikes must only be used for duty transport, i.e. for approved activities according to the approved work plan.

Transport to and from work and transport of children to and from school is not duty transport, and programme vehicles cannot be used for this type of transport. However, non-duty travel may take place in exceptional cases, e.g. emergency in connection with sickness or accident etc. At night, cars and motorbikes must be parked at the premises of the implementing partner with the exceptions of cases when no secure parking space for vehicles exist, or when meetings take place early in the morning or late in the afternoon, and it is unsafe or a significant inconvenience to drive the car back to the safe parking area.

Driving at night will always be regarded as unsafe driving, and must be avoided.

It is the duty of the Senior Driver to ensure that:

- Appropriate monitoring of the programme vehicles takes place
- The vehicles are utilised in a cost-effective way
- The vehicles are properly serviced and maintained
- An extra key and the registration book are kept in the safe
- A logbook is kept and at least once a month is checked and approved by the drivers' immediate superior
- The drivers have got proper driving licenses and have submitted their IDs.
- An officer is allowed to drive a programme vehicle only after approval by the Accounting Officer
- A fuelling system is in place
- A monthly vehicle report is prepared showing kilometres driven, fuel used, mileage per litre fuel.

Damage occurring in connection with a vehicle or motorbike being used for private trips, or injury on persons not relevant to the project, i.e. 'getting a lift,' will not be covered by the Programme.

### **13. Stores**

Where the implementing partner has a need to keep stock, a store should be established and proper procedures for running the store should be put in place and described This part of the manual is under elaboration.

This document replaces with effect from the above date a previous document with the index number:	09.09.09.01 chapter 8
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