

<i>Title</i>	DRAFT Version
Procurement Policy Cordaid Head Office	5.0 / January 2018

Definition

This policy is in place as of 1 January 2018 and replaces the Procurement Policy version 4.1, dd. 01-01-2017v1.

Procurement concerns all activities from Head Office that Cordaid receives an invoice for. This comprises all goods and services that Cordaid buys from external suppliers. This procurement policy applies to all Cordaid purchases for the Head Office. The policy does not apply to the purchase of goods and services at Cordaid's operational offices abroad. Their procurement procedure for goods or services has been described in the Compendium (Field Manual). Together they form the Cordaid rules and guidelines in relation to Cordaid procurement spending.

1. Vision

We envisage a world where the basics of life in dignity are available to all. Where the poorest and the excluded can influence the decisions that affect them. Where each person is free to flourish, and can live in peace.

2. Mission

Cordaid's mission is to reduce fragility and the vulnerability of people in fragile and conflict-affected states. We pursue this mission by: promoting equality and (social) inclusion; increasing resilience (of people and systems); strengthening the social contract between governments and their citizens, and by implementing a tailored set of interconnected approaches: strengthening the capacity of organizations; building partnerships; lobby and advocacy; system strengthening; provision of aid and equity; emergency response when and where required.

3. Supplier selection

- Each procurement decision is taken based on fit for purpose requirements and after careful consideration of costs, quality, opportunities and risks.
- It is Cordaid policy to procure goods in an ethical manner using sound business principles, adhere to fair procurement processes and respect applicable laws and regulations.
- A procurement toolkit is in place to facilitate the business in the supplier selection process, this toolkit contains, among others:
 - Standard Cordaid purchasing terms and conditions
 - Standard Cordaid supplier-contract for goods and services
 - Checklist for specification
 - Standard Cordaid Request for Proposal
- Suppliers are requested to donate to Cordaid (e.g. directly to Cordaid funds, via Fundrunner or via pro bono hours).

4. Use of contracts with suppliers is mandatory

- The objective is that for 80% of the (recurring) spend with a value over 10,000 euro per year, contracts are in place with preferred suppliers.
- For recurring spend the following applies:
 - The Cordaid standard supplier-contract (including Cordaid Standard purchasing terms and conditions) must be used for these purchases.
 - Recurring spend with value less than 10,000 euro per year will be covered by a standard Cordaid supplier-contract or Cordaid purchasing terms and conditions.
- For non-recurring spend (one off purchases) the following applies:
 - For non-recurring spend with a value over 10,000 euro, three (3) offers from different suppliers will be requested and the order will be covered by the Cordaid standard purchasing terms and conditions or a Cordaid supplier-contract.
 - Non-recurring spend with a value less than 10,000 euro per year will be covered by the Cordaid standard purchasing terms and conditions.
- Supplier-contracts will not exceed a three-year timeframe. In order to be able to make use of market developments, supplier-contracts are to be benchmarked at least every three years.

5. Contract Register

- Supplier-contracts (including contract details, such as obligations and end-dates) are registered by the budget holders in the contract register in excel on sharepoint site Procurement Cordaid HO.
- The contract register is put in place to monitor commitments and authorizations, and control (contracted) spending.

6. Vendor management

- The business will regularly monitor supplier performance based on pre-defined evaluation points, with room for specifics based on the specific procurement category. Cordaid performance is also part of this evaluation. This evaluation is used to review and improve both supplier and Cordaid performance during their cooperation.
- Procurement will be involved in case of financial consequences or escalations.

7. Governance

- Manager Quality Assurance is responsible for the overall procurement processes and the procurement control. Manager Quality Assurance reports to the CFO.
- Budget owners are responsible for the correct utilization of the budget and the use of specification- and selection criteria that best fit the Cordaid needs.
- Governance of the procurement process will be secured by the contract register.
- Monitoring of adherence to this procurement policy by the Quality Assurance Office will be conducted on a quarterly basis.