

Sails of Hope Organization (SHO) – Procurement Policy

1. Introduction

Sails of Hope Organization (SHO) is a leading non-governmental organization dedicated to transforming the lives of vulnerable populations in Sudan through sustainable development programs. At SHO, we uphold the highest ethical standards in every aspect of our operations. Our procurement process is no exception. The **Procurement Policy** sets forth clear, transparent, and professional guidelines that govern the purchasing of goods, services, and works required for the successful implementation of SHO programs.

In our commitment to operational excellence, this policy is designed to reflect both **international best practices** and the **standards set by the United Nations (UN)** and other international humanitarian organizations. SHO's procurement activities aim to promote transparency, fairness, integrity, and accountability, ensuring that every resource is allocated efficiently and ethically for the benefit of the communities we serve.

2. Purpose

This policy serves the following key objectives:

- **Ensuring Transparency and Accountability:** Uphold the principles of transparency, impartiality, and integrity in all procurement activities.
- **Establishing Consistent Procedures:** Provide a clear framework for procurement that promotes consistency, fairness, and competitiveness in all our acquisitions.
- **Achieving Value for Money:** Optimize the use of SHO's resources by ensuring we obtain the best value for money, balancing cost, quality, and timely delivery.
- **Maintaining Legal and Ethical Standards:** Align our procurement practices with local laws, international standards, and best practices as adopted by UN agencies and INGOs.
- **Mitigating Risks:** Establish measures to prevent procurement fraud, conflicts of interest, and unethical behavior that could harm SHO's credibility and the communities we serve.

3. Scope

This policy applies to all SHO procurement activities, including but not limited to:

- **Procurement of Goods and Services:** All purchases, including office supplies, equipment, consultancy services, and other operational needs.
- **Construction Works:** When SHO undertakes construction activities as part of its programs, such as building infrastructure for health services or education, procurement will follow this policy.
- **Operational and Programmatic Procurement:** All procurement related to the implementation of SHO's programs, whether local or international.

- **All Personnel and Stakeholders:** This policy applies to SHO staff, volunteers, contractors, consultants, suppliers, and any other individual or organization involved in procurement decisions or activities.

4. Core Procurement Principles

SHO's procurement activities are guided by the following core principles, aligned with the highest global standards:

4.1. Transparency

- All procurement actions must be transparent, with clear documentation of decisions, processes, and justifications for selection. Information about procurement procedures, requirements, and outcomes must be available to all stakeholders and made publicly accessible when appropriate.

4.2. Fairness and Equal Opportunity

- SHO will ensure that all procurement opportunities are open, fair, and accessible to all eligible suppliers. We commit to ensuring no supplier is unfairly discriminated against, and that selection criteria are applied consistently and objectively.

4.3. Integrity and Ethics

- Every procurement decision must be made impartially and in good faith. There must be no conflict of interest, and all procurement actions must be free of corruption, bribery, and undue influence. SHO maintains a zero-tolerance policy for any form of unethical behavior or fraud in the procurement process.

4.4. Value for Money

- SHO will evaluate procurement options based on a balance of price, quality, delivery time, and reliability. The organization will strive to obtain optimal results with the resources available, ensuring efficiency in both short-term and long-term costs.

4.5. Accountability

- Procurement decisions and processes must be fully documented, and responsible personnel must be held accountable for their actions. SHO maintains a comprehensive audit trail for all procurement activities.

4.6. Sustainability and Social Responsibility

- SHO will promote sustainability by considering environmental impact and social responsibility in procurement decisions. This includes sourcing products and services that align with ethical labor practices, human rights, and environmental protection.

5. Procurement Methods

The following procurement methods will be used, depending on the value, complexity, and urgency of the purchase:

5.1. Open Tendering (Competitive Bidding)

- **Applicability:** Used for high-value procurements or when competition is necessary to ensure value for money and transparency.
- **Procedure:** Invitations to tender are publicly advertised, and suppliers submit bids according to specified requirements. The bid evaluation is based on clear, predetermined criteria.
- **Awarding the Contract:** The contract is awarded to the supplier with the best combination of price, technical ability, and compliance with terms.

5.2. Request for Quotation (RFQ)

- **Applicability:** Used for low to medium-value procurements where multiple suppliers are invited to submit price quotes.
- **Procedure:** RFQs are sent to a shortlist of prequalified suppliers, and a simple price comparison is made to select the best offer.

5.3. Direct Procurement

- **Applicability:** Used in exceptional cases where competitive bidding is not feasible (e.g., emergency situations, sole-source providers, or specialized goods).
- **Procedure:** Direct procurement is justified with written approval from SHO's senior management. Documentation explaining the need for direct procurement is maintained for transparency.

5.4. Request for Proposal (RFP)

- **Applicability:** Used for complex procurements involving specialized goods or services, such as consultancy or high-value contracts.
- **Procedure:** An RFP outlines the technical and financial requirements. Proposals are evaluated based on both technical merit and cost-effectiveness.

6. Vendor Selection and Evaluation Criteria

SHO's vendor selection is based on a rigorous and comprehensive evaluation process that considers multiple factors:

- **Technical Competence:** The vendor's ability to meet technical specifications and deliver quality services or products.
- **Financial Capacity:** The financial stability and capacity of the supplier to fulfill the contract, including their previous financial records and ability to manage large contracts.
- **Past Performance and Reputation:** A vendor's reputation and track record, based on previous contracts, feedback from other organizations, and references.
- **Compliance with Legal and Ethical Standards:** Vendors must adhere to all relevant legal, environmental, and labor standards, and align with SHO's ethical values.
- **Price and Value for Money:** The overall cost and value provided by the vendor, including any long-term financial implications such as maintenance, warranties, or operational costs.

7. Procurement Process and Responsibilities

7.1. Procurement Planning

- Every procurement action must be aligned with SHO's strategic objectives and operational plans. Detailed procurement plans will be prepared to identify needs, define specifications, and establish clear timelines and budget allocations for procurement.

7.2. Tendering and Contracting

- **Invitation to Bid:** Tenders are issued based on clear and well-detailed specifications and timelines. They are widely circulated and made accessible to all eligible suppliers.
- **Bid Evaluation:** All bids are evaluated based on transparent criteria. A committee, consisting of relevant stakeholders, will evaluate and approve the selected vendor.
- **Awarding Contracts:** Contracts are awarded to the vendor with the best value for money while meeting all specified criteria. All contracts will be formalized with clear terms and conditions, including payment schedules, delivery dates, and penalties for non-compliance.

7.3. Contract Management

- SHO will actively monitor the performance of contracted vendors to ensure adherence to timelines, quality standards, and agreed terms. Regular progress reports will be obtained, and deviations from the contract will be addressed promptly.

7.4. Risk Management

- **Mitigating Fraud and Corruption:** A strict anti-fraud policy will be enforced throughout the procurement process, ensuring that all suppliers and staff understand and comply with anti-bribery and anti-corruption standards.
- **Conflict of Interest:** All procurement staff must disclose any potential conflict of interest. Any individual with a conflict must recuse themselves from the procurement decision-making process.

8. Monitoring, Reporting, and Auditing

8.1. Monitoring and Reporting

- SHO will regularly monitor procurement activities through internal audits and management oversight to ensure compliance with this policy. All procurement reports will be submitted to relevant stakeholders, including donors, management, and oversight bodies.

8.2. External Auditing

- SHO will engage independent external auditors to conduct periodic procurement audits to assess compliance with this policy and identify opportunities for improvement.

8.3. Documentation and Record-Keeping

- All procurement documents (bids, evaluations, contracts, correspondence, etc.) will be retained for a minimum of **five years** to ensure compliance with audit and legal requirements.

9. Compliance with National and International Standards

SHO's procurement process complies with all relevant **national laws** in Sudan and **international standards** established by the United Nations, including the **UN Procurement Manual, Sphere Standards**, and other global frameworks for ethical procurement. This ensures that SHO's procurement activities are both legally compliant and aligned with the highest standards of humanitarian aid.

10. Training and Capacity Building

To maintain the integrity of our procurement activities, all SHO personnel involved in procurement will undergo regular training on:

- Procurement best practices and compliance standards.
- Ethical procurement and anti-corruption measures.

- Understanding of procurement risks and how to mitigate them.

11. Review and Continuous Improvement

This policy will be reviewed annually and updated as necessary to reflect evolving best practices, changes in national and international procurement standards, and feedback from audits. Regular assessments of the procurement process will ensure continuous improvement in our practices.

12. Contact Information

For any inquiries regarding SHO's procurement process or to report concerns, please contact:

- **Procurement Focal Point:** +249123054886
- **Procurement Department:** +249111130876