



PROCUREMENT POLICY
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1. PREAMBLE

- 1.1 International IDEA believes in the advancement of democracy as a universal human aspiration and an enabler of sustainable human development.
- 1.2 In pursuit of this mission, International IDEA requires goods and services from external sources for the implementation of the projects.
- 1.3 International IDEA is mindful of the fact that it has been entrusted with both public and private funding to carry out its mandate. Expenditure involving procurement processes is a significant proportion of the annual budget.
- 1.4 The Procurement Policy sets out the principles that shall govern the procurement of goods and services of International IDEA.

2. PURPOSE

- 2.1 This policy aims to ensure that International IDEA obtains the best value for money in the procurement of goods and services.
- 2.2 This policy provides guidelines to promote consistent application of procurement best practice and international standards and to ensure transparency and accountability. The selection, contracting, management and monitoring of suppliers or service providers shall be in line with the principles of efficiency and economy, equal opportunity, transparency, sustainability, best value for money and other core principles per Section 5 of this policy.

3. SCOPE OF APPLICATION

- 3.1 This policy covers the procurement of goods and services required by International IDEA and its partners and is supported by procedures that give effect to the policy requirements.
- 3.2 This policy covers the standard procurement cycle from project initiation to final delivery or performance and contract completion.
- 3.3 Where relevant, in the procurement of services from individual consultants, the Individual Consultancy Policy should also be applied.

4. INSTITUTIONAL FRAMEWORK

- 4.1 There are several regulations, policies, and procedures that influence and enable management processes and as such should be read in conjunction with this policy including the:
 - a) Statutes of International IDEA.
 - b) International IDEA's vision, mission, and strategy.
 - c) Financial Regulations.
 - d) Accounting and Financial Procedures Manual.
 - e) Individual Consultant Policy.
 - f) Procurement Procedures.
 - g) Green Policy.
 - h) Partnership Policy and Procedures.
 - i) Staff Rules.
 - j) Prevention of Fraud and Corruption Policy.

- k) Conflict of Interest Policy.
- l) Recruitment Procedure.
- m) Delegation of Authority; and
- n) Travel Policy.

5. CORE POLICY PRINCIPLES

5.1 The procurement of goods and services shall be conducted in a manner that is based on the principles set out below.

- a) **Best interest of International IDEA:** to carry out procurement activities in a manner that best enables the organization to reach its general and specific objectives in line with applicable procurement policies and procedures.
- b) **Value for Money:** the selection of the service provider will be made by balancing a combination of whole-life cost, quality, and sustainability to meet International IDEA requirements.
- c) **Competition:** Procurement will be carried out on a competitive basis and respect the prescribed competitive thresholds. Requests for Direct Awards where a competitive process is not to be undertaken should normally be limited to exceptional cases.
- d) **Equitable and Unbiased Selection:** No bidder shall be unjustifiably discriminated against, and no bidder shall receive an unfair competitive advantage. Contracts should however not be awarded to entities determined to be ineligible in terms of this policy.
- e) **Transparency:** The information on the public procurement process must be available to everyone unless there is a valid reason to keep it confidential. Procurement and selection will be carried out in a transparent manner. Selection criteria in the case of open competition will be clearly stated and publicized.
- f) **Efficiency and Effectiveness:** Procurement should be carried out in a manner that makes efficient use of International IDEA's resources. The work involved and associated costs of a procurement process should be commensurate with the character, volume, and type of procurement. It should also be effective in that it meets the needs of the end-user and achieves the objectives of International IDEA. The contract will be awarded to the Highest Rated Quote or Proposal that has fully complied with the terms of the procurement process.
- g) **Adequate planning:** Sufficient time should be allowed for a procurement process to ensure timely and successful implementation of activities and to ensure compliance with the principles of the procurement policy. This includes adequate time for the required level of quality assurance, review, and approval. Failure to do so risks that the procurement will be carried out in a manner that is in contravention of good procurement practice or the policy or that delivery of the requisite goods and services will be delayed which will impact on programme and project delivery. Contracts signed after the commencement of delivery of services are not permitted. The commitment must be approved, and the relevant contract agreements concluded before activities begin.
- h) **Procurement Ethics:** Trust in the integrity of the procurement function is essential to International IDEA. All parties involved must observe the highest ethical standards during all stages of the procurement process. Contracts must not be awarded to organizations or individuals who have been involved in exclusionary behaviours. Staff Members are prohibited from accepting any gift, payment, consideration, or benefit of any kind that could be considered an inducement for the award of a contract.
- i) **Avoidance of Conflict-of-Interest:** A conflict of interest can be broadly defined as a situation in which the impartiality of a person could be questioned due to an actual or potential clash between their personal and professional interests. Conflicts of interest are not necessarily unethical or

wrong, but they do have to be declared and managed where they exist.

- j) **Sustainability:** Procurement of goods and services should consider the possible effects on the environment, local economic circumstances, and human health and safety and preference should be given to those offers that make a positive impact on the environment.
 - k) **Gender responsive procurement:** International IDEA encourages selection of the services, works and goods considering gender equality and women's empowerment. The service provider should be a gender responsive vendor, an entity that promotes gender equality, and meets local and international labor and human rights standards. The inclusion should be considered at all stages of the procurement process.
- 5.2 International IDEA does not unfairly restrict purchases based on the geographical origins of goods or the nationality of the service providers. If there is a donor restriction, the Procuring Team must coordinate this with the Procurement Officer and Executive Director.
- 5.3 Most procurement will be for new, unused goods. Should second hand or used goods be required, the requisite procedures should be followed.

6. PROCUREMENT AUTHORITY

- 6.1 International IDEA applies decentralized procurement with different levels of delegated authority. The thresholds for the delegation of procurement authority are indicated in the Procurement Procedures and the Delegation of Authority document.
- 6.2 The Procuring Team shall carry out the procurement process with efficiency, impartiality, and integrity and ensure that:
- a) all procurement activities are properly documented and submitted to the relevant approver; and
 - b) the intended procurement process is in the best interest of International IDEA.
- 6.3 Authorized Staff Members having a delegated procurement authority must ensure that actions undertaken under their supervision follow the Procurement Policy and all other relevant policies and procedures. It is the duty of these Staff Members to have a sound knowledge and understanding of procurement (and related) policies and procedures due to the authority vested in them to approve the procurements.
- 6.4 The Procurement Procedures outline the segregation of duties to reduce risk. No single individual or team shall control all key stages of the procurement process. Segregation of duties shall be subject to regular review and monitoring by the Procurement Officer.

7. TYPES OF REQUIREMENTS

- 7.1 **Goods and supplies** - Supplies are trackable goods, such as materials, and consumables. They tend to be consumed or be in use over the short to medium-term but have a shorter lifespan than fixed assets. Individually, these tend to be low-cost items but as they may be used or consumed in larger quantities, the total cost may be a significant amount in any one-year period. A review of historic accounts and supplier payments can provide an estimate of the annual cost of such supplies, which figure can be used to determine whether there is a need to carry out a competitive procurement. Consideration should be given to sustainability and environmental issues when considering the procurement of goods and supplies.
- 7.2 **Fixed assets** - A fixed asset is a tangible item of property with a useful life of longer than one year and which exceeds the cost level set by International IDEA for capitalizing assets. According to International IDEA's accounting policies, any individual item with a cost above €2,000 is considered a fixed asset. Generally, International IDEA does not purchase large quantities of fixed assets on a regular basis, but only when new offices are being set up or existing offices are refurbished.

- 7.3 **General services** - Services such as repairs and maintenance of equipment or furniture, janitorial or security services, lease of office space, offsite storage, transport services, importation and logistics services, media advertisements, health maintenance services, and other similar services.
- 7.4 **Events** - Events is an umbrella term in this policy to cover all types of meetings, training sessions, workshops, seminars, and other similar events required as part of the programmed and institutional activities of International IDEA. The events to be carried out should be guided by the Green Policy principles and consider sustainability and environmental impact. The supplier that provides the venue for the event is treated as the main supplier for an event. It is the expected price of this contract that determines whether the procurement method should be a non-competitive or a competitive process. Contracts with other suppliers for services related to the event (e.g., translation services) should follow the procurement method for services.
- 7.5 **Consulting Services** - These are activities requiring external technical and professional expertise beyond International IDEA internal capacity, such as research, feasibility studies, and related services, and are provided by individual consultants or firms. For individual consultants, please refer to the Individual Consultant Policy.
- 7.6 **Intellectual Property** - The procurement of intellectual property may involve the commissioning of papers or other original works, or services where part, or all, of the end product is original work for which International IDEA needs to acquire the copyright (e.g., studies, research papers, translations of copyrighted material, layout design, videos, films, other media products etc.) Even if the initial plan does not include publishing it is important that consultants commissioned to do such work are engaged under an agreement that includes the correct copyright terms and conditions. In general, this relates to the production of what International IDEA classifies as Knowledge Products.
- 7.7 **Partners for project implementation** - These are activities where Operational Partners are responsible for implementing a part of the project for IDEA. The details will be set out in the terms of reference and budget for a cooperation contract. Operational Partners require active management and monitoring and these partners report with detailed expenditure listings and narrative reports. It must be noted that Operational Partners are entities that are **not** commercial service providers; to ascertain whether an agreement should be categorized as an Operational Partnership the following criteria must be utilized:
- a) An Operational Partner (and thus a cooperation contract) is used when the activities are of a sufficient size (indicatively of at least EUR 50 001) and complexity that they are required to report on expenditure on a transaction-by-transaction basis and return any unspent funds.
 - b) A supply contract is used when the project is reasonably small and International IDEA is satisfied to pay a fixed fee, or a variable cost.

8. PROCUREMENT CYCLE

8.1 The procurement cycle consists of five (5) steps as follows:

- a) Annual procurement planning.
- b) Transaction specific procurement planning.
- c) Conducting the procurement process.
- d) Contract preparation; and
- e) Contract management.

8.2 **Annual Procurement Planning** – This is the process of assessing the procurement needs for International IDEA to determine the procurement strategy. It is considered an important tool for managing procurement needs in an effective, efficient, and timely manner, as the key to meeting the procurement principles lies in procurement planning. To facilitate efficient planning of resources, effective procurement, and delivery and implementation of the projects, Programmes,

and Procuring Teams shall prepare and maintain annual procurement plans.

8.3 Transaction specific procurement planning - When planning specific procurements, the following should be considered:

- a) **Budget** - Preparation of cost estimates and confirmation of budgeted funds. The procuring Teams should plan to purchase goods or services as far in advance as practical and include them in their budget. A project must accomplish objectives according to the established budget. The estimated cost of the requirement can be derived from the previous records of purchase, or if no previous purchase for this type of requirement exists, the Procuring Team can review the current market price by market research or request potential suppliers or service providers for an indicative quote.
- b) **Requirement Definition** – Defining the procurement requirements and setting clear specifications is the key to securing compliant offers or proposals. The Procuring Team should identify the precise needs of the project. In cases where the specifications are not fully known, market research should be conducted to check the availability in the market. For IT goods this must be coordinated with the HQ IT Team to ensure that the specifications are correct.
- c) **Procurement Method** - During the planning stage, the selection of the appropriate procurement method to be used should be determined. The method to be used is based on the procurement value, the market conditions, operational environment, and donor’s requirements.

8.4 Procurement Process - After planning, the Procuring Team will conduct the procurement process following the procurement method according to the procurement threshold and specific requirements of the procurement.

8.5 Contract Preparation - The draft contract should be prepared after the evaluation has been conducted and the recommended supplier or service provider has been identified. International IDEA uses standard templates to formalize contract agreements with suppliers. In addition, the supplier’s own standard template may be used where it is considered more appropriate and their terms and conditions are acceptable, although in this case a declaration of honor (Annex F3) is required. The templates used by International IDEA range from a simple one-page Purchaser Order raised in UBW to a more detailed contract document with annexes outlining the general terms and conditions, the terms of reference, and a budget. The type of template used depends on the procurement category, the nature of the service and the value of the contract. Contracts may only be signed by International IDEA once the relevant requisition is approved.

8.6 Contract Management - The contract management stage is defined as the period between the signing of the contract or agreement and the satisfactory completion of the assignment. The value and complexity of the contract will determine the level of input required to manage a contract. The Project Manager is the Staff Member responsible for managing the contract but may delegate some of the administrative aspects of contract management. The Project Manager will however remain responsible for the contract outcome. Payment for service or goods contracts shall be made according to the specific terms of each contract against invoices issued by the service provider. The service provider should be notified immediately and in writing of any failure in performance or deliveries and a penalty should be applied according to the agreement.

9. PROCUREMENT METHODS

9.1 Within the relevant thresholds the process shall be open to all legal and natural persons, regardless of their origin, nationality, gender or other characteristics as applicable, except for those who are excluded in terms of section 19 of this Policy.

9.2 International IDEA does not charge an administration fee to bidders.

9.3 **No competition (sole sourcing)** – This is contracting without competition. The Project Manager or their designate in this regard (in some cases, an administrative assistant or equivalent, oversees the sourcing of quotations) will source and negotiate an agreement with one supplier, and it is not necessary to obtain additional quotes. Sole sourcing is allowed in the following circumstances:

- a) The procurement value is € 10,000 and less. This limit is PER PROCUREMENT and not per project or per Team. **However, requirements should be aggregated into larger purchases where practical and not split to avoid using restricted competition of a tender.**
- b) When there is a valid and ongoing Framework Agreement between International IDEA and the supplier.
- c) For goods that have no equivalent items available in the market and item cannot be replaced due to compatibility issues with the current set up of the project. It should be determined that the supplier is the exclusive manufacturer or distributor or if a change of supplier will affect the warranty or after sales services of existing equipment. The Procuring Team should secure from the supplier the certificate of manufacturer or certificate of exclusive distributorship from the principal company that manufactured the product.
- d) For services where the supplier is a recognised expert or has specific skills or contextual knowledge that is required for the project that is not easily obtainable elsewhere.
- e) For reason of urgency brought by events unforeseeable by International IDEA. The urgency of the requirement should be clearly defined, and the actions taken by the Procuring Team. **The circumstances invoked to justify the urgency should not be attributable to poor planning and or processing delays on the part of the Staff Members.**
- f) There is a compelling reason to protect the confidentiality of the project.
- g) If it is donor or boundary partner requirement or recommendation to appoint a named service provider.
- h) If the procurement is directly related to a previous assignment.

9.4 **Restricted Competition** - The threshold for restricted competition is between €10,001 and €50,000. This is a competitive process where quotes are sought from several identified suppliers. A minimum of number of quotes must be sought. The quotes are evaluated, and a supplier is chosen based on the selection criteria that were indicated in the specifications document. If there is only one supplier or service provider that submitted a proposal, the proposal then will be evaluated and if found to be compliant will be selected.

9.5 **Open Competition** - Procurement of goods or services with an expected value over € 50,000 must be carried out by public tender, unless an exception for sole sourcing as indicated above, is applicable. Although not a requirement, an open competitive process can also be carried out when the value is expected to be less than €50,000 if a Project Manager considers it advantageous to explore the market on a wider scale to source a supplier. An open competition is a tender that is publicly advertised in which qualified suppliers are asked to submit a bid or proposal to provide specific goods or services. The tender is advertised on International IDEA's website and in other media outlets as appropriate. The purpose of open competition is to provide all eligible potential bidders with adequate notification and to provide them equal access and fair opportunity to compete. Public tenders require careful planning and adequate time to complete the process, which may be up to six months. They also require careful monitoring and oversight during the process as any weakness or failure in the procedure could call the integrity of the process into question and leave it open to challenge.

9.6 **Pre-Qualification** - In certain circumstances it may be appropriate to conduct an initial competitive process to preselect a group of service providers that may then be used for specific relevant projects or assignments. In this case the tender process will be used to select the service providers. Categories where this may be applicable are as follows:

- a) **Expression of Interest (EOI)**- A request for an Expressions of Interest (EOI) is a method used to advertise a general assignment and solicit suppliers who are interested in being considered for inclusion on a shortlist. Suppliers are generally required to submit a CV or a proposal. This can be a cost-effective way of testing the market and identifying potential suppliers to create a shortlist for future use or to allocate a one-off assignment. Depending on the purpose, the request for an EOI may include specific shortlist criteria. A request for an EOI comprises a written notice indicating the general nature of the services or goods required and the shortlist criteria if applicable. It could also include detailed terms of reference in the case of a specific assignment. The request should be advertised on International IDEA’s website and/or on other media sites as deemed appropriate.
- b) **Pre-qualification**- Pre-qualification is a procurement method used to establish whether suppliers are qualified in accordance with predetermined criteria to carry out an assignment or provide a service. This is carried out in advance of a formal competitive process but only those suppliers who qualify are then invited to bid or submit a proposal for the assignment in question. The Project Manager in collaboration with the Accounting and Treasury Team will carry out an initial market search to identify the relevant suppliers and evaluate them against predetermined criteria. An intermediary agency may also be used in this process. The documents sent to the pre-qualified supplier will be standard tender documents, such as an invitation to submit a proposal and the terms of reference. Pre-qualification is a method suited to the following types of procurement:
 - a complex or specialized type of assignment (e.g., an ERP system).
 - a service which is procured on a regular basis where it is useful to have a roster of qualified service providers available; or
 - a service that presents risk concerns
- c) **Call for Papers**- Occasionally, International IDEA carries out a “Call for Papers” whereby consultants are requested to submit an abstract of a paper based on a specified subject. The purpose is to select a shortlist of consultants to write a longer paper, based on the abstract. The amount involved is usually low and so does not fall over the threshold for an open competition. However, it does involve the need to openly advertise and must therefore follow a transparent process.

9.7 **Use of Procurement Agents**- Certain services (in many cases, these are also renewable services) by their nature require the use of an intermediary, for example, insurance policies and office rental agreements. It may also be beneficial to use an agent in the case of a more complex and specialized procurement. In such situations, International IDEA reserves the right to engage an intermediary agency to source and evaluate suppliers on its behalf as set out in the Procurement Procedures.

10. SERVICE PROVIDER MANAGEMENT

- 10.1 **Verification/Accreditation** – The process of verification confirms that a service provider exists, is appropriately registered as applicable, and has the capacity to deliver on the procurement requirements. To ensure that International IDEA uses suppliers (also called vendors or service providers) that have the relevant experience and expertise, the Procuring Team shall perform vendor verification for all procurements of EUR 50,001 and above and for high-risk procurements in accordance with the procurement Procedures. Service Providers endorsed by donors and partners shall likewise be subject to verification as applicable. If vendors endorsed by donors fail to pass the verification process, International IDEA shall inform the donor or partner in writing.
- 10.2 **Performance Evaluation** - Performance evaluations shall be completed periodically for each vendor in accordance with the Procurement Procedures.

11. GROUNDS FOR REJECTION OF BIDS AND OR CANCELLATION OF THE PROCUREMENT PROCESS

- 11.1 The Procuring Team (or Evaluation Committee in the case of a tender) may recommend to the Procurement Officer that the procurement process be declared as unsatisfactory, and thus needs to be re-run or cancelled, when any of the following occur:
- a) All proposals received were declared non-responsive to the requirements, or no quotes / proposals / bids were received.
 - b) The Terms of Reference of the project / assignment have been fundamentally altered.
 - c) Exceptional circumstances where the project cannot start or is significantly delayed, e.g., as a result of delays in signing a grant agreement from a donor, or fundamental changes in the project design.
 - d) All responsive proposals are either in excess of the available funds or are substantially higher than the cost estimate.
 - e) There were flaws in the process that prevented fair competition.
 - f) A Service Provider refuses to accept the award of contract and there are no other qualified Service Providers identified in the process.
 - g) The Procuring Team or the Evaluation Committee may decide to cancel the procurement process if in their view that it may lead to situations that would be disadvantageous to International IDEA.
- 11.2 The Procuring Team, generally in coordination with the Procurement Officer, shall make the final decision to declare a procurement process void. After canceling a procurement process, the Procuring Team may decide either to restart the process or not to award the contract.

12. ACCEPTANCE OF SERVICES AND OR GOODS

- 12.1 The Project Manager must carefully check the goods and deliverables supplied by vendors to ensure that these comply with the requirements stated in the contract or purchase order.
- 12.2 If the goods or services are found to be unsatisfactory, the vendor must be notified immediately to rectify the situation. Goods and services must only be accepted once they have been deemed to be satisfactory and in compliance with the requirements.
- 12.3 Final payment should only be processed once all the deliverables are fully inspected and accepted by the Project Manager, which is evidenced by the acceptance of a Goods Received Note (GRN) in the system.

13. UBW AS PROCUREMENT TOOL

- 13.1 UBW can be used to assist in procurement management by the tracking of requisitions, POs, contracts and reporting. The system can monitor requisition workflows, PO's and contracts.

- 13.2 Other manual procurement tasks remain outside UBW such as sourcing of quotations, evaluations, tender processes and the preparation of contracts, as well as the approval of term and framework contracts.

14. RECORD MANAGEMENT

- 14.1 Offices must ensure proper filing and safekeeping of procurement documents. Documents will be retained for seven years unless otherwise specified by the donor.

15. ADDENDUMS AND EXTENSIONS

- 15.1 Contracts may need to be modified if circumstances affecting project implementation change after the contract is signed. Contract modifications must be formalized in an addendum to the contract signed by both parties.

- 15.2 **In the case of high value or complex contracts it is likely that changing circumstances will require modifications to the scope, work plan or deliverables under the contract. These should be anticipated in the planning stage and included in the specifications for the service.** In addition, a change control procedure should be included in the initial contract that outlines the types of modifications allowed and the procedure to be followed.

- 15.3 The following changes may be made without invoking a new procurement procedure, namely:

- a) Changes to supplier details, such as a change of name or bank details. These should be formalized through an addendum to the contract except in the case of changes to contact details which may be notified by the service provider in writing.
- b) If the time for performance is extended. A 'grace period' of ten working days will apply to all contracts that experience delays, during which the need for an addendum will be waived. Any further delays to the performance period will require a formal written addendum.
- c) Inclusion or exclusion of VAT and other applicable taxes

- 15.4 The following changes require a **new procurement process** which would normally be a Request for Direct Award, namely:

- a) Major changes, such as a fundamental alteration to the TOR or Description of Action, may not be made by means of an addendum.
- b) Unit prices, particularly fee rates, may not be changed by means of an addendum.
- c) **complementary services** that have become necessary to perform due to unforeseen circumstances. These complementary services must be technically and economically inseparable from the main contract.
- d) **supplementary services** that consist of the repetition of similar services entrusted to the contractor under the initial contract.
- e) New procurement processes resulting from changes above will be approved in terms of the Delegation of Authority.

16. CANCELLATION OF CONTRACTS

- 16.1 In exceptional circumstances, it may be considered in the best interests of International IDEA to cancel a contract due to, inter alia, non-performance by a service provider. It may also be the case that a service provider wishes to cancel a contract. In these circumstances the Secretary-General, or the relevant Director will consider and approve the cancellation.

17. DEVIATIONS

- 17.1 In exceptional circumstances, it may be considered in the best interests of International IDEA to deviate from the Procurement Policy or Procedures. The Secretary-General or their delegate has the authority to waive the application of certain provisions of the Policy and related procedures.

18. CONFLICT OF INTEREST

- 18.1 All stakeholders in the procurement process are required to provide professional, objective, and impartial services or advice and always hold International IDEA's interest's paramount, without any consideration for future work, and to strictly avoid conflicts with other assignments or their own interests. They shall not be contracted for any activities that would be in conflict with their prior or current obligations to other parties, or that may place them in a position of not being able to carry out the assignment in the best interest of International IDEA.
- 18.2 It is the responsibility of International IDEA Staff Members to properly disclose any conflicts and address these in terms of the Conflict of Interest Policy and the instruction to disclose the conflict of interest should also be shared by the procuring Team to tenderers and potential service providers.

19. EXCLUSION AS A RESULT OF CORRUPT, FRAUDULENT AND OTHER UNACCEPTABLE PRACTICES

- 19.1 International IDEA, and all service providers shall observe the Code of Conduct during the procurement and execution of the contract. To this end, the following are considered unacceptable practices and may lead to the exclusion of a service provider from a tender process or termination of the contract if the circumstances arise or come to the attention of International IDEA after the contract is signed. In this context the exclusion applies to the service provider or if the service provider is a legal entity a natural person with power of representation, decision-making or control over the legal entity. Grounds for exclusion are if:
- a) the service provider is bankrupt, subject to insolvency or winding up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended, or it is in any analogous situation arising from a similar procedure provided for under national legislation or regulations.
 - b) it has been established by a final judgement or a final administrative decision that the service provider is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the law of the country in which it is established, with those of the country in which International IDEA is located or those of the country of the performance of the contract.
 - c) it has been established by a final judgement or a final administrative decision that the service provider is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which the service provider belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:
 - fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract.
 - entering into agreement with other persons with the aim of distorting competition.
 - violating intellectual property rights.
 - attempting to influence the decision-making process of International IDEA during the award procedure.

- attempting to obtain confidential information that may confer upon it undue advantages in the award procedure.
- d) it has been established by a final judgement that the service provider is guilty of any of the following:
- fraud, within the meaning of Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995.
 - corruption, as defined in Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of EU Member States, drawn up by the Council Act of 26 May 1997, and in Article 2(1) of Council Framework Decision 2003/568/JHA, as well as corruption as defined in the legal provisions of the country where International IDEA is located, the country in which the person is established or the country of the performance of the contract.
 - participation in a criminal organisation, as defined in Article 2 of Council Framework Decision 2008/841/JHA.
 - money laundering or terrorist financing, as defined in Article 1 of Directive 2005/60/EC of the European Parliament and of the Council.
 - terrorist-related offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA, respectively, or inciting, aiding, abetting, or attempting to commit such offences, as referred to in Article 4 of that Decision.
 - child labour or other forms of trafficking in human beings as defined in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council.
- e) the service provider has shown significant deficiencies in complying with the main obligations in the performance of a contract financed by International IDEA, which has led to its early termination or to the application of liquidated damages or other contractual penalties, or which has been discovered following checks, audits, or investigations.
- f) it has been established by a final judgment or final administrative decision that the service provider has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95.
- g) for the situations of grave professional misconduct, fraud, corruption, other criminal offences, significant deficiencies in the performance of the contract or irregularity, the applicant is subject to:
- facts established in the context of audits or investigations carried out by International IDEA, or that International IDEA becomes aware of whatsoever the source of this information.
 - non-final administrative decisions which may include disciplinary measures taken by the competent supervisory body responsible for the verification of the application of standards of professional ethics.
 - decisions of the ECB, the EIB, the European Investment Fund or international organisations.
 - decisions of the European Commission relating to the infringement of the Union's competition rules or of a national competent authority relating to the infringement of Union or national competition law; or
 - decisions of exclusion by an authorizing officer of an EU institution, of a European office or of an EU agency or body.
- h) The service provider is an entity created with the intent to circumvent fiscal, social, or other legal obligations (shell company.)
- i) The service provider is subject to sanction by the United Nations or a Donor. Staff Members with responsibility for procurement must satisfy themselves with regard to the non-involvement of

service providers in terrorist and / or criminal activities by ensuring that such entities are not included in a Donor's or IDEA's sanction lists. Certain donors require conformity with their own proscription lists, and this should be taken into consideration prior to contracting the Consultant. An example of a donor's sanction list link as follows: <https://data.europa.eu/euodp/en/data/dataset/consolidated-list-of-persons-groups-and-entities-subject-to-eu-financial-sanctions>)

- 19.2 If a service provider declares one of the situations of exclusion listed above, it should indicate the measures it has taken to remedy the exclusion situation, thus demonstrating its reliability. These measures may include technical, organisational and personnel measures to prevent further occurrence, compensation of damage or payment of fines. The relevant documentary evidence which appropriately illustrates the remedial measures taken should be provided.
- 19.3 In determining whether the circumstances warrant exclusion of the service provider proportionality and the extent of remedial measures applied shall be considered. In this context proportionality means the seriousness of the situation, including the impact on International IDEA's financial interests and image, the time which has elapsed since the relevant conduct, its duration and its recurrence, the intention or degree of negligence, and the value of the transaction. The decision to appoint a service provider that has circumstances that warrant exclusion will vest with the Secretary-General who will consider the proportionality of the circumstance and the remedial measures in place.

20. PUBLIC DISCLOSURE

- 20.1 In line with the guiding principle of transparency, International IDEA publishes information on its procurement activities on its website in line with the Publication of Information Policy.

21. LANGUAGE OF DOCUMENTATION

- 21.1 All the contract templates used by International IDEA are in English. All contracts with a value of €10,000 or more should be in English, and they must be translated if this is not the original language of the contract. If this is not feasible then an English summary of the main terms and conditions will suffice.

22. DISPUTE RESOLUTION

- 22.1 Whenever possible, an attempt shall be made to settle any dispute arising from the interpretation or execution of a contract by informal negotiations between the supplier or service provider and the Project Manager. If informal negotiations are unsuccessful in settling disputes, these should be escalated to the Executive Director to consider for recommendation to the Secretary-General in terms of the General Conditions of Contract.

23. RISK MANAGEMENT

- 23.1 Risk analysis and risk management is carried out under policies approved by International IDEA.
- 23.2 There are a variety of risks inherent in the procurement process. The impact of any unwanted event occurring and the likelihood of that happening will vary depending on the nature and value of the procurement. Staff Members involved in procurement are required to consider risk when planning procurement processes, and in the management of contracts. There are also risks of damage to the Institute's credibility, reputation and funding if the task is not delivered excellently and on time.

24. POLICY CONTROLS

- 24.1 This Procurement Policy supersedes all previous Procurement Policies and may be amended from time to time as deemed necessary to reflect changes in best procurement practice.
- 24.2 The Policy is established under the framework of International IDEA's Financial Regulations. In accordance with section 7.1 of the Financial Regulations, the Secretary-General has the ultimate authority in relation to the policy and may delegate authority as required.
- 24.3 Interpretation authority contained in the Procurement Policy is vested in the Executive Director, who has the authority to rule on any cases of ambiguity in the interpretation and application of the Policy.
- 24.4 International IDEA as a whole is responsible for executing this policy. The Executive Director must report on the policy and specific problems experienced in its implementation as required and is authorized to propose standard operating procedures in support of this policy if required.
- 24.5 Sanctions may be imposed in terms of the Disciplinary Procedure on any Staff Member that fails to comply with this policy.
- 24.6 No amendment(s) may be made to any section of this policy without following the appropriate procedures.
- 24.7 Any deviation from this policy must be expressly approved in writing by the Secretary General or their delegate.
- 24.8 This policy was approved on 25 January 2024 and will be of immediate effect applying to all new contracts or extensions after that date.

25. GLOSSARY OF TERMS AND DEFINITIONS

- 25.1 **Bid** - a quotation or tender submitted by a bidder.
- 25.2 **Contract** - An agreement between two or more parties with specific terms and conditions including a Services Contract, a Commissioning Contract, or a Framework Contract.
- 25.3 **Deliverables** - the tangible outputs of a contract. Examples are a research paper, an evaluation study or hotel accommodation.
- 25.4 **Deviation** - a decision made not to follow the Procurement Policy or Procedures due to exceptional circumstances in the best interests of International IDEA.
- 25.5 **Donor** - an Institution providing external funding to International IDEA
- 25.6 **Enterprise Resource Planning (ERP) System** - an IT System that is used by an organization to manage and integrate its data and work processes. In International IDEA the current system is called Unit4 Business World (UBW).
- 25.7 **Expression of Interest (EOI)** - inviting suppliers to indicate their interest in taking on a specific assignment or to join a roster of qualified suppliers who may then be requested to compete for a specific assignment or be considered for future assignments.
- 25.8 **Highest Rated Proposal** - the bid determined to be the best bid after the evaluation and rank highest among the proposals.
- 25.9 **Sole Sourcing** - the process of selecting a supplier without considering alternative suppliers.
- 25.10 **Tender** - a procurement method in which any qualified supplier in the open market can be invited to submit a quote to provide goods or services required by International IDEA. It is also known as a public tender.
- 25.11 **Procurement** - the formal process of acquisition of goods and services.
- 25.12 **Project Manager** - the Staff Member named as the person responsible for one or more projects that form part of the current programme and budget.
- 25.13 **Request for Direct Award (RDA)** – the specific identification of a given service provider in selected circumstances.
- 25.14 **Request for Proposal (RFP)** - one of the soliciting documents used in an open competition to source a supplier to carry out a service. It informs a potential bidder of the requirements (e.g., experience) necessary to carry out the assignment and the procedures to follow in submitting a proposal.
- 25.15 **Requirements** - a general term to describe the needs of a service or assignment.
- 25.16 **Restricted Competition** - the process of selecting a supplier based on comparing several proposals or quotations from a range of identified Suppliers.
- 25.17 **Services** - the outputs to be provided by a service provider.
- 25.18 **Specifications** - a detailed description of the attributes of an item, typically used when purchasing goods and supplies.
- 25.19 **Service Provider** - any contractor, service provider, consultant or vendor who is contracted to provide goods or services to International IDEA.
- 25.20 **Terms of Reference** - a detailed description of what is required from an assignment, outlining such matters as the context, scope of work, deliverables, and deadlines; used in conjunction with the procurement of services.
- 25.21 **Thresholds** - the monetary values prescribed by International IDEA to establish which Procurement Method must be used in relation to the different procurement categories.