Regulations for Purchasing and Contracting
with Suppliers and Services Providers
لاجنة أحكام الشراء والعقود مع الموردين
ومقدمي الخدمات

Date:

Reviewed by the Executive Committee on:

Approved by the Board of Trustees on:
3. Contracts with suppliers and service providers regulations

3.1 General provisions

3.1.1. Purpose of the regulations

These regulations include special provisions and rules that govern the procedures of the contracts with suppliers and service providers.

3.1.2. The Scope of Application

The Regulations governing the contracts with suppliers and service providers shall be applied to all the departments and units that form the organizational structure of the RCREEE. The provisions of these regulations shall apply to all the purchases and supply contracts (local or foreign) in addition to rendering services that are included in the contracts concluded by the RCREEE.

3.1.3. The Purchase and Contracting Authority

The authority of purchasing and contracting shall be according to the approved financial and administrative authorities and competencies mentioned in the Center's financial and administrative authorities regulations.
3.1.4. Contracting and Purchasing within the Necessary Needs

Contracting on supplies and rendering services shall be made within the limits of the budget estimates and the plan of necessary needs in order to guarantee that the RCREE shall perform its activities and achieve its aims. In all cases the timetable of supplying or rendering services should be in compliance with the needs of the Center's activities.

3.1.5. Hiring Consulting Firms

The RCREE may request the assistance of Consulting Firms, in laying down precise, technical specifications and experience in fields that might not be satisfied by the RCREE’s employees. This could be made through various procurement methods (public tender, restricted tender or direct order).

3.1.6. The Prohibition of Dividing Purchasing Orders and Rendering Services Requests in order to disregard the Obligation Pursuant to these Regulations

It is prohibited to divide any of the purchase orders or requests for rendering services in order to avoid abidance by the restrictions, procedures, regulations, guarantees, conditions, or the authorities and powers stipulated in the provisions of these regulations and the Center's financial and administrative authorities regulations.
3.1.7. Methods of Entering into Contract/Purchases

In general, the purchases and rendering services agreements are awarded through making a comparison between the proposals of the suppliers and services providers registered in the suppliers and services providers register kept at the Center. The contract of purchase and rendering services shall be made using one of the following methods:

a. Public Tender.
b. Restricted Tender.
c. Negotiated Tender.
d. Direct Order.

Each concerned department and unit, according to its respective competency, shall determine the estimated value of the supplies or the requested services in order if it possible to determine the contracting method, and this shall be made within the limits and according to the conditions and situations stated in these regulations and in accordance with the provisions stated in the financial and administrative authorities regulations.

3.1.8. Violation of the Regulations' Provisions

Violating any provisions of these regulations shall be considered a financial violation. Thus, the penalty provisions stated in the personnel regulations of the RCREEE or any other related laws and regulations shall apply thereto in addition to the decisions that might be taken by the Executive.
3.2 Purchasing needs and contracts

3.2.1. Annual Report of Needs

The competent departments/units of the Center shall prepare stating their needs from purchases and services and the time schedule for satisfying these needs according to the approved plans of the Center’s activities in order to unify and gather the required needs in homogeneous groups as a preliminary step towards arranging for the contract and providing them by any contracting or procurement method stated in these regulations.

3.2.2. The Responsibility of Determining the Detailed Specifications

The demanding departments/units should determine the detailed technical specifications of their needs from items and services, and when necessary a Procurement Committee shall be formed for this purpose by virtue of a resolution to be issued by the Executive Director of the Center, provided that the specifications of required items and services should be detailed without mentioning a specific trade mark or laying down specifications that are only applicable to few trademarks or names. However, in case there is a need for items of a precise detailed technical specification the bidders may be requested to present a sample thereof.
3.2.3. Advertisement of the Public Tender

The advertisement of public tenders for supplies or services should be made within an adequate time before they are required. The advertisement should be published in a local or international daily newspaper (if necessary) once or twice depending on their importance and according to the estimations of the Executive Director. Additionally, the advertising can be made on RCREEE website and other specialized sites which work in the same field of the contract subject.

3.2.4. The Rules of the Tenders and Auctions Committee (TAC)

The Tenders and Auctions Committee (TAC) shall be held on the specified date and place, for opening the technical and financial envelopes and taking decisions in their regard.

3.2.5. The Delay in Receiving the Bid

Any bid or amendment thereof received after the date specified for opening the envelopes shall be disregarded. However, the chairperson of TAC may disregard the delay if the tender offer is received before the end of the session held for opening envelopes, if the delay tender is to the Center's benefit.
3.2.6. Filling out the Bid Form

The chairperson of the TAC or his/her representative may assign one or more employees under his/her supervision to fill out the bids form prepared for this purpose, and register all the observations as well as the bidder’s terms and conditions in contradiction of the bid terms and conditions. It is prohibited to contact the bidders after opening the envelopes and before taking decisions for any reason except through the TAC or a written assignment therefore. Moreover, the TAC may not negotiate with the bidders to make any amendments in their tenders except in the following cases:

a. If all the tenders entail restrictions which violate the bid’s terms and conditions.

b. If the term of the tender has terminated for exceptional circumstances.

c. If there is a dire need to ensure the concordance of the technical affairs.

3.2.7. The Technical Study of the Bids

TAC shall prepare its report which clarifies the comparisons and the technical studies conducted thereby in addition to its recommendations and shall submit its reports and the operation’s file to the Executive Director.
3.2.8. The Report of the Bid's Decision Making

The TAC should also review the period of supplying or rendering service, payment conditions and guarantees. TAC shall decide and recommend the bid awarding to the best technical & financial bid. It shall also state in details the points of weakness as well as the points that contradicts the terms and conditions in the bid fill out list with respect to the disregarded bids. TAC may ask for the assistance of whoever it deems appropriate to perform the work. Finally, TAC should record all its discussions in a report in order to be presented afterwards to the competent contracting or purchase authority for approval according to the limits mentioned in the Center's financial & administrative authorities' regulations.

After opening the envelopes and the approval of the competent authority, there could be some negotiations with one of the bidders in order to modify his bid and the decision as regards these negotiations shall be made by TAC.

TAC may recommend the cancellation and offer the bid again in case of high prices. TAC has to state in a report all the procedures taken thereby then the report should be signed by the competent contracting authority. In case of new tender, TAC should attach the papers of the previously cancelled tender, after taking decision concerning the work file to the committee's report.
If there are two or more tenders for supplying items or rendering services, with the same prices, the required quantities may be distributed over the bidders on condition of compliance with the specifications and dates specified for supply.

3.2.9. The Reasons of Excluding a Bid

TAC can exclude any bid - without giving any reasons of exclusion to the bidders. On the other hand, it should inform the Executive Director of the reasons for exclusion - in the following cases:

a. If such action is to the benefit of RCREEE.

b. In case, the bidder did not comply with the tender’s conditions as mentioned in these regulations.

c. In case it was proven that, the bidder has previously violated the terms of a contract or executed his works in a defective manner.

d. In case there is a dispute between the bidder and RCREEE concerning a previous contract.

e. In case TAC received any information about the bidder’s bankruptcy or insolvency.

f. In case the tender documents are not complete, unsigned or unsealed by the bidder’s seal.

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f. In case the tender documents are not complete, unsigned or unsealed by the bidder’s seal.
3.2.10. The Tender Cancellation

After publishing, or calling for and before adjudication of tenders, the tender can be canceled based on a decision made by the Executive Director in the following cases:

a. In case there are no bids submitted.

b. In case the tender is no longer required, or the Center's interest necessitates such action.

c. In case there is only one bid presented or in case there is only one bid remaining after the excluded ones and its prices are more than the estimated prices of the tender by 25% or more.

d. In case all the bids are attributed by reservations.

e. In case the bid of lowest price exceeds the value estimated by the technical committee by more than 25%.

f. The bid must be cancelled after adjudication in the case of the withdrawal of the bidder whose bid was accepted or refraining from signing the contract.

The cancellation in these cases shall be based on a justified decision according to the recommendation of TAC. TAC could accept the only bid after the approval of the concerned authority if the bid price was suitable and the work requirements do not give the chance to re-offer the bid or when there is no benefit from re-offering the bid.

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TAC may use the latest prices that have been locally and internationally used and the functional exchange rates, as a reference. If it recommended canceling the bid due to the high prices, TAC must state this fact in the meeting minutes along with the serious procedures it has taken to become aware of the market prices. In all cases it is not permissible to transform the tender into a negotiated tender.

3.2.11. Bid Awarding & Notification of the Bidders of the Tender’s Result

The Tenders and Auction Committee recommends awarding the bid to the bidder who has presented the approved technically and has the lowest total price if his tender has satisfied all the conditions. However, the Committee may issue its decision and award the bid to a bid of a higher price. On condition that, it should state its justifications in the minutes of meeting to be presented to the competent authority according to the limits stated in the Center’s financial and administrative authorities regulations.

3.2.12. Concluding the Contract

The bidder whose bid was accepted and the RCREEE representative (the Executive Director or whomsoever he delegates) should sign the contract. A copy of the terms and conditions of the tender should be attached thereto. Thus, issuance of the supply order is considered a concordance between the will of the two parties.
If the bidder whose bid was accepted did not sign the contract on the specified date, or has withdrawn for any other reason without a significant justification accepted by TAC, the Committee’s chairperson has the right to use all or a part of the following punishments:

a. Deleting the name of the bidder of the accepted tender from the register of the suppliers and service providers and stopping dealing with the bidder for a certain period or on permanent basis.

b. Bond in case it has been deposited.

c. Any other penalty that is stated in the tender conditions.

3.2.13. Case of Contracting through a Direct Order

The contract through a direct order fulfills an urgent need. However, it is not permissible to divide the purchases or contracts for the purpose of resorting to contract through direct order. Contracting through direct order is permitted in the following cases:

a. Furniture and office equipment.

b. Printed materials and stationery.

c. Advertising and publishing in the newspapers and magazines.

d. Subscription to newspapers and magazines.

e. Computers and devices those are capable of technological updating.

إذا خالف صاحب العطاء المقبول عن توقيع العقد في الميعاد المحدد أو نسب لأسباب أخرى دون عنصر جوهري تتعلق بلمحة المناقصات والمزايدات،جاز لرئيس

اللجنة توقع كل أو بعض الجوانب التالية:

أ. حذف اسم صاحب العطاء المقبول من سجل

الموردين ومقدسي الخدمات المعتمد من قبل المركز وبناء التعامل معه لمدة محددة أو

بصفة دائمة.

ب. مصادرة التأمين المؤقت أو النهائي إذا كان قد

تم إيداعه.

ج. أي جزاء آخر يكون منصوصا عليه في شروط

المناقصة.

حالات التعاقد بالأمر المباشر

بكون التعاقد بالأمر المباشر تلبية لحاجة عاجلة ولا

يجوز تجزئة المشتريات أو التعديات بعرض الانضمام

إلى التعاقد بالأمر المباشر. ويجوز التعاقد بالأمر

المباشر في الحالات التالية:

أ. الأثاث والأجهزة المكتبية.

ب. المطبوعات والأدوات المكتبية.

ج. الإعلان والنشر في الصحف والمجلات.

د. الاستناد في الصحف والمجلات.

م. الحسابات الآلية والأجهزة القابلة للتطوير

التكنولوجي.
f. The purchases and services sought to be rendered by a certain technician, specialist, consultant or expert.

g. The items that are monopolized and are urgently required or the simple item whose value does not justify conducting a tender or a negotiated tender.

h. The supplies or items that cannot be supplied except by only one certain supplier.

i. The items whose prices are determined by the governmental entities.

j. The items that are purchased from governmental entities.

In emergency and urgent cases, for the work's benefit and to achieve the Center's objectives and the compliance with the work confidentiality at the Center, The Executive Director has to authorize a contract regardless of the contract's value.

3.2.14. The Provisions and Procedures of Contracting by Direct Order

Before starting the procedures of contracting by direct order, a memorandum should be prepared that clarifies the reasons for contracting by such method and a precise description of the technical specifications of the items/ services subjected to the contract. The said memorandum is to be presented to the concerned authority in order to obtain its approval.

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Akh'am and Executions of the Standard Contract
3.2.15. The Necessity for Determining the Category and Quantity when Contracting or Purchasing by Direct Order

When contracting or purchasing is by a direct order the category and quantity for each item of the supplies must be determined in the supply order.

3.3 Provisions of contract execution

3.3.1. Preparation of the Contract

The contract is to be prepared from two originals and a number of copies, provided that the contract shall include the provisions governing the relation between the two parties, and a schedule of the dates of starting and rendering the services and supplies. The said contract should be signed by the persons duly authorized to sign on behalf of the two parties, and then it should be returned to the preparation entity to be distributed as follows.

a. A duplicate for the supplier or service provider,

b. A copy for the requesting department,

c. A copy for the financial office.

3.3.2. The Period Specified for Supplying or Rendering Service

The specified period for supplying and rendering service shall start from the day following the day of notifying the...
supplier or the service provider of accepting his proposal or the bid except otherwise agreed upon. This notification should include the dates of starting and completing the supplying or rendering the services.

3.3.3. Delay and Violation of the Contracting Conditions

In case of violating the obligation of providing the supplies or rendering the services on the determined dates, the concerned authority may grant the contractor with an additional grace period to complete the implementation, conditional on applying delay charges that shall be determined.

In case the supplier or the service provider violates any of the contracting conditions or neglects any of his obligations, he must be notified of the necessity of remedying the supplies or neglected within fifteen days from the date of notifying him. In case he didn’t fulfill his obligations within this period, or if the delay charges amounted to 10% of the total amount of the supplies and rendering services contract respectively, the approval authority has the right to take any of the following actions according to the RCREEE interest:

a. Terminating the Contract and blocking the disbursement of the supplier/service provider dues at the time of contract termination to give the RCREEE the opportunity to collect its dues of charges or compensations.
b. Ceasing dealing with the supplier/service provider along with claiming the RCREEE dues including price differences and delay charges and any other compensation for any harms caused to the RCREEE.

3.3.4. Exemption from the Delay Fine:

The concerned authority may exempt the contractor from the delay fine based on a request presented by the contractor and approved by the competent authority according to the limits stated in the approved competences and financial and administrative authorities of the RCREEE, moreover, they said request must be accompanied by the justifications which confirm that the delay of supplying or rendering services was out of his hands.