





PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES

APPROVING AUTHORITY

Title	Name	Signature & Stamp	Date
Director General	Dr. MULINDAHABI Charline	 	01/12/2022

The content of this procedure is controlled and shall not be copied. Any changes or amendments shall be kept in track changes until they are approved by the competent authority.

Revision 00

Issued date: 01/12/2022

Next revision: 01/12/2023

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

Contents

1. Procurement Management.....	2
1.1. Overview	2
1.2. Purpose	4
1.3. Scope	4
1.4. Definitions.....	4
1.5. References	5
1.6. Associated documents	6
1.7. Main functions and activities	6
1.7.1. Procurement planning and budgeting	6
1.7.2. Tendering.....	7
1.7.3. Contract execution and management for goods and services.....	10
1.7.4. Contract execution and management for works	10
1.7.5. Approvals and responsibilities	10
1.8. Procedural arrangements.....	11
1.8.1. Procurement planning and budgeting	11
1.8.2. Tendering	12
1.8.3. Contract execution and management	17
1.9 Approvals and responsibilities	18

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

1. Procurement Management

1.1. Overview

Procuring entities such as Government agencies, ministries, public universities and schools procure goods and services regularly to facilitate their operations. The works, goods and consultancy services and non- consultancy services are always acquired through a clear process, guided by the existing public procurement laws and regulations.

According to Ministerial Order establishing regulations on public procurement N° 002/20/10/TC of 19/05/2020 Article 50 stating the Threshold for use of single source procurement or direct contracting explain that a tender whose value does not exceed five hundred thousand Rwandan francs (500,000 FRW) is awarded without resorting to any competitive method. A tender whose value exceeds two hundred thousand Rwandan francs (200,000 FRW) but not exceeding five hundred thousand Rwandan francs (500,000 FRW) is awarded through the public procurement committee. Otherwise, the procuring entity may use the request for quotations method for the procurement of consultancy and non-consultancy services, goods or works whose value exceeding five hundred thousand Rwandan francs (500,000 FRW) but not exceeding three million Rwandan francs (3,000,000 FRW), readily available on the market and whose specifications are standard.

For instance, for every purchase exceeding Rwf 500, 000, a public entity is expected to use other methods such as the request for quotations method or issue a tender notice, inviting bidders through an open bidding process through e-procurement system or any other acceptable procuring method considering different threshold amounts, according to Ministerial Order establishing regulations on public procurement N° 002/20/10/TC of 19/05/2020 and the Rwanda Public Procurement law.

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

For any firm to bid for the tender, they must fulfill all given requirements including administrative, technical and financial capacity to provide the goods, works or services (goods, works, and consultancy and non-consultancy services) according to law governing public procurement.

For goods, services and works whose value is estimated to cost stated in law governing public procurement, the procuring entity advertises the tender in e-procurement system where not applicable the procuring entity shall advertise the tender in at least one newspaper of wide circulation and/or on Internet. The open competitive bidding process should be at least 30 or 45 calendar days depending on the types of tenders it counted from the time the notice is published in a newspaper or on e-procurement system.

According to the law, a tender is qualified international if it is:

- 1) A tender for works and its estimated value exceeds two billion Rwandan francs (2,000,000,000 FRW);
- 2) A tender for goods and non-consultancy services where estimated value exceeds six hundred million Rwandan francs (600,000,000 FRW);
- 3) A tender for consulting services where estimated value exceeds one hundred million Rwandan francs (100,000,000 FRW). However, regardless of the value of the tender, any tender may be qualified international, if:
- 4) It is of a complex nature and the national bidders have not yet acquired enough expertise to execute it;
- 5) Bidders at the national level are rare or do not exist.
- 6) Refer to the article 23 of N° 002/20/10/TC of 19/05/2020 Ministerial Order establishing regulations on public procurement

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

1.2. Purpose

The purpose of the Procurement Procedure is to establish a mandatory, clear model for procurement processes, activities conducted at RMI. The Procurement Procedure serves as a basic framework to ensure transparency, competition, fairness, and impartiality in procurement activities, while adhering to the legal and regulatory context within which RMI must operate.

1.3. Scope

The Procurement Procedure directs all procurement contracts and applies to the full scope of procurement activities of the procurement cycle, to every purchase, acquisition made on behalf of RMI, to all works, goods, services, Consultancy services.

1.4. Definitions

- 1) **Bid:** An offer in response to an Invitation to Bid or an offer
- 2) **Competitive bidding:** A procurement method in which offers from competing suppliers, service providers are invited by open advertisement and provided with the scope, specifications, and terms and conditions of the proposed contract as well as the criteria by which the offers will be evaluated. The objectives of competitive bidding are to obtain goods or services at the lowest cost or best value through open and fair competition.
- 3) **Contract:** A contract is a written, legally binding agreement between the organization and a supplier which establishes the terms and conditions, including the rights and obligations of the organization and the supplier.
- 4) **Contract management:** The ongoing monitoring and management of the supplier's performance regarding the promised goods or services, as well as assuring compliance with all other terms and conditions of a contract, such as price and delivery. It includes

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

managing the relationship between the supplier, the procuring unit, the requisitioner and/or the user department, feedback to the supplier regarding its performance, as well as dispute resolution, if necessary.

- 5) **Goods and Services:** Perhaps the most important term of all, this section specifies exactly which goods and services the vendor will provide you
- 6) **Procurement:** The acquisition through purchase of goods or other products (including intellectual property), works or services.
- 7) **Procurement process cycle:** The procurement process cycle includes all steps from identifying the needs to approval of payments.
- 8) **Specifications:** A description of the technical requirements for a material, product or service. Usually referring to the defined requirements for materials or products, but can also relate to the requirements for services (Terms of Reference), or works (Statement of Work).
- 9) **Terms of reference:** A description of the scope of work for services generally indicating the activities to be performed, the level of quality and effort, the timeline and the deliverables.

1.5. References

The procedures for movable assets and immovable assets of Government are managed in compliance with the following laws, regulations, and procedures:

- 1) Organic Law N° 12/2013/OL of 12/09/2013 on State Finances and Property
- 2) Ministerial Order N°001/16/10/TC of 26/01/2016 relating to financial regulations
- 3) Public Financial Manual, July 2019

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

1.6. Associated documents

The documents that are described or used in this procedure related to the forms or template that are filled for the implementation of the activities in line with the management of assets and logistics such as requests for assets and logistics, transport requisition form, physical inventory count report, etc...

1.7. Main functions and activities

1.7.1. Procurement planning and budgeting

On an annual basis after the preparation of the annual budget, the Procurement Officer in consultation with departmental heads and the DAF shall prepare an annual procurement plan. The procurement plan shall be indicating the type and name of tender, the tender period, the tender methods, the planned date, the date of bids opening and estimated cost.

The annual procurement plan shall be verified and approved by CBM. This document shall be used to guide the procurement of goods, non-consultant services, works and consultancy services of RMI. According to the Article 20 of Ministerial Order establishing regulations on public procurement, the publication of the approved procurement plan through e-procurement portal is done not later than 31st July of every year. According to the article 22: regarding the Revision of the annual public procurement plan, the annual public procurement plan submitted by a procuring entity can be revised only twice (2) during the same financial year: first revision in the second quarter of the financial year and second revision in the third quarter.

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

Procurement officer collaborates with user departments and key stakeholders and discuss the procurement plan and budgets for the next year, considering quantities and costs based on the market survey and regarding to the institutional priorities.

The procurement plan shall state the dates of procurement notices for all Open Competitive Bidding and publish it through e-procurement.

1.7.2 Tendering

The tendering process usually starts with the procuring entity, user departments provide the technical specifications or terms of reference to the procurement officer. The procurement officer in collaboration of Internal Tender Committee (ITC) prepare and issue a bidding document through the e-procurement system; then advertise and publish. The ITC evaluates the bids in due period and award the tender to the successful bidder or to the successful consultant. Once the contracts are prepared by the Legal adviser and approved by DG, the execution is monitored by the contract manager.

1) Bid preparation

The preparation of the bidding document or proposal shall be the responsibility of the procurement department with assistance from the requisitioning department mainly regarding technical specifications or terms of reference and where necessary and for technical reasons.

Once the draft bidding documents are ready, the Procurement Officer shall hold a meeting with the ITC and user department to jointly validate the draft bidding documents. This is meant to enhance clarity and accuracy in bidding documents.

2) Tender advertisement

Depending on the types of the tender, publication of tenders includes the following:

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

- ✓ Invitations for bids/proposals
- ✓ Issuance of tender documents

3) Bid submission, opening and evaluation

Bids shall be submitted and opened through the e-procurement system, on the date and hour as specified in the bidding document. Bids evaluation is done after the bid opening session by the ITC through the e-procurement system. Bids evaluation is done after the bid opening session by the ITC through the e-procurement system. Criteria of evaluation of bids are set in bidding document in as clear, specific and objective manner as possible. Evaluation and comparison of bids shall be carried out by the ITC in due time according to the appropriate procurement Law and Regulation. The bids evaluation steps are as follows:

- Step 1 - Administrative assessment
- Step 2 - Technical assessment
- Step 3 - Financial assessment

During the bid evaluation process the requirements of one of the steps described here above has to be met in order to qualify to another step. The evaluation and comparison of bids shall be based only on procedures and criteria set out in the bidding document.

The evaluation and comparison of bids shall be conducted in a transparent manner and respect professional secrecy. The evaluation and comparison report shall bear signatures of present members of the Internal Tender Committee.

The successful bidder shall be the bidder whose offer has been considered the most competitive. For the case of tenders funded by development partners and where specific provisions of agreement are applicable, the evaluation of bidders and technical value of their bids shall be based upon

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

criteria provided in the agreement. Internal Tender Committee shall prepare bids evaluation report containing a summary of the evaluation and comparison of bids as provided in the existing procurement laws and regulations. The evaluation report shall be submitted to DG for approval.

4) Notification and award of the tender

According to existing procurement laws and regulations, the notification of tender award will be processed before the expiry of the bid validity period. The procuring entity must at the same time notify the successful and the unsuccessful bidders of the provisional outcome of the bid evaluation. After the evaluation session, the successful and unsuccessful bidders are notified the results of bid evaluations through the e-procurement system. Upon request and the bidders have seven (7) days to lodge a complaint, if any, before the contract is signed with the successful bidder.

5) Contract negotiation and signing

According to the existing procurement law and regulations, the procuring entity and the successful bidder negotiate the terms and conditions of contract and minutes of negotiation must be produced and reported to CBM. The contract negotiations are held between RMI ITC and the successful bidder.

The successful bidder and the procuring entity must enter into a written procurement contract based on the tender document, the successful bid, any clarifications received and any corrections provided. The contract is entered into in writing between the procuring entity and the successful bidder. However, a purchase order issued after the conduct of procurement proceedings is considered as a contract according to a threshold established by the public procurement regulations. If the successful bidder fails to enter into a written procurement contract, the procuring entity may award the tender to the qualified bidder that ranked second. After getting the final notification, the successful bidder and the procuring entity may enter into contract negotiation process after which a contract is signed through e-procurement system.

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
-------	---	--------------------

1.7.3 Contract execution and management for goods and services

After contract signing, the supplier/service provider executes the tender and delivers goods and /or services as per written signed contract. The contract manager appointed by CBM monitors the implementation process, takes delivery in collaboration with the reception committee and approves suppliers' invoices. If the contract manager finds the delivery satisfactory upon the reception committee report, he/she will approve the invoice within **2...3** working days. Possible amendment of contract will be justifiably done according to the related conditions determined by the procurement Law.

1.7.4 Contract execution and management for works

The contract management of works has particularities related to the supervision which shall be carried out day to day by the procurement staff and contract managers. Works supervision services shall be carried out by either registered consultancy firms or any registered individual consultant or any skilled person who may conclude a contract with the client.

After completion of tender or delivery of goods, works and services, the reception committee shall approve in acceptance and approval of the procuring goods and services delivered. See also details in Law N° 031/2022 OF 21/11/2022 governing public procurement and Ministerial Order N° 002/20/10/TC OF 19/05/2020 establishing regulations on Public Procurement

1.7.5 Approvals and responsibilities

The procurement plan is prepared by the procurement officer and generated by e-procurement system, and procurement execution report prepared by the contract manager verified by the DAF, and approved by CBM. The bid opening and evaluation report signed by at least 3 members of

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

Internal tender committee shall be submitted to the CBM together with other tender process documents for approval by CBM and for contract negotiation and signing.

According to N° 031/2022 of 21/11/2022 Law governing public procurement in Article 12 state the Responsibilities of the user department In the procuring entity, the user department has the following responsibility: to approve that the tender execution complies with the requirements of the procurement contract.

1.8 Procedural arrangements

1.8.1 Procurement planning and budgeting

Procurement officer collaborates with user departments and key stakeholders and discuss their procurement requirements and budgets for the following fiscal year, giving advice on likely costs based on their market analysis and deciding which items to be included in the procurement plan according to the institutional priorities. The procurement plan shall state the dates procurement process for all Open Competitive Bidding other methods to be used and publish it through e-procurement. The Procurement Plan shall cover a period of at least one year. The procuring entity is required to submit its annual procurement plan to RPPA by 31st July of each fiscal year.

According to Ministerial Order establishing regulations on public procurement N° 002/20/10/TC of 19/05/2020 Article 19 state the Content of a public procurement plan. When the procuring entity submits the procurement plan it provides the following information:

- 1) The type of tenders to be awarded, in the category of goods, works, consultancy and non-consultancy services;
- 2) The title of the tender;
- 3) An estimated cost of the tender;

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

- 4) A source of funds;
- 5) A planned tendering method;
- 6) A planned tender document preparation date;
- 7) A planned publication date of a tender;
- 8) A planned bids' opening date;
- 9) A planned date for bids evaluation;
- 10) A planned provisional notification date;
- 11) A planned contract signing date;
- 12) A recruitment of the supervising firm, if required;
- 13) A planned contract management start date;
- 14) A planned procurement contract closure date;
- 15) Any other needed information like: a. a prior study; b. a specialist for technical specifications or terms of references or contract management; c. a prequalification; d. exclusive and local preference for local products and bidders; e. seek for no objection from funding institution.

When the procuring entity submits the procurement plan it provides the following information:

1.8.2. Tendering

1) Tender Advertisement

Publication of procurement opportunity includes the following:

- a) Invitations for bids/proposals
- b) Issuance of tender documents

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

2) Bid submission, opening and evaluation

Bids submission instructions shall be contained in invitation to bid documents. Proposal from bidders shall be deposited using e-procurement portal which shall only be opened during bid opening date and time. Alternatively, the bidders shall in the bid documents be requested to submit the bids on the closing date and time.

The bidding document shall determine the bid validity period. Before the expiry of the bid validity period, RMI may request bidders to extend that period. RMI shall give notice of such an extension to each person or firm that submitted a bid.

a) Bid opening and evaluation

When a tender is to be awarded using non-electronic procedures, the public tender committee opens bids in a public session not later than one (1) hour after the deadline for submission of bids. Bidders or their representatives may attend the opening session. On each opened bid the following are read out loudly and recorded in the minutes reserved for the opening session:

- ✓ Names of the bidder and other details of his or her identification;
- ✓ The bid price including the discounts, if any;
- ✓ A bid security if it is required

Before the opening of bids, a bidder or his/her representative may request the public tender committee to read out any other information that the bidders may wish to be read out but which does not prejudice other bidders' interests. Each member of the public tender committee who participates in the opening session and the bidder elected by fellow bidders participating in that session initial on each page of original bid. However, the elected bidder cannot make an initial on his or her own bid. In such case, this bid is initialed by other bidder participating in the opening

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

session. Members of the public tender committee who participate in the opening session also sign on opening report.

Bids shall be opened publicly wherein all bidders and prospective bidders shall be allowed to attend the opening session. Bids shall be opened in the place, on the date and hour as specified in the bidding document. Names and address for every bidder whose bid is opened, the amount of the bid where applicable as well as any other useful information shall be read out aloud and written down.

The bid opening committee shall be comprised of at least three members of the Internal Tender Committee. Each member of the ITC present during opening shall sign/initial the original bid and bid opening report/minutes. Bid opening minutes or report shall be prepared and signed by the bid opening committee members who attended the opening session. The report shall include among others the following:

- ✓ Title of the report, example: Bid opening report of tender X
- ✓ Date and time of the bid opening
- ✓ Bid opening committee
- ✓ Bidders who attended the bid opening and their address
- ✓ Any other important information

b) Bid evaluation

Criteria on which the selection of bidders and technical value of their bids, tenders and is based upon shall be set out in the bidding document in an as clear, specific and objective manner as possible.

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

The evaluation and comparison of bids shall be carried out by the Internal Tender Committee within twenty-one (21) working days from the date of bid opening in a chronological order as follows:

- ✓ Step 1 - Administrative assessment
- ✓ Step 2 - Technical assessment
- ✓ Step 3 - Financial assessment

During the bid evaluation process the requirements of one of the steps described here above has to be met in order to qualify to another step. The evaluation and comparison of bids shall be based only on procedures and criteria set out in the bidding document and shall be conducted in a transparent manner and respect professional secrecy. The evaluation and comparison report shall bear signatures of present members of the Internal Tender Committee. The successful bidder shall be the bidder whose offer has been considered the most competitive.

For the case of tenders funded by development partners and where specific provisions of agreement are applicable, the evaluation of bidders and technical value of their bids shall be based upon criteria provided for in the agreement. Internal Tender Committee shall prepare bids evaluation report containing a summary of the evaluation and comparison of bids as provided for in these instructions. The evaluation report shall be submitted to DG for approval.

c) Selection methods

The selection methods that can be used include the following;

- ✓ Quality and cost-based selection (QCBS) shall be the preferred method;
- ✓ Quality based selection (QBS). This is applicable where quality is the paramount factor in the procurement of goods or services;

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

- ✓ Selection under a fixed budget may be applied when the assignment is simple and can be precisely defined and when the budget is fixed;
- ✓ Least cost selection may be applied when selecting consultants for assignments of a standard and routine nature, where well established practices and standards exist and in which the contract amount is small;
- ✓ Selection based on consultant's specific qualifications.

However, the individual consultants or consultancy firm may be awarded using offline procurement procedures depending on the nature or requirements of the assignment to be done

d) Selection Process of Individual Consultants outside the e-procurement procedures

RMI shall adopt this method only if all or any of the following conditions exist:

- 1) The scope of work is such that teams of personnel are not required;
- 2) No additional professional support is required;
- 3) The experience and qualifications of the individual are the paramount requirement. Ex..... knowledge of a given minister.
- 4) Individual consultants may not be required to submit proposals, and may be selected on the basis of the evaluation of their curriculum vitae. Interviews may be set up for selection under this method.
- 5) Advertising is an effective way of securing Expressions of Interest from individual consultants. Therefore, advertising to invite CVs for the selection of individual consultants is required and expression of interests may be published using a wide circulation media platform applied to the selection of consultants.

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
--------------	---	--------------------

3) Notification and award of the tender

Before the expiry of the bid validity period, RMI shall notify the successful and the unsuccessful bidders of the provisional outcome of the bid evaluation. Unsuccessful bidders will have seven (7) days to lodge the complaint. The complaint shall be handled by the ITC then approved by DG, It shall be responded to within five (7) days. If the bidder are no satisfied with the results his complain is handed to internal review panel.

4) Contract negotiation and signing

A contract shall be signed by RMI and the successful bidder. Documents forming the contract will be among others the terms of reference tender documents, general condition of contract and special condition of contract, the proposals and any other document that may be deemed appropriate.

If the successful bidder fails to enter into a written procurement contract and bid validity period has not expired, RMI may award the tender to the qualified bidder that ranked second in case he/she is technically and financially responsive.

1.8.3 Contract execution and management

Contract supervision shall be carried out day to day by the procurement staff, contract managers but contract Works supervision services shall be carried out by either registered consultancy firms or any registered individual consultant or any skilled person who may conclude a contract with the client. After completion of tender or delivery of goods, works and services. The reception committee shall be involved in acceptance and approval of the procuring goods and services delivered. **See also details in Law N° 031/2022 OF 21/11/2022 governing public procurement and Ministerial Order N° 002/20/10/TC OF 19/05/2020 establishing regulations on Public Procurement**

Title	PROCUREMENT AND CONTRACT MANAGEMENT PROCEDURES	Revision 00
-------	---	--------------------

1.9 Approvals and responsibilities

The procurement plan is prepared by the procurement officer and generated by e-procurement system, and procurement execution report prepared by the contract manager verified by the DAF, and approved by DG. The bid opening and evaluation report signed by at least 3 members of internal tender committee shall be submitted to the DG together with other tender process documents for approval by DG and for contract negotiation and signing.

APPROVED