

## Purpose

The purpose of these guidelines is to ensure that the procurement of all goods and services is conducted in an honest, competitive, fair and transparent manner that delivers the best value for money outcome, taking into account the required specification, quality, service, delivery, reliability, environmental and social issues.

## Policy Statement

Strategic procurement requires accountability for the spending of the Secretariat's funds which is justified, planned and transparent. TI-S adheres to the following principles of good procurement practice:

- **Transparency and Fairness**, which ensures that competitive processes are fair and open to all potential participants. In that sense, all vendors shall be treated in a non-discriminatory manner with contract award decisions being fair and impartial. Suppliers and contractors are selected on the basis of their qualifications and the merit of their offers. Potential conflict of interests is to be disclosed according to our Conflict of Interest Policy.
- **Value for Money**, which consists of the selection of the most advantageous offer on the basis of price/quality evaluation ratio. Best Value for Money is the result of several factors, including price, quality and experience that allow the objective selection of the best fit for purpose vendor.

## Thresholds

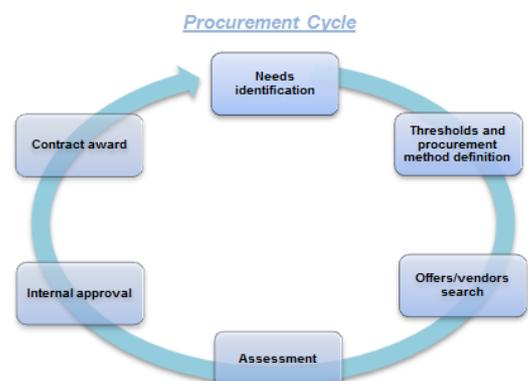
TI-S defines the following steps to be undertaken as part of a positive procurement process in line with the value of the goods or services involved:

- **Purchase value of less than or equal to € 2.000:** Best value for money is obtained through informal search of internet or other type of offers. Approval is obtained according to Delegation of Authority Policy;
- **Purchase value exceeding € 2.000 and less than or equal to € 5.000:** Best value for money is obtained through informal search of internet or other type of offers; formal assessment recorded in the purchase and procurement form. Approval is obtained according to Delegation of Authority Policy;
- **Purchase value exceeding € 5.000:** Quotations from at least 3 independent vendors have to be obtained. These quotations must be evaluated from a cost/benefit point of view and the process duly documented in the purchase and procurement form. Only in exceptional occasions, when proven record that all reasonable efforts have been made, the selection of the vendor can be made on the basis of less than three offers. If that is the case, the approval process is escalated as per the Delegation of Authority Policy to Group Director level.
- **Framework agreements:** For recurring purchases of goods and services, framework agreements could be established with suppliers. Before a framework agreement can be established a tender for the service must be performed and the supplier with the best value for money offer shall be selected following the process for purchases with value above €5.000. All framework agreements shall include the agreed price per day/hour that the supplier will charge. Every 2 years, the procurement process must be re-performed to ensure that the best value is still being obtained.

The threshold values are to be applied on the anticipated total expenditure, accumulated over the term of the contract or a one-year period, whichever is the shorter, and include VAT.

## Process

TI-S' procurement process is defined by a series of steps, as shown in the figure on the right. Each step in the process is subject to approval according to the Delegation of Authority matrix.



## Related Documents

Delegation of Authority  
Code of Conduct  
Conflict of Interest Policy

## Effective Date and Review

This policy is effective as of 01.09.2012 and reviewed on an annual basis, or more regularly if deemed necessary.