



## **Procurement**

### **Policy and Procedures Manual**

**Afghanistan Educational and Health Aid Organization**

**AEHDA**

**February 2021**

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## Introduction

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### About Afghanistan Educational and Health Aid Organization “AEHDA”

Afghanistan Educational and Health Aid Organization “AEHDAO” is a non-profit, non-political, non-sectarian and non-governmental organization registered with Ministry of Economy (MoE).

AEHDA is mandated to work for education, research and development, health care, advocacy and communication, training and capacity building. AEHDAO was established by a group of committed, dedicated and professional volunteers to offer result-oriented services to rural, urban slums and urban areas of Afghanistan. AEHDAO’s services will be delivered through utilization of easy adaptable, contextual, accessible and participatory community empowerment strategies in accordance with the key principles of result based management (RBM) approaches, and in line with Afghanistan national development priorities and national strategic plans. On the other hand, considering the professional/technical capacities in provision of primary education and public health services, AEHDAO is one of the pioneer local NGO that provides contemporary, affordable and quality educational and public health services to Afghan population.

### AEHDA-Org Vision

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AEHDAO envisions an educated, informed, healthy, peaceful and developed society, free from all kinds of misconceptions, deprivation, discrimination, injustice, corruption, disability and violence.

### AEHDA-Org Mission

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AEHDAO is a non-profit, non-political, non-sectarian and non-governmental organization mandated to conduct contemporary development services on education, research and development, health care, advocacy and communication, and training/capacity building in rural, urban-slums and urban Afghanistan.

AEHDAO is committed to achieving its mission through contextual, participatory, result-oriented, transparent, accountable, professional, gender sensitive services with the consideration of following strategic principles:

Community empowerment through decentralized bottom-up approaches and real participation

Integration of contextual recommendations in strategy or policy level decision making process at national and sub-national level

Sustainable development

Public-Private partnership and ownership

Result-based management approaches

Management efficiency

Partnership development and coordination

Creation of circumstances in which people can develop their potentialities and express their diverse qualities

other operational documents including policies and procedures as amended from time to time by the Board of Directors (BOD), concerning various governing aspects of [AEHDA](#)

The purpose of this manual is to define procurement policies and procedures of [AEHDA](#). The manual provides a statement of applicable [{AEHDA}](#) policies and procedures. Further clarifications are issued from time to time and incorporated in this manual.

The procurement manual is periodically amended and it is the responsibility of the executive director and management of [{AEHDA}](#) to update the manual, have it approved by the BOD and place a readable copy on the server to ensure an easy access for all the employees. Approving authority, is the BOD or a subcommittee duly authorized by the BOD and comprising board members. The suggestions for approval or otherwise will be placed before the BOD for final decision.

### **Use of this manual by staff**

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This manual is designed to acquaint staff with the procurement policies and procedures of [{AEHDA}](#) and provide information about procurement cycle, standards, processes and supporting documentation required to close procurement files for goods and services. [{AEHDA}](#) has developed this manual within the context of local conditions, international best practices, donor guidelines and the Afghan laws and regulations. The manual will serve as an on-going reference and guide for [{AEHDA}](#) employees in carrying out procurement processes.

The policies and procedures in this manual have been established to assist employees in understanding what is expected of them during procuring goods and services at [AEHDA](#).

All forms or templates mentioned in the manual shall be kept in the office as hard copies and in an electronic filing system of the [{AEHDA}](#) as soft copies.

In case of lack of clarity about any particular clause, sentence or work contained and/or non-availability of any policy/guidelines in this manual, the interpretation and decisions of the Executive Director shall be final. The Executive Director will have the authority to waive, write off or change any particular policy or clause in this manual if necessary for the interest of the organization. However, the BOD of [{AEHDA}](#) should have information of such changes.

Amendments of this manual are done in general, in consultation with the staff members unless it is impracticable to do so.

Any modification shall enter only into force retrospectively if the change is not of the disadvantage of the staff member and the changes is approved by the BOD or its assigned sub-committee. All staff must sign **Annex 1**, to acknowledge receipt and understanding of this policy manual.

## 1: Introduction and Purpose

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### 1.1 Objectives of procurement manual

Procurement can be defined as the purchase of goods or services at the optimum possible total cost in the correct quantity and quality. These goods and services are also purchased at the correct time and location for the benefit or use by the AEHDA

This procurement manual provides guidelines that are to be used by {AEHDA} in the procurement of goods and services.

The manual details the policies and procedures relating to procurement of goods and services for AEHDA It also highlights key risks and controls pertaining to procurement.

### 1.2 Policy

All procurement at {AEHDA} shall be carried out in a transparent and competitive manner taking into account economy, effectiveness and efficiency and without violating donor requirements. The guiding principle to be followed in procurement of goods and services are outlined below:

- **Competitive bidding:**

The essence of this principle is that all persons have an unrestricted opportunity to bid and win. The market should be as broadly defined as possible. This calls for open advertisement in the media or any other public or open means of inviting tenders. The Procurement Law of Afghanistan provides for the following procurement methods in Article 18:

- Request for Quotations;
- Open Tendering;
- Restricted Tendering; and
- Sole Sourcing

**Request for quotations (RFQ)** method is where a document is prepared and submitted to one or more potential supplier's eliciting for quotations for goods or services. The RFQ document asks for itemized list of prices for goods that are well defined and quantifiable such a furniture or hardware. Please see Annex 6 for sample Request for Quotations and Annex 4 for a sample quotation.

**Open tendering** is a preferred competitive procurement method by the government used for acquitting goods, services and infrastructure works. It is done according to procedures laid out in Articles 21, 22, 23, 24, 25, 26, and 27 of the Afghanistan Procurement Law.

See <http://www.acbar.org/upload/1510822813804.pdf>

**Restricted tendering** is a procurement method that limits the request for tenders to a select number of suppliers, contractors or service providers. It is also called limited bidding or selective bidding. It's normally done for specialized services or sensitive services.

**Sole sourcing** can be defined as a contract or agreement to purchase goods or services entered by a CSO without a competitive process, based on a justification that only **one known source** exists or that it is the only supplier that meets the requirement. **This is not allowed** though by most donors, and it's discouraged. It is no longer acceptable to most donors that procurement of goods and services can be done by sole sourcing. For every good and service in Afghanistan, there should be at least two or more service providers for those goods and service in the country. Thus for {AEHDA} sole sourcing is not allowed for procurement done with funds of donors who do not allow it.

- **Value for Money:**

All goods procured must reflect **value for money** at all times. {AEHDA} must ensure that goods and services procured are of good quality and are bought at a fair price. For procurement to demonstrate value for money, it must be;

**Value for money:** is the utility derived from every purchase in the organization or benefits obtained from every Afghani used in purchase of a service or good. It refers to something well worth the money used to buy it. Value for money is not only based on **price (economy)** but also maximum **efficiency** and **effectiveness** of the purchase.

**Efficient:** resources such as time and effort spent in procuring should be proportionate to the value of the procurement.

**Effective:** goods and services must be procured at the right time and quantity, good quality and must meet the specifications criteria.

**Price (economy):** the procured goods must be of good value and at a competitive price so as to avoid any wastage.

**Transparency:**

This refers to the unimpeded visibility and openness in all transactions. This principle ensures that all information on procurement policies, procedures, opportunities and processes is clearly defined and made widely known and available. A transparent system increases the possibility of detecting any deviations from fair and equal treatment, and therefore makes such deviations less likely to occur. A transparent system has records open for inspection by internal and external auditors. Information about the tender process should be made available to suppliers. Transparency in procurement is not only one of the key values of {AEHDA} but is also what expected by donors and other stakeholders, including government.

Transparency, just like value for money are also as key objectives stated in the Procurement Law of Afghanistan<sup>1</sup>.

### 1.3 Objectives of the procurement guidelines

The objectives of these procurement policies and procedures align well with the objectives of Procurement Law of Afghanistan stated in Article 2 and what donors and the public expect from a CSO such as {AEHDA} being supported by public funds and tax-payer's money from Afghanistan and other countries. These objectives include:

- Regulating the procurement of goods and services;
- Ensuring transparency and accountability in procurement processes;
- Effective control of {AEHDA} funds;
- Ensuring the principle of value for money and quality in procurement of goods and services; and
- Providing tendering opportunity for participation of all eligible bidders in procurement proceedings.

## 2: Procurement process

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### 2.1 Procurement process and cycle for bidding methods

The procurement processes of {AEHDA} will typically consist of the following steps and stages:

- Determine need for goods or service;
- Check availability of budget or funds for the goods or service;
- Identify requirements;
- Developing specifications;
- Identifying suppliers and service providers;
- Inviting submission for quotations, bids and proposals;
- Evaluating the bids, quotations and proposals;
- Awarding contracts;
- Managing the contract;
- Receiving goods and service;
- Certification of goods and services;
- Evaluation;
- Pay for goods and services;
- Close of the contract.

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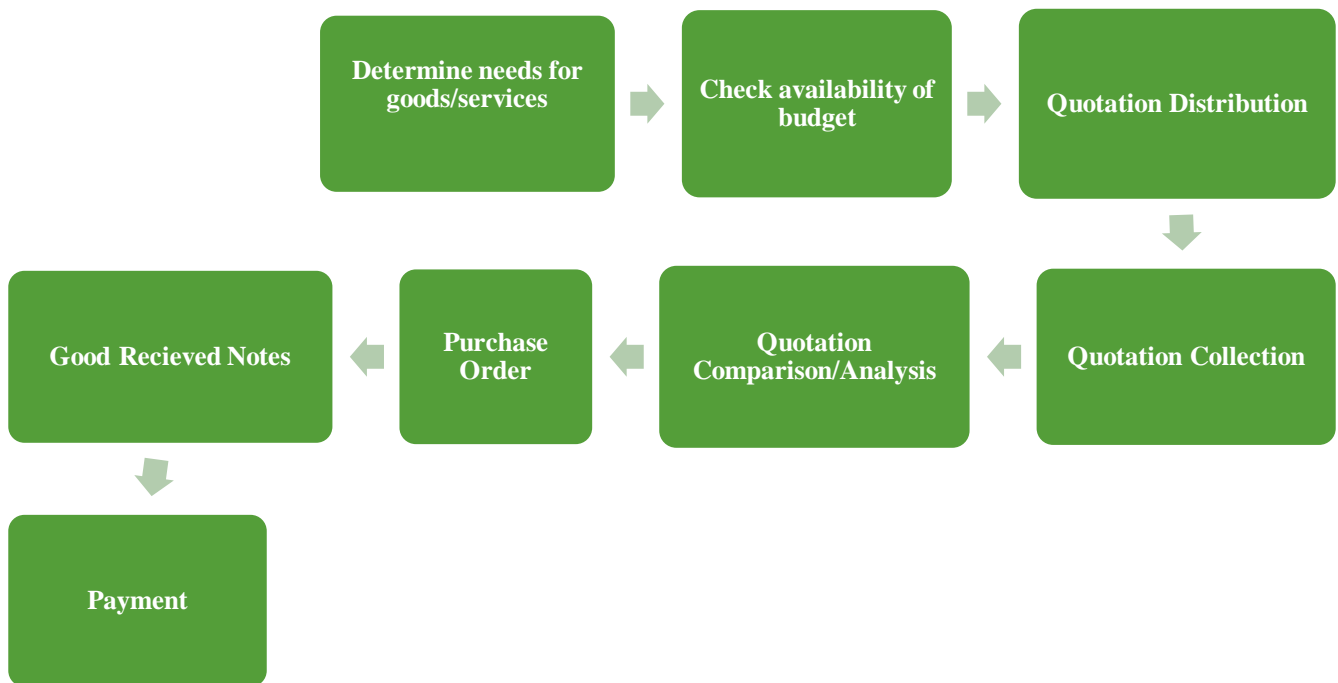
<sup>1</sup> <http://www.acbar.org/upload/1510822813804.pdf>



The flow-chart below depicts procurement steps for {AEHDA}:



## 2.2 Procurement process and cycle for request for quotations method



### 2.3 Setting up a procurement committee

{AEHDA} shall establish a **Procurement Committee (PC)** responsible for procurement of goods and services above 37,000.00 Afghani/\$500.00. The committee should have *at least five* members having expertise in technical, financial and management matters. **For any goods below 37,000 at least three people should analyze the quotations.** The committee should include a program staff, an administration/logistics/procurement staff, a technical person, a finance person and any other staff, not the Executive Director.

This committee will be responsible for:

- Preparing a procurement plan and updating it regularly;
- Approving what to buy, and when to buy;
- Finalize technical specifications and terms of references for goods/civil works and services respectively; and
- Carrying out the procurement steps defined in this manual.

In making such evaluations and approvals, the PC shall refer to the budget for the item, asset, resources, event, workshop and grant or otherwise and note any major variances in its minutes. Prior approvals will be sought from the donor where anticipated significant variances from the contractual budgets exceed the limits as stipulated in the budget, terms of the grants, or contracts.

The PC shall maintain minutes of deliberations which shall be signed by PC members. The minutes shall be maintained as permanent records of the proceedings authorizing subsequent procurement activity. On the basis of the decisions of the PC, a Local Purchase Order or a contract shall be raised in favor of the selected service provider and approved as per the mandate for approvals of Local Purchase Orders/contracts.

The PC shall set timelines to be adhered to by prospective suppliers/bidders in respect of each procurement. The timelines for each procurement will be detailed in the procurement plan. In addition, the Request for Proposals (RFP) will include a schedule of the various procurement milestones from evaluation, contracting, deliver and closeout. See Annex 2 for the ToRs of the PC.

### 2.4 Procurement method and thresholds

At {AEHDA} the procurement method used will depend on:

- Type of products or services to be procured;
- Complexity or nature of the requirements;
- Value of the products or services;
- Location of intended source/supplier, whether local or international; and
- Afghan law and local regulations.

{AEHDA} will follow the procurement thresholds in the table below. The table shows the values of goods and services to be procured, nature of expense, position of approver and minimum documentation required to close the procurement file. It is a must that all procurement in {AEHDA} follow these thresholds and requirements below. Failure to comply with these will be a disciplinary offence. Management, with approval of the BOD will review this threshold matrix from time to time as necessary.

**Table 1: {AEHDA} Procurement/Financial Approval Thresholds**

Threshold for Simple Purchase			
Financial Value	Nature of Expense	Position {Change these positions to suit your CSO}	Minimum Documentation Required
0.00 – 9,999.00 AFN	Administrative costs <sup>2</sup>	Field Coordinator/ Program Manager, Administration Officer and Finance Manager, Executive Director	Invoice/ Receipt/ GRN <sup>3</sup> / Terrorist check for all expenses Terrorist check for all expenses.
	Program Costs <sup>4</sup>	Project Coordinator/ Program Manager, Monitoring and Evaluation Coordinator/ Executive Director	
Thresholds for Request for Quotation Method			
Financial Value	Nature of Expense	Position {Change these positions to suit your CSO}	Minimum Documentation Required
10.000.00 – 37.500.00 AFN	Administrative Costs	Executive Director	Purchase request/ Two quotations/ LPO <sup>5</sup> /Search quotation/ Invoice/ Receipt/ GRN <sup>6</sup> Terrorist check for all expenses.
	Program Costs	Executive Director	
37.501.00- 150.000.00 AFN	Program Costs/ Assets/ Large Administration Costs	Executive Director	Purchase request/ Three quotations/ LPO/ Terrorist Check / Invoice/ Receipt/ GRN/ Terrorist check for all expenses
150.001.00 - 249.999.00 AFN	Program Costs/ Assets/ Large Administration Costs	Executive Director	Purchase request/ Three quotations/Selection Memo/ Bid Analysis/ LPO/Due Diligence/ Terrorist Check / Invoice/ Receipt/ GRN/ Terrorist check for all expenses
Thresholds for Bidding Method (Restricted/Open Bidding)			
Financial Value	Nature of Expense	Position {Change these positions to suit	Minimum Documentation Required

<sup>2</sup> Basic office supply, snacks, small quantity toiletries, minor office repairs, tea, milk, drinking water

<sup>3</sup> Goods Received Note

<sup>4</sup> Activity costs, participant transportation, activity lunched, teas, visibility materials, stationery

<sup>5</sup> Local Purchase Order

<sup>6</sup> Goods Received Note

		your CSO}	
375.001.00 - 750.000.00 AFN	Program Costs/ Assets/ Large Administration Costs	Executive Director	Request for Bids/ Quotations/Selection Memo / Bid Analysis/ Terrorist Check /LPO/Pro-forma Invoice/Invoice/Receipts/ GRN/ Due Diligence/ Terrorist check for all expenses
750.001.00 – 1.125.000.00 AFN	Program Costs/ Assets/ Sub- grants	Executive Director (Preliminary Approval) Board Finance Committee Chair (Final Approval)	Request for Bids/ Quotations/ Bid Analysis/ Terrorist Check/ LPO/Pro-forma Invoice/Invoice/Receipts/ GRN/ Due Diligence/ Terrorist check for all expenses
1.125.001.00 – 1.875.000.00 AFN	Program Costs/ Assets/ Sub-grants	Board Finance Committee Chair (Preliminary Approval) Executive Director (Preliminary Approval) Board Chairperson (Final Approval)	Request for Bids(Advertisement)/ Quotations/ Applications/ Bid Analysis/ Terrorist Check / LPO/ Contract/ MoU/ Pro-forma Invoice/ Invoice/ Receipts/ Due Diligence/ Attestation/ GRN/ Terrorist check for all expenses
Above 1.875.000.00 AFN	Program Costs/ Assets/ Sub-grants	Board Finance Committee Chair (Preliminary Approval) Board Secretary (Preliminary Approval) Board Chairperson (Final Approval)	Request for Bids/ Quotations/ Applications/ Bid Analysis/ Terrorist Check / LPO/ Contract/ MoU/ Pro-forma Invoice/ Invoice/ Receipts/ GRN/ Due Diligence/ Attestation Terrorist check for all expenses

## 2.5 Purchase requisition

At {[AEHDA](#)} all requests for purchase must be done through the completion of Purchase Request Form (PRF). See Annex 3. This form must be completed by the requester and then submitted to, and approved by the relevant management or BOD office bearer depending on approval thresholds and then submitted to the administration or procurement officer. The requester is anyone who wants goods or services to be bought or procured. For example, a program manager who wants stationery for a training will be the requester in this case. The procurement team must never purchase anything before the Purchase Request Form is approved. The following steps must be done in completing the PRF:

- **Requester** completes the PRF, puts all details of items to be bought, date of expected delivery and budget codes;
- **Finance Manager** or focal point reviews the PRF and confirms availability of budget;
- Relevant management person approves the PRF;
- Administration or procurement person receives the form, determine the procurement method to be used based on the policy and procumbent thresholds and proceed with the process.

For transparency and accountability purposes, at this stage the requester cannot be the one buying the goods or service, but the administration or procurement teams does the procurement. Also, the role of a finance person at this stage is to only check budget availability and not to do the procurement themselves.

## 2.6 Procurement planning

Once the PRF is approved, the administration or procurement teams moves with procurement planning. This is scheduling steps involved to purchase goods or services.

{AEHDA}'s teams should answer these questions at this stage:

- *What to buy?*
- *When to buy?*
- *How much/many to buy?*
- *From where to buy?*
- *How much to allocate for payments?*

**Packaging:** To get the best price for goods, services or civil works, similar items should be grouped into **packages**. For example, registers, pencils, pens, file folders can be grouped into one package and called “stationery”. Procurement packaging has several advantages:

- It offers a better business chance to the sellers to supply in bulk;
- Items purchased in packages often result in lower unit cost – therefore cost savings for {AEHDA};
- It simplifies actual purchase. All similar items are purchased in one go for a period of time. This reduces the hassle involved in buying similar things intermittently; and
- It reduces overhead costs such as frequent advertising, bookkeeping and logistics.

**Procurement plan preparation:** Once packaging is done, the remaining individual items and packages should be recorded in the tables presented in Annex 3. This brings forward a consolidated list of resources required for the year.

With the assistance of the PC, {AEHDA} will prepare an annual work plan and budget to be approved by the donors and BOD. This will form the basis for the procurement plan. Once approved {AEHDA} will ensure that all procurement is per procurement plan. The aim of the procurement plan is to schedule the timelines of large procurements. This will ensure goods and services are procured on time and {AEHDA} achieves value for money. No procurement will be approved or made if it's not in the approved budget. The procurement plan shall be reviewed and approved by the Executive Director.

## 2.7 Advertising

At the beginning of each year, {AEHDA}'s PC should post a general advertisement to inform the community, as well as various suppliers and contractors about the business opportunities offered by the organization. Advertisement is necessary to:

- Inform everyone about the business opportunities available;
- Promote transparency and accountability;
- Generate competition to get the best prices.

There are many ways for advertisement. Some of the commonly used include:

- posting of a notice in the public places including shopping areas, a tree, community hall/center, government office etc.;
- community discussion groups;
- use of local radio station;
- distribution of flyers;
- internet; and
- Local newspapers etc.

## 2.8 Procurement methods and steps

Procurement methods are the rules about “**how to buy?**” goods and service. This section describes these rules and methods.

**Direct Purchase Method:** In the direct Purchase method, {[AEHDA](#)}’s PC approaches a supplier/seller or service provider familiar to the community, to provide the goods or consultancy services. After negotiations, the item/service is purchased (or a contract is signed, if needed) for the negotiated price. This method is applied for all purchases that are **below 10.000.00 AFN** based on the financial thresholds defined in section 2.3.

**Local Bidding Method:** This method is more elaborate than the quotations based purchase method. It is applicable to higher value purchases and requires more experience. This method requires advertisement of goods and services needed, giving some time to all prospect bidders to quote their prices in sealed envelopes and submit their bids, opening of the bids in the presence of all bidders, comparing the services offered and costs, selection of a successful bidder and award or signing of a formal contract. Table 2 below shows the steps to be taken when using the local bidding method.

**Table 2: Steps in bidding process**

Step No	What has to be done?	Who should do it?	Description	See supporting Appendix
1	Identify the item or the package of items to be purchased from the Procurement plan (Annex 4).	Procurement committee.	<ul style="list-style-type: none"> <li>• Understand the specifications of the item(s) to be purchased.</li> </ul>	

2	Advertise.	Procurement Committee.	<ul style="list-style-type: none"> <li>• Item specifications, quantities needed and time of delivery must be clearly stated in the advertisement.</li> <li>• Place the advertisement in several public places like local newspaper (if possible), public notice board, nearby areas of public interest to invite as many bidders as possible to submit their quotations in a closed envelop.</li> <li>• In the advertisement, announce date and time the bids will be opened.</li> <li>• Allow at least <b>15 days</b> to the bidders to prepare and submit their quotations.</li> </ul>	See sample, Annex 5
3	Receiving bids	Procurement Committee	A procurement committee member must issue a written receipt to the bidders. All received bids must be kept under lock and key.	See a sample, Annex 7
4	Bid opening	Procurement Committee.	Bids should be opened at the announced time, place and date in the presence of bidders who choose to attend. The names of the bidders and prices are read out aloud.	--
5	Prepare a comparison sheet to select the lowest bidder.	Procurement Committee	Carefully write the information collected from the bidders on a form. The purchase committee should sign on the comparison sheet.	See Annex 7, Bid Comparison Form
6	Select the successful bidder based on the comparison sheet.	Procurement Committee	Analyze the bids in private (bidders should not sit in this meeting). The bids will be examined to determine whether they meet the minimum specifications mentioned in the bidding documents. Select the bidder and send a “Letter of Acceptance”. Also, inform other unsuccessful bidders.	
7	Award contract	Procurement Committee	Preparation of a contract to be signed with the selected bidder. Invite the bidder to sign the contract.	See Annex 8, sample contract.

## 2.9 Contract Management

Contracts management will ensure that contracts are closely monitored and executed. Contract administration functions are as follows:

- Ensures that both {AEHDA} and the supplier/contractor understand their responsibilities under the contract;
- Flush out and resolve potential problems before the contract takes effect;

- Check (after the contract becomes effective) to ensure that the supplier/contractor provides goods or services in accordance with the contract;
- Document problems and take the appropriate action to resolve and/or minimize anticipated impact;
- Ensure that all necessary contractual requirements are spelled out clearly, correctly and concisely; and
- The Name of Personnel will maintain a procurement control file and a contract file for each contract and monitor the delivery of services and progress in each of the contracts.
- The **procurement file** will among other things show the following details where applicable:
  - ✓ Contract name;
  - ✓ Supplier/contractor;
  - ✓ Effective date;
  - ✓ Contract Amount and currency; and
  - ✓ Payment schedule.
- The **contract file** shall show the following details where applicable:
  - ✓ Deliverables of the specific contact;
  - ✓ Timing of deliverables;
  - ✓ Percentage of completion; and
  - ✓ Amounts paid to date and balance remaining etc.

All deliverables by contractors will be reviewed by the Relevant Personnel, PC and/or the Board as the case may be (depending on procurement thresholds) before any payment is made. To ensure this, {AEHDA} will only pay invoices once deliverables have been approved.

## 2.10 Receipt of goods and services

The user or the program administrator as the case may be shall receive the goods or services and shall acknowledge so by generating a Goods Received Note (GRN), see Annex 10, which will be forwarded alongside the supplier’s invoice and delivery note to finance for processing of payment.

## 2.11 Conflict of interest

A person has a conflict of interest with respect to a procurement if the person or a “relative” of the person seeks, or has a direct or indirect pecuniary interest in another person or vendor who seeks, a contract for the procurement; or owns or has a right in any property or has a direct or indirect pecuniary interest that results in the private interest of the person conflicting with his duties with respect to the procurement. For purposes of clarity, a “relative” means the person’s spouse, child, parent, brother or sister or an in law/ step in the manner aforementioned

Each employee shall sign the conflict of interest policy in Annex 12.

Persons or parties with vested interests should be excluded from competing for contracts. No employee of {AEHDA} will be allowed to participate in the selection, award or administration of a contract if a real or apparent conflict of interest is involved.



No contractor or consultant involved in developing or drafting specification requirements, statement of works or request for proposal will be considered for such procurement.

## 2.12 Claims disputes and Appeals

Complaints, claims, disputes, and appeals that may arise are likely to be based on tender information. Dissatisfied bidders may send their complaints directly to the Chairperson of the Procurement Committee or the Executive Director shall review the complaint and address in the most appropriate manner in accordance with the prevailing procurement guidelines, laws and regulations.

In this regard therefore:

- Tender terms and conditions for procurement should be clear on dispute resolution.
- Bidders should be aware of the options and procedures available for dispute resolution.

**Dispute resolution:** If a bidder contests a procurement decision, the PC shall refer the appeals to the BOD to institute an independent review of the procurement process and decision. All procedures related to the procurement in question shall be suspended until a direction is issued by the Board. The Responsible Personnel shall communicate the decision of the Board to concerned bidder in writing.

## 2.13 Key risks and controls

The procurement process has in-built controls against risks that may occur during the procurement process. Some key risks and controls {[AEHDA](#)} must take into consideration are highlighted in the table below. The risks and controls highlighted in this table are not conclusive and act to show the controls that have been input into the procurement process.

**Table 3: Steps in local bidding process**

No.	Risk	Controls
1.	Procurement of in appropriate goods and services	<ul style="list-style-type: none"> <li>• Proper design of specifications and terms of reference with the help of experts if necessary</li> </ul>
2.	Loss of procurement documents	<ul style="list-style-type: none"> <li>• Custody and responsibility over procurement documents to be vested in the Procurement Committee</li> <li>• Sequential numbering of procurement documents</li> </ul>
3.	Lack of value for money	<ul style="list-style-type: none"> <li>• Competitive bidding to ensure the best supplier is contracted</li> <li>• Adherence to the budget</li> <li>• Contract management to ensure specifications are followed</li> </ul>
4.	Payment for undelivered goods and services	<ul style="list-style-type: none"> <li>• Contract management by ensuring invoices posted into the system relate only to goods and services that have been received</li> <li>• Segregation of responsibilities and clarity in authorization levels</li> <li>• All procurement must be authorized appropriately</li> <li>• Confirmations from users</li> </ul>
5	Double payment of goods or services.	<ul style="list-style-type: none"> <li>• Stamp 'PAID' after payment</li> </ul>

**Annexes**

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**Annex 1: Staff Acknowledgement of Receipt of Procurement Policy Manual**

**Acknowledgment of receipt of the procurement policy manual by staff**

I acknowledge that I have received a copy of the {AEHDA} procurement policies and procedures manual. I understand that I am responsible for reading and abiding by all policies and procedures in this manual, as well as all other policies and procedures of the organization.

I also understand that the purpose of this manual is to inform me of the organization’s policies and procedures, and that it is not a contract of employment. Nothing in this manual provides any entitlement to me or to any organization’s employee, nor is it intended to create contractual obligations of any kind. I understand that the organization has the right to change any provision of this manual at any time and that I will be bound by any such changes.

\_\_\_\_\_  
*Signature*

\_\_\_\_\_  
*Date*

\_\_\_\_\_  
*Full Name (please print)*

Please sign and date one copy of this acknowledgement and return it to Human Resources. Retain a second copy for your reference.

## **Annex 2: Terms of Reference Procurement Committee**

- Prepare annual procurement plan based on the budget and work plan and monitor implementation its implementation
- Develop terms of reference, bid documents and evaluation criteria for procurement
- Undertake the procurement of goods and services that fall under their threshold
- Determine criteria for suppliers and service providers qualifying to be included on the pre-qualified list of service providers and ensure that this criteria is adhered to
- Ensure disclosures and management of conflict of interest as per the provisions of {AEHDA}'s conflict of interest policy
- Monitor compliance with procurement policies and procedures
- Ensure adherence to the delegated authority matrix and make suggestions for amendments as necessary
- Review and approve high value procurement that may be procured through single sourcing, competitive bidding, national or international tendering.
- Conduct post tender negotiations with successful bidders to negotiate discounts, improve on delivery lead-times, or better payment terms for {AEHDA}
- Monitor compliance with {AEHDA} conflict of interest policy and ethical standards and procedures
- The Committee may consider and make recommendations to the Board as it sees fit on procurement related matters that require approval by the Board
- Develop terms of reference for procurement of goods and services
- Monitor the progress on long term contracts and take necessary measures as per the contract terms and conditions
- Maintain record of procurement documents

**Annex 3: Purchase Request Form**

**PURCHASE REQUISITION FORM**

S.No.	Item	Description	Donor & B.L.	Unit / Quantity	Est. Unit Price	Currency	Estimated Cost	Required Date	3 Quotes Required
1									
<b>TOTAL</b>							-		

<b>Requested By:</b>	<b>Signature:</b> _____	<b>Date</b> _____
<b>Department</b>	<b>Name &amp; Title:</b>	
	- - - -	
<b>Verified By:</b>	<b>Signature:</b> _____	<b>Date</b> _____
<b>Department Head</b>	<b>Name &amp; Title:</b>	
<b>Checked By Finance:</b>	<b>Signature:</b> _____	<b>Date</b> _____
	<b>Name &amp; Title:</b>	

**Approved**

**By:**

**Signature:**

**Name &**

**Title:**

**Date**

### Annex 4: Quotation Form

Company Details	
Company / Shop Name:	
Contact Person:	
Designation	
Address:	
Phone #	
Email:	

Quotation For	
Organization Name:	
Contact Person:	
Designation	
Address:	
Phone #	
Email:	-

Sales Person	Terms

S.No.	Item / نوع	Description	ش ح	Quantity / مقدار	Unit / واحد	Unit Price / قیمت فی واحد	Extended Price / قیمت کلی	Discount / تخفیف	Final Price / قیمت عمومی
1									
2									
3									
4									
5									

Note:

- a) Include 2% tax if you have the update license
- b) Include 7% tax if you don't have the update license

نوت:  
الف: در صورت داشتن جواز ۲ فیصد مالیه علاوه نمایند  
ب: در صورت نداشتن جواز با

Sub-total / مجموعه فرعی	-
Tax / مالیه	

تاریخ جدید ۷ فیصد مالیہ علاوہ  
نمایید

c) Your quotations must be valid for at least 15  
days

ت: نرخ داده شده باید حداقل 15  
یوم قابل اعتبار باشد  
ث: مدت قرارداد سه ماه  
میباشد

<b>TOTAL / مجموعه عمومی</b>	-

d) Duration of Contract three months.

نوٹ: پرداخت خریداری فوق در اخیر هر ماه به اساس مقدار ضرورت و مصرف اداره انجام خواهد شد.

<b>Quotation Prepared By:</b>	<b>Signature:</b> _____	_____
	<b>Name &amp; Title:</b>	<b>Date</b>
<b>Quotation Approved By:</b>	<b>Signature:</b> _____	_____
	<b>Name &amp; Title:</b>	<b>Date</b>






**Annex 6: Request for quotation**

**REQUEST FOR QUOTATION - Reference Number: RFQxxxx/20xx**

To: xxxxxxxx

{AEHDA}
Insert postal address
Insert city
Insert physical address
Attention:

**Ref: Request for Quotation for the supply of**

{AEHDA} invites you to submit your quotation for the goods described herein. Partial Quotations may be rejected, and the Purchaser reserves the right to award a contract for selected items only. Any resulting order shall be subject to the Insert name of organization’s procurement rules and procedures except where modified by this Request for Quotations.

**Section A: Requirements**

1. Quotations are invited for the supply of {insert title}, in accordance with the undernoted conditions.
2. All goods will be delivered to {insert the full address delivery address}.
3. This form, and its attachments, must be used for the submission of the Quotation which should be forwarded, using the special label provided, to the above address.
4. This Request for Quotation is subject to the {insert name of organization’s General Terms and Conditions of Contract. The general terms and conditions may be obtained from Insert name of organization’s procurement office.
5. The prices quoted should be on (insert Inco terms) and should include the cost of supply, installation and maintenance (where applicable) and all taxes as per the Government of Afghanistan regulations.
6. The delivery period required is..... days from date of order.
7. Quotations must be valid for 90 from the date for receipt given below.
8. The warranty/guarantee offered shall be: ..... months.
9. Quotations and supporting documents as specified in Section B must be marked with the Procurement Number given above, and indicate your acceptance of the terms and conditions.
10. Quotations must be received, in sealed envelopes, no later than: {insert time and date for submission deadline). Quotations must be returned to:

**The Chairperson**

Procurement Committee  
{AEHDA}  
Address

11. Any alteration or erasure must be initialed by the person who signs the quotation.
12. Your quotation is to be returned on this Form by completing and returning Sections B and C including any other information/certification required within this RFQ.
13. Quotations that are responsive, qualified and technically compliant will be ranked according to price. Award of contract will be made to the lowest priced quotation by item or by total through the issue of a Local Purchase Order.

Signed: ..... Name.....

Title/Position:.....

For and on behalf of the {AEHDA}

### **Section B: Quotation Submission Sheet**

Please complete the quotation submission sheet carefully. All fields are mandatory

1 Currency {Indicate currency}

2 Delivery period from the date of the Purchase

Order

Tick as appropriate

Days

Weeks

Months

3 Validity period of this quotation from the date of the receipt of the quotations

4 Warrant period (where applicable)

5 We attach the following documents (tick as appropriate)

a) Certificate of registration or incorporation

b) VAT Registration

- c) Audited financial statements for the last {insert number of years} years
- d) Copy of annual tax clearance certificate (for the most recent financial year)
- e) Our company profile
- f) Brief description of previous contracts performed

7 Certifications Indicate (Yes/No)

- a) We confirm that our quotation is based on the terms and conditions stated in your Request for Quotations referenced above, and that any resulting contract will be subject to [{AEHDA}](#) General Conditions of Contract for Local Purchase Orders.
- b) We confirm that the prices quoted are fixed and firm for the duration of the validity period and will not be subject to revision or variation.

Signature:

Name:

Position:

Date:

**Annex 7: Sample receipt upon submission of bids**

A receipt must be issued by {AEHDA} to a supplier or service provider upon submission of the bidding or tender document. A sample receipt may be as follows:

{AEHDA}

**Receipt of Bidding Document(s)**

1. Date documents received \_\_\_\_\_ Time \_\_\_\_\_
2. Bid Reference number \_\_\_\_\_
3. Name of the person submitting the bids \_\_\_\_\_  
(Write “*received by mail*” if delivery is by the postal or courier service)
4. Name of the business submitting the bids \_\_\_\_\_
5. Signature of the person submitting the bids \_\_\_\_\_  
(Write “*received by mail*” if delivery is by the postal or courier service)
6. Name of the person receiving the bids (CSO staff) \_\_\_\_\_
7. Signature of the person receiving the bids (CSO staff) \_\_\_\_\_

**Annex 8: Quotations Comparison form/ Bid Analysis Form**

**BID ANALYSIS FORM**

**Supplier Name:** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
**Contact N:** \_\_\_\_\_  
**Date of Performance:** \_\_\_\_\_

1	2	3

S.No	Description of Materials	Quantity	Unit	Supplier 1		Supplier 2		Supplier 3	
				Unit price (USD)	Total price (USD)	Unit price (USD)	Total price (USD)	Unit price (USD)	Total price (USD)
1									
2									
3									
4									
5									
	<b>Total</b>			-	-	-	-	-	-

**Selected Supplier:** \_\_\_\_\_

**Justification:**

**Facilitated by: Logistic**

**Committee Members:**

Name and Title:		Signature: e: _____	Date: _____
Name and Title:		Signature: e: _____	Date: _____
Name and Title:		Signature: e: _____	Date: _____

**Budget Review Approved by:**

Name and Title:	Finance	Signature: e: _____	Date: _____
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**Approved by:**

Name and Title:		Signature: e: _____	Date: _____
-----------------	--	------------------------	-------------

**Annex 9: Sample contract**  
**CONTRACT FOR CONSULTING SERVICES**  
**CONTRACT**

THIS CONTRACT ("Contract") is entered into this *[insert starting date of assignment]*, by and between {AEHDA} ("the Client") having its principal place of business at *[insert organizational address]*, and Insert consultant name ("the Consultant") having its principal office located at *[supplier's/consultant's]*.

WHEREAS, the Client wishes to have the Consultant perform the services hereinafter referred to, and WHEREAS, the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

**1. Services**

- (i) The Consultant shall perform the services specified in Annex A, "Terms of Reference and Scope of Services," which is made an integral part of this Contract ("the Services").
- (ii) The Consultant shall provide the personnel listed in Annex B, "Consultant's Personnel," to perform the Services.
- (iii) The Consultant shall submit to the Client the reports in the form and within the time periods specified in Annex C, "Consultant's Reporting Obligations."

**2. Term**

The Consultant shall perform the Services during the period commencing *[insert starting date]* and continuing through *[insert completion date]*, or any other period as may be subsequently agreed by the parties in writing.

**3. Payment**

**A. Ceiling**

For Services rendered pursuant to Annex A, the Client shall pay the Consultant an amount not to exceed *[insert amount]*. This amount has been established based on the understanding that it includes all of the Consultant's costs and profits as well as any tax obligation that may be imposed on the Consultant.

**B. Schedule of Payments**

The schedule of payments is specified below *[insert amount and currency]* upon the Client's receipt of a copy of this



Contract signed by the Consultant;

*[insert amount and currency]* upon the Client's receipt of the draft report, acceptable to the Client; and

*[insert amount and currency]* upon the Client's receipt of the final report, acceptable to the Client.

*[insert amount and currency]* Total

**C. Payment Conditions**

Payment shall be made in *[specify currency]*, no later than **30 days** following submission by the Consultant of invoices in duplicate to the Coordinator designated in paragraph 4.

**4. Project Administration**

**A. Coordinator.**

The Client designates Mr. /Ms. *[insert name]* as Client's Coordinator; the Coordinator will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for the payment.

**B. Reports.**

The reports listed in Annex C, "Consultant's Reporting Obligations," shall be submitted in the course of the assignment, and will constitute the basis for the payments to be made under para- graph 3.

**5. Performance Standards**

The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees as- signed under this Contract that the Client considers unsatisfactory.

**6. Confidentiality**

The Consultants shall not, during the term of this Contract and within two years after its expiration, disclose any proprietary or confidential information relating to the Services, this Contract or the Client's business or operations without the prior written consent of the Client.

**7. Ownership of Material**

Any studies report or other material, graphic, software or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client. The Consultant may retain a copy of such documents and software.<sup>2</sup>

**8. Consultant Not to be Engaged in Certain Activities**

The Consultant agrees that, during the term of this Contract and after its termination, the Consultant and any entity affiliated with the Consultant, shall be disqualified from providing goods, works or services (other than the Services and any continuation thereof) for any project resulting from or closely related to the Services.

**9. Insurance**

The Consultant will be responsible for taking out any appropriate insurance coverage.

**10. Assignment**

The Consultant shall not assign this Contract or sub-contract any portion of it without the Client's prior written consent.

**11. Law Governing Contract and Language**

The Contract shall be governed by the laws of *[insert government]*, and the language of the Contract shall be<sup>3</sup> *[insert language]*.

**12. Dispute Resolution<sup>4</sup>**

Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Client's country.

**FOR THE CLIENT**

**FOR THE CONSULTANT**

Signed by \_\_\_\_\_

Signed by \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**Annex 10: Goods Received note**

**GOODS RECEIVED NOTE**

No	Particulars	Unit	Quantity	Date	Project Number	Location/User	Total
1							
2							
3							
4							
5							

**Remarks  
of  
Inspection  
Officer :**

---

---

<b>Received</b>	<b>Certified</b>
<b>By:</b>	<b>By:</b>
Name	Name
Title:	Title:
Signature:	Signature:
Date:	Date:

**Annex 11: Services Received note**

**SERVICES RECEIVED NOTE**

No	Particulars of Services Provided	Requested By	Provided By (Provider's Name)	Date of Request	Date of Service Delivery
1					
2					
3					
4					
5					

**Remarks:** \_\_\_\_\_  
\_\_\_\_\_

<b>Received By:</b> Name: _____ Title: _____ Signature: _____ Date: _____	<b>Certified By:</b> Name: _____ Title: _____ Signature: _____ Date: _____
---	--

**Annex 12: Conflict of interest Declaration form**

<b>Conflict of Interest Disclosure Form</b>				
I hereby declare that I have a close personal relationship as described in the Conflict of Interest Policy with the following employees, clients, beneficiaries or individuals participating in <a href="#">AEHDA</a> programs or activities:				
<b>Details of Close Personal Relationship(s):</b>				
<b>Sr. No.</b>	<b>Name</b>	<b>Designation</b>	<b>Type of Relationship</b>	<b>Additional Remarks</b>

<b>Name:</b>	
<b>Designation:</b>	
<b>Signature:</b>	
<b>Date:</b>	

### Annex 13: Journal Voucher

The need for such receipts usually arise when the supplier of goods does not have a receipt in his/her business name. Since every expenditure must have a receipt, the {AEHDA} may write a receipt on behalf of the supplier or seller and obtain the seller’s signature and/or thumb impression. A sample of such a receipt is presented below:

**Date:** \_\_\_\_\_

**Items sold:**

SNo	Item	Unit description	Cost per unit	Quantity	Total cost
				<b>TOTAL COST</b>	

Name of the business/seller \_\_\_\_\_

Signature of the business/seller \_\_\_\_\_

## Annex 14: Invitation to tender

### Invitation for supply of goods and services

1. Insert name of organization – provide a brief description of work done by the organization.
2. Insert name of organization now invites sealed bids from interested bidders as detailed below

Lot No.	Brief Description	Submission Date
Insert lot number	Insert procurement description	

3. Bidding will be conducted in accordance with Insert name of organization procurement guidelines and is open to all bidders from eligible source countries.

4. Interested eligible bidders may obtain bidding documents and further information from Insert name of organization at the address given below from 8:00 to 12:00 and 1400hrs to 1600 hours local time from Monday to Friday except public holidays.

5. Bids must be deposited in the Insert name of organization tender box at the Insert organization address on or before the deadline indicated in the bidding documents.

6. Address for collection,

submission and opening of

bids Insert name of

organization

7. Late tenders will be rejected and returned unopened

8. Bids will be opened in the presence of the bidders or their representatives who choose to attend on the last day of submission of the tender at 1400hrs (further information provided in the bidding documents)

9. Insert name of organization is not bound to accept anything or the lowest bidder

Signed  
The Chairperson  
Insert name of organization Procurement Committee

### List of Annexes

Annex A: Terms of Reference and Scope of Services [describe what has to be delivered – sub-project proposal]

Annex B: Consultant's Personnel [list who will be involved in implementing the subproject]

Annex C: Consultant's Reporting Obligations [define what reports CBO/LNGO will submit]

**Footnotes:**

1. Modify, in order to reflect the output required, as described in Annex C.
2. Restrictions about the future use of these documents and software, if any, shall be specified at the end of paragraph 7.
3. The law selected by the Client is usually the law of its country. However, the Bank does not object if the Client and the Consultant agree on another law. The language shall be English, French, or Spanish, unless the Contract is entered into with a domestic firm, in which case it can be the local language.
4. In the case of a Contract entered into with a foreign Consultant, the following provision may be substituted for paragraph 12: "Any dispute, controversy or claim arising out of or relating to this Contract or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force."



**Annex 15: Local Purchase Order (LPO)**

**PURCHASE ORDER**

<b>Supplier / Vendor Details</b>	
<b>Company / Shop Name:</b>	
<b>Contact Person:</b>	
<b>Designation</b>	
<b>Address:</b>	
<b>Phone #</b>	
<b>Email:</b>	

<b>Deliver and Bill To</b>	
<b>Organization Name:</b>	
<b>Contact Person:</b>	
<b>Designation</b>	
<b>Address:</b>	
<b>Phone #</b>	
<b>Email:</b>	

<b>Payment Terms</b>		<b>Delivery Date</b>
Cheque/Transfer		

<b>S.No.</b>	<b>Item</b>	<b>Description</b>	<b>Unit</b>	<b>Qty</b>	<b>Unit Price</b>	<b>Currency</b>	<b>Total Price</b>
--------------	-------------	--------------------	-------------	------------	-------------------	-----------------	--------------------

1							
2							
3							
4							
5							
						<b>Sub-total</b>	
						<b>Tax</b>	
						<b>TOTAL</b>	

Note: Government tax will be applied with license (2%) or without license (7%).

<b>Requested By: Logistic</b>	<b>Signature:</b> _____	<b>Supplier / Vendor Acceptance:</b>
	<b>Name &amp; Title:</b> _____	
<b>Verified By: Logistic Head</b>		<b>Name:</b> _____
<b>Signature:</b> _____		<b>Date:</b> _____
<b>Name &amp; Title:</b> _____		

<b>Checked By Finance:</b> <b>Head</b>	<b>Signature:</b> _____	<b>Signature</b> _____
	<b>Name &amp; Title:</b> _____  <b>Date</b> _____	
<b>Approved By: ED</b>	<b>Signature:</b> _____	<b>Stamp:</b> _____
	<b>Name &amp; Title:</b> _____  <b>Date</b> _____	