



Glorious United For
Rural Development

PROCUREMENT POLICY

AUGUST 3, 2025



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GURD-Rwanda Procurement Policy

1. Purpose

The purpose of this procurement policy is to provide a standardized approach to procurement activities within GURD-Rwanda, ensuring that all goods and services are acquired in a cost-effective, fair, and transparent manner. This policy supports GURD-Rwanda's mission by optimizing the use of resources and promoting accountability, transparency, and integrity in the procurement process.

2. Scope

This policy applies to all departments and programs of GURD-Rwanda, including the Icyezere Program and the Girls Lead Club Program. It covers the procurement of all goods, services, and works necessary for the organization to achieve its objectives.

3. Procurement Principles

GURD-Rwanda's procurement activities will adhere to the following core principles:

- a) **Transparency:** All procurement activities will be conducted openly and transparently to foster trust and accountability.
- b) **Fairness and Competition:** Procurement will be competitive, with opportunities offered to qualified suppliers, ensuring fairness and value.
- c) **Cost-effectiveness:** Resources will be utilized effectively to maximize value for money.
- d) **Ethical Standards:** Procurement will be conducted with integrity and in compliance with applicable laws, regulations, and ethical standards.
- e) **Sustainability:** Priority will be given to vendors and suppliers who align with sustainable practices and support GURD-Rwanda's mission to create transformative change in rural communities.

4. Procurement Plan

Procurement will be planned annually as part of GURD-Rwanda's budgeting and strategic planning process to ensure alignment with organizational goals. Each department will:

- a) Prepare a procurement plan that identifies the goods and services needed for the year.
- b) Estimate the costs and include them in the departmental budget.
- c) Submit the procurement plan for approval by the Board of Directors.

5. Procurement Needs Assessment

- a) **List of Goods/Services:** Specify each item, service, or resource needed.
- b) **Quantity:** Required quantities for each item.
- c) **Specifications:** Brief description of specifications or standards.
- d) **Estimated Cost:** Estimated cost of each item or service.

6. Procurement Methodology

Procurement Method refers to the approach or process chosen to acquire goods, services, or works needed by an organization. Each procurement method has specific guidelines to ensure transparency, competition, and value for money. Here are some common procurement methods:

Choose a method for each item (e.g., open tender, direct purchase, quotation-based).

1. Open Tender (Open Competitive Bidding):

- Used for large purchases where transparency and competition are prioritized.
- The procurement is publicly advertised, and any qualified supplier can submit a bid.
- Often used when value, quality, and fair competition are required.

Amount Range: Above 5,000,000 Frw

Example: Contracting a supplier for construction services to build a new office space, with an estimated budget of 10,000,000 Frw. For high-value procurements where transparency and broad competition are crucial, inviting all qualified suppliers ensures the best possible quality and price.

2. Direct Purchase (Single Source Procurement):

- Used when there is only one suitable supplier or for urgent and low-cost items.
- Allows quick and straightforward purchasing without a competitive process.
- Commonly applied for proprietary items, emergencies, or when time constraints exist.

Amount Range: Up to 100,000 Frw

Example: Small, low-value purchases such as office supplies (pens, notebooks, etc.) or a quick repair service. For minor or urgent purchases where a formal procurement process is unnecessary, and there is low financial risk.

3. Quotation-Based (Request for Quotation, RFQ):

- A simplified competitive process for smaller purchases or standard items.
- The organization solicits quotes from multiple suppliers (typically 3-5) and chooses the best offer based on price and quality.
- Ideal for low-value, frequently purchased items where a quick comparison can ensure best value.

Amount Range: 100,000 Frw to 2,000,000 Frw

Example: Purchasing a new office printer costing around 500,000 Frw. The organization may request quotations from three suppliers and choose the best offer. This approach is ideal for moderate-cost items or services where a simple comparison of a few quotes can achieve good value without an extensive tender process.

7. Timeline and Milestones

in procurement, it is our planned schedule for each stage of the procurement process. Setting clear timelines and milestones helps ensure that goods or services are procured efficiently, meeting project requirements and deadlines. Here's a breakdown of the main components:

- **Item/Service:**

This is a specific product or service that needs to be procured. Listing each item or service separately allows for a clear focus on individual procurement needs.

Example: "Laptops for the team," "Construction materials," or "Training services for staff."

- **Procurement Start Date:** The planned date when procurement activities for a particular item or service begin. This could include initiating the procurement method (e.g., publishing a tender, requesting quotations) and any preliminary actions, such as approvals.

Example: If a construction project needs materials by March, the start date for procurement could be January 15 to allow time for selecting a supplier, negotiation, and delivery.

- **Procurement End Date:** The target date when the procurement process is expected to be complete, and the item or service is delivered or fully provided. This includes all aspects of delivery, inspection, and acceptance of goods or completion of services, allowing the project to proceed as scheduled.

Example: If laptops are needed by April 1 for a new project, the end date should reflect when they will be received, tested, and ready for use, ideally before March 31.

- **Procurement process:**

Tendering/Quotation Request: This milestone involves issuing a formal request for suppliers to submit their bids or quotations for the goods or services needed.

Evaluation of Bids/Quotes: This is the process of reviewing and assessing submitted bids or quotes to determine the best supplier based on set criteria (e.g., price, quality, experience).

Contract Award: After evaluating the bids, a contract is awarded to the selected supplier, marking the formal agreement to provide the goods or services.

Delivery/Completion: This milestone is the actual receipt of the goods or completion of the service. It includes verifying that everything meets the agreed-upon specifications and standards.

Payment: The final step, payment is issued to the supplier according to the agreed terms. It often occurs after delivery and inspection, ensuring that the organization pays for satisfactory goods or services.

8. Tender committee

Role	Responsibilities
Chairperson	Leads the committee meetings and ensures the procurement process adheres to organizational policies. - Signs off on key decisions and provides direction to the team. Manages the end-to-end procurement process. - Prepares tender documents, publishes tender notices, and coordinates responses from suppliers.
Secretary	Records minutes of meetings, keeps all documents organized, and communicates with other departments and suppliers. - Prepares the tender documentation.
Finance Officer	- Reviews financial aspects of bids, ensuring costs are within budget and evaluating cost-effectiveness.
Legal Advisor (Any board members)	Reviews contract terms, procurement policies, and any potential risks or conflicts in the tender process. Advises on financial implications of each bid.
Internal Auditor (Executive director)	Ensures transparency, fairness, and adherence to procurement policies throughout the process.
End-User Representative/ Staff	Represents the department or team that will be using the goods or services.

9. Risk Management

a) Potential risks:

1. **Supplier Delays:** Suppliers fail to deliver goods or services on time, causing project delays.
2. **Price Fluctuations:** Unexpected increases in prices of goods or services, affecting budgets.
3. **Quality Issues:** Receipt of substandard goods or services that do not meet the required specifications.
4. **Fraud and Corruption:** Collusion between staff and suppliers, or fraudulent practices in procurement.
5. **Vendor Dependence:** Over-reliance on a single supplier, risking disruptions if they fail.
6. **Supply Chain Disruptions:** External factors like political instability, natural disasters, or transportation issues cause supply interruptions.
7. **Legal and Compliance Risks:** Non-compliance with local procurement laws or contractual terms leading to legal disputes.
8. **Currency Exchange Risks:** Fluctuations in currency exchange rates impact costs when procuring internationally.
9. **Environmental and Social Risks:** Suppliers violating environmental standards or labor rights, damaging the organization's reputation.

b) Mitigation Strategies:

1. Supplier Delays

- i. Maintain a database of multiple prequalified suppliers.
- ii. Include strict delivery timelines and penalties for delays in contracts.
- iii. Conduct regular supplier performance reviews.

2. Price Fluctuations

- i. Use fixed-price contracts where possible.
- ii. Monitor market trends and negotiate long-term agreements.
- iii. Set aside contingency funds to cover unexpected price changes.

3. Quality Issues

- i. Clearly define quality standards in procurement documents.
- ii. Conduct pre-delivery inspections and accept only after quality checks.
- iii. Engage reliable suppliers with a proven track record.

4. Fraud and Corruption

- i. Implement segregation of duties to avoid conflicts of interest.
- ii. Regularly audit procurement activities and enforce transparency.
- iii. Establish a whistleblower policy for reporting unethical behavior.

5. Vendor Dependence

- i. Diversify suppliers to reduce dependency on a single vendor.
- ii. Develop partnerships with multiple suppliers for critical goods or services.

6. Supply Chain Disruptions

- i. Develop contingency plans for critical goods or services.
- ii. Build relationships with local suppliers to reduce dependency on long supply chains.

7. Legal and Compliance Risks

- i. Stay updated on relevant laws and regulations.
- ii. Conduct regular compliance training for procurement staff.

8. Environmental and Social Risks

- i. Require suppliers to obey environmental and ethical standards.
- ii. Conduct regular assessments of suppliers' compliance with these standards.

- iii. Prioritize procurement from environmentally and socially responsible vendors.

10. Roles and Responsibilities

- i. **Board of Directors:** Oversees the implementation of the procurement policy and approves large-scale procurement contracts.
- ii. **Executive Director:** Ensures adherence to the policy and approves procurement transactions within delegated authority limits.
- iii. **Procurement Officer:** Manages day-to-day procurement activities, ensures compliance with this policy, and conducts procurement processes, including bids, evaluations, and vendor management.
- iv. **Program Managers:** Identify program-specific procurement needs, collaborate with the Procurement Officer to ensure timely procurement, and validate the quality of goods and services procured.

11. Vendor Selection and Evaluation

Vendor selection will be based on an objective evaluation process that considers:

- i. Cost competitiveness
 - ii. Quality of goods and services
 - iii. Reliability and delivery timelines
 - iv. Supplier experience and reputation
 - v. Compliance with GURD-Rwanda's sustainability standards
- All suppliers must undergo an initial evaluation process to ensure they meet GURD-Rwanda's requirements. Approved vendors will be added to a preferred supplier list, which is reviewed annually based on performance evaluations.

12. Contract Management

For procurements exceeding 6,000,000 RWF, GURD-Rwanda will establish a formal contract with the supplier. The contract will include:

- a) Scope of goods or services
- b) Price, payment terms, and currency
- c) Delivery schedule and conditions
- d) Warranty and maintenance terms (if applicable)
- e) Penalties for non-compliance or delay
- f) Termination clause

13. Ethical Conduct and Conflict of Interest

All GURD-Rwanda employees and contractors involved in procurement must adhere to high ethical standards, including:

- a) Avoiding conflicts of interest by disclosing any potential personal or financial interest in a supplier.
- b) Not accepting gifts or favors from suppliers that could influence procurement decisions.
- c) Reporting any suspected fraud or corruption in procurement to the Executive Director or Board of Directors.

Failure to comply with these standards may result in disciplinary actions, including termination of employment.

14. Sustainable Procurement

GURD-Rwanda is committed to promoting sustainable development. Where possible, priority will be given to suppliers who demonstrate sustainable practices, such as:

- a) Environmentally friendly production methods
- b) Use of recycled or renewable materials
- c) Commitment to fair labor practices

15. Record-Keeping and Documentation

The Procurement Officer must maintain accurate records of all procurement transactions, including:

- a) Procurement plans and budgets
- b) Requests for quotations or proposals
- c) Bids and evaluation criteria
- d) Contracts and agreements
- e) Receipts and payment records

All records will be stored securely and retained for a minimum of five years for audit and accountability purposes.

16. Monitoring, Evaluation, and Review

The Organization lead in terms of procurement will monitor procurement activities to ensure compliance with the policy. An annual procurement audit will be conducted by an independent auditor to assess compliance, identify areas for improvement, and report findings to the Board of Directors.

This procurement policy will be reviewed every two years or as necessary to incorporate changes in organizational priorities, financial regulations, or external market conditions.

17. Conclusion

This procurement policy ensures that GURD-Rwanda conducts procurement activities transparently, ethically, and sustainably. By following this policy, the organization maximizes value, enhances accountability, and strengthens its commitment to the community it serves.

Approved by:

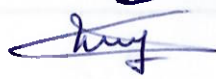
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