

POLICY ON PROCUREMENT

Introduction

At CESEL, we recognize the critical importance of procurement in achieving our business objectives efficiently and effectively. This policy outlines our approach to procurement to ensure transparency, fairness, accountability, and value for money in all our procurement activities.

Objectives

Our procurement policy aims to:

- Obtain goods, services, and works of the required quality, at the right time and cost.
- Ensure transparency and fairness in the procurement process.
- Comply with all relevant laws, regulations, and ethical standards.
- Foster competition and maximize value for money.
- Promote sustainable procurement practices.
- Mitigate risks associated with procurement activities.

Procurement Principles

1. Transparency and Fairness:

All procurement processes will be transparent, fair, and free from bias or discrimination.

Equal opportunities will be provided to all qualified suppliers and contractors.

2. Competition:

Where feasible, procurement will be conducted through open and competitive processes to maximize value for money.

Exceptions to competitive procurement will be justified and documented as per company procedures.

3. Value for Money:

Procurement decisions will be based on achieving the best value for money, considering quality, cost, and other relevant factors.

Cost-effectiveness will be balanced with the need to ensure quality and reliability.

4. Ethical Conduct:

All procurement activities will adhere to high ethical standards, including integrity, honesty, and professionalism.

The company will seek to work with suppliers who follow the best practices in environmental management (including energy and resource efficiency, waste reduction and recycling) and human resources management (such as equal opportunity, health and safety).

Conflicts of interest will be disclosed and managed appropriately.

5. Compliance:

Procurement activities will comply with all applicable laws, regulations, and company policies.

Where international procurement is involved, adherence to international standards and agreements will be ensured.

6. Risk Management:

Risks associated with procurement, including supply chain risks, will be identified, assessed, and managed effectively.

Mitigation measures will be implemented to minimize the impact of potential risks on project delivery.

Procurement Process

1. Planning:

Procurement requirements will be identified and planned in advance to ensure timely acquisition of goods, services, or works.

Budgetary provisions will be made to support procurement activities.

2. Sourcing:

Suppliers and contractors will be selected through a competitive process, such as tendering or request for proposals (RFP), whenever feasible.

Supplier selection criteria will be transparent and based on objective evaluation factors.

3. Contracting:

Contracts with suppliers and contractors will be clear, comprehensive, and legally binding.

Terms and conditions will be negotiated to ensure mutual understanding and agreement.

4. Performance Monitoring:

Performance of suppliers and contractors will be monitored throughout the contract period to ensure compliance with contractual obligations.

Non-performance or deviations from agreed-upon standards will be addressed promptly.

Sustainable Procurement

1. Environmental Considerations:

Environmental impact assessments will be conducted for procurement activities, particularly for projects with significant environmental implications.

Preference will be given to suppliers and contractors with environmentally sustainable practices.

2. Social Responsibility:

Suppliers and contractors will be encouraged to uphold social responsibility standards, including fair labor practices, diversity, and community engagement.

Documentation and Reporting

1. Record Keeping:

Procurement activities will be documented comprehensively, including procurement plans, bid evaluations, contracts, and correspondence.

Records will be maintained in accordance with company policies and legal requirements.

2. Reporting:

Regular reports on procurement activities, including expenditures, contract awards, and performance, will be prepared and submitted to relevant stakeholders.

Compliance and Review

1. Compliance Monitoring:

Compliance with this procurement policy will be monitored regularly through internal audits and reviews.

Non-compliance issues will be investigated and addressed promptly.

2. Policy Review:

This procurement policy will be reviewed periodically to ensure its effectiveness and relevance.

Updates and revisions will be made as necessary to reflect changes in laws, regulations, and best practices.

Dated: 10th of December 2023.

A handwritten signature in black ink, appearing to read 'Patrick Tolani', with a horizontal line extending to the left from the start of the signature.

Dr. Patrick Tolani
CEO