PROCUREMENT POLICY AND PROCEDURES MANUAL

BALKAN INSTITUTE FOR REGIONAL COOPERATION (BIRC)

Abstract

This Procurement Policy and Procedures Manual establish a transparent, fair, and accountable framework for the procurement of goods, services, works, and consultancy assignments by the Balkan Institute for Regional Cooperation (BIRC), ensuring compliance with donor requirements, legal standards, and the principles of value for money, competition, and integrity.

BIRC Institute

Tetovo, North Macedonia

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CHAPTER I 2

GENERAL PROVISIONS 2

CHAPTER II 4

PROCUREMENT PRINCIPLES 4

CHAPTER III 6

GOVERNANCE AND RESPONSIBILITIES 6

CHAPTER IV 7

PROCUREMENT PLANNING 7

CHAPTER V 9

PROCUREMENT METHODS 9

CHAPTER VI 11

PROCUREMENT THRESHOLDS 11

CHAPTER VII 12

PROCUREMENT OF GOODS 12

CHAPTER VIII 14

PROCUREMENT OF SERVICES 14

CHAPTER IX 16

PROCUREMENT OF EXPERTS AND CONSULTANTS 16

CHAPTER X 20

PROCUREMENT COMMITTEE 20

CHAPTER XI 21

EVALUATION PROCEDURES 21

CHAPTER XIII 26

PAYMENTS 26

CHAPTER XIV 27

RECORD KEEPING 27

CHAPTER I

GENERAL PROVISIONS

Article 1

Purpose

The purpose of this Procurement Policy is to establish transparent, fair, efficient and accountable procurement procedures governing the acquisition of goods, services, consultancy services and works implemented by the Balkan Institute for Regional Cooperation (BIRC).

This Policy aims to ensure that all procurement activities:

- comply with donor requirements;
- ensure value for money;
- guarantee equal treatment of all suppliers;
- promote competition;
- prevent fraud and corruption;
- safeguard the reputation and integrity of BIRC.

Article 2

Scope

This Policy applies to:

- institutional funds;
- grants;
- donations;
- contracts;
- co-financed projects;

implemented by BIRC.

The Policy covers procurement of:

- goods;
- services;
- consultancy services;
- expert assignments;
- research services;

- media production;
- communication services;
- event organization;
- travel services;
- IT services;
- publications;
- printing;
- software;
- equipment;
- subcontracting.

Article 3

Applicable Rules

This Policy applies unless donor rules prescribe stricter procedures.

Whenever procurement is financed by:

- European Union
- USAID
- Swiss Agency for Development and Cooperation
- GIZ
- UNDP
- Council of Europe
- Western Balkan Fund
- Journalismfund Europe
- National Endowment for Democracy

or another donor,

their procurement rules shall prevail over this Policy.

Article 4

Definitions

For purposes of this Policy:

Procurement means the acquisition of goods, services or works.

Supplier means any legal or natural person offering goods or services.

Bidder means an applicant participating in a procurement procedure.

Consultant means an individual or legal entity providing intellectual services.

Expert means an individual contracted to provide specialized knowledge.

Value for Money means obtaining the optimal combination of quality, cost and sustainability.

Conflict of Interest means any situation where personal, financial or professional interests may influence impartial decision-making.

CHAPTER II

PROCUREMENT PRINCIPLES

Article 5

Transparency

All procurement procedures shall be conducted openly and transparently.

Information regarding procurement opportunities, evaluation criteria and contract awards shall be documented and available for audit.

Article 6

Equal Treatment

All economic operators shall receive equal access to procurement opportunities.

No supplier shall receive preferential treatment.

Article 7

Competition

BIRC shall encourage fair competition.

Whenever possible, procurement shall involve multiple offers.

Artificial restriction of competition is prohibited.

Article 8

Economy

Procurement decisions shall ensure prudent spending of financial resources.

Article 9

Efficiency

Procurement procedures shall be completed within reasonable timeframes while maintaining quality and transparency.

Article 10

Effectiveness

Procurement shall support successful implementation of project objectives.

Article 11

Best Value for Money

Selection shall not necessarily be based on the lowest price.

Evaluation shall consider:

- quality;
- experience;
- methodology;
- sustainability;
- delivery capacity;
- total lifecycle cost.

Article 12

Accountability

Every procurement decision must be documented.

Each decision shall identify:

- who made the decision;
- why the decision was made;
- supporting documentation.

CHAPTER III

GOVERNANCE AND RESPONSIBILITIES

Article 13

Board of Directors

The Board shall:

- approve this Procurement Policy;
- supervise its implementation;
- review amendments.

Article 14

Executive Director

The Executive Director shall:

- authorize procurement;
- appoint evaluation committees;
- approve procurement reports;
- sign contracts;
- ensure compliance with donor requirements.

Article 15

Project Manager

The Project Manager shall:

- prepare procurement requests;
- draft Terms of Reference;
- verify project budgets;
- supervise contract implementation;
- certify deliverables.

Article 16

Finance Officer

The Finance Officer shall:

- verify budget availability;
- confirm eligibility of expenditure;
- verify payments;
- maintain procurement records.

Article 17

Procurement Committee

The Procurement Committee shall:

- evaluate bids;
- assess technical and financial offers;
- prepare evaluation reports;
- recommend contract awards.

Committee members shall remain independent and impartial throughout the evaluation process.

CHAPTER IV

PROCUREMENT PLANNING

Article 18

Procurement Planning

All procurement activities shall be planned before implementation of a project.

Each project shall prepare a Procurement Plan based on:

- approved project budget;
- work plan;
- implementation schedule;
- donor procurement requirements.

The Procurement Plan shall be approved by the Executive Director before procurement activities commence.

Article 19

Procurement Request

Every procurement procedure shall begin with a written Procurement Request prepared by the Project Manager.

The Procurement Request shall include:

- project title;
- budget line;
- procurement subject;
- justification;
- estimated value;
- proposed procurement method;
- expected delivery date.

No procurement may commence without an approved Procurement Request.

Article 20

Budget Verification

Before initiating procurement, the Finance Officer shall verify:

- availability of funds;
- eligibility of expenditure;
- consistency with the approved project budget;
- donor eligibility rules.

Article 21

Procurement File

A Procurement File shall be opened for every procurement exceeding EUR 500 or whenever required by donor rules.

Each file shall contain:

- Procurement Request;
- Budget Verification;

- Terms of Reference or Technical Specifications;
- Procurement Notice or Request for Quotations;
- Received Offers;
- Evaluation Report;
- Award Decision;
- Contract;
- Deliverables;
- Invoice;
- Proof of Payment.

CHAPTER V

PROCUREMENT METHODS

Article 22

General Rule

BIRC shall select the procurement method according to:

- estimated contract value;
- complexity;
- market conditions;
- donor rules.

The chosen procedure shall ensure proportionality.

Article 23

Direct Procurement

Direct procurement may be used when:

- contract value is below the threshold established by this Policy;
- only one supplier exists;
- emergency situations justify immediate procurement;
- compatibility with existing equipment requires a specific supplier.

The Procurement Request shall contain written justification.

Article 24

Request for Quotations (RFQ)

Request for Quotations shall normally be used for medium-value procurement.

At least **three qualified suppliers** shall be invited whenever possible.

The invitation shall contain:

- description of goods or services;
- technical specifications;
- deadline;
- evaluation criteria;
- contract conditions.

If fewer than three quotations are received, the Procurement Committee shall document the reasons before continuing the evaluation.

Article 25

Public Call

Public Call shall be used whenever:

- procurement exceeds the established threshold;
- donor rules require open competition;
- the market is sufficiently competitive.

The Public Call shall be published through appropriate communication channels, including the BIRC website or other publicly accessible platforms.

Article 26

Restricted Procedure

BIRC may invite a limited number of qualified suppliers when:

- specialized expertise is required;
- the market is limited;
- donor rules permit restricted competition.

The reasons shall be documented.

Article 27

Single Source Procurement

Single Source Procurement may only be used when:

- intellectual property rights prevent competition;
- only one supplier possesses the required expertise;
- continuation of previous work requires the same contractor;
- donor approval has been obtained where required.

The Executive Director shall approve the justification in writing.

CHAPTER VI

PROCUREMENT THRESHOLDS

Article 28

Procurement Thresholds

Unless donor rules prescribe otherwise, the following thresholds shall apply:

Estimated Contract Value	Procurement Method
Up to EUR 500	Direct Procurement
EUR 501 – 5,000	Request for at least three quotations
EUR 5,001 – 20,000	Public Call / Competitive Procedure
Above EUR 20,000	Open Competitive Procedure

These thresholds may be revised by decision of the Board.

Article 29

Artificial Splitting

Procurement requirements shall not be artificially divided into several smaller contracts for the purpose of avoiding competitive procedures.

The Procurement Committee shall assess whether related purchases constitute a single procurement.

Article 30

Framework Agreements

BIRC may conclude Framework Agreements for frequently purchased goods or services.

Framework Agreements shall normally not exceed four years unless justified.

CHAPTER VII

PROCUREMENT OF GOODS

Article 31

General Provisions

Goods shall be procured through fair and competitive procedures.

Typical goods include:

- computers;
- servers;
- cameras;
- audio and video equipment;
- office furniture;
- software;
- printers;
- promotional materials;
- office supplies.

Article 32

Technical Specifications

Technical specifications shall:

- describe performance requirements;
- avoid references to specific brands unless justified;
- permit equivalent products;
- ensure fair competition.

Article 33

Receipt of Goods

Goods shall be inspected upon delivery.

The responsible staff member shall verify:

- quantity;
- quality;
- technical compliance;
- absence of damage.

A Goods Acceptance Certificate shall be signed before payment.

Article 34

Asset Registration

Equipment purchased through donor funds shall be recorded in the BIRC Asset Register.

The register shall contain:

- inventory number;
- description;
- serial number;
- purchase value;
- funding source;
- location;
- responsible staff member.

Article 35

Warranty

Warranty documents shall be archived together with the Procurement File.

Where possible, suppliers shall provide after-sales support and maintenance.

CHAPTER VIII

PROCUREMENT OF SERVICES

Article 36

General Principles

Services shall be procured through procedures ensuring transparency, equal treatment and best value for money.

Services include, but are not limited to:

- consultancy;
- research;
- policy papers;
- legal services;
- financial services;
- translation;
- interpretation;
- graphic design;
- web development;
- software development;
- media production;
- communication services;
- photography;
- video production;
- event organization;

- catering;
- accommodation;
- transportation;
- auditing.

Article 37

Terms of Reference (ToR)

Before commencing any procurement of consultancy or professional services, a Terms of Reference (ToR) shall be prepared.

The ToR shall include:

- background;
- objective;
- scope of work;
- methodology (where applicable);
- expected deliverables;
- implementation period;
- reporting requirements;
- qualification requirements;
- evaluation criteria;
- estimated budget.

The ToR shall be approved by the Project Manager and the Executive Director.

Article 38

Service Contracts

Every consultancy assignment shall be regulated by a written contract specifying:

- scope of services;
- duration;
- deliverables;

- reporting obligations;
- payment conditions;
- intellectual property rights;
- confidentiality;
- termination provisions.

Article 39

Acceptance of Services

Services shall be considered completed only after:

- verification of deliverables;
- written acceptance by the Project Manager;
- approval by the Executive Director.

Payment shall not be made before acceptance.

CHAPTER IX

PROCUREMENT OF EXPERTS AND CONSULTANTS

Article 40

General Rule

Experts shall be selected through an open, transparent and competitive procedure unless donor rules permit otherwise.

Selection shall be based on professional qualifications, experience, methodology and financial offer.

Article 41

Types of Experts

BIRC may engage:

- Researchers
- Policy Experts
- Trainers
- Journalists

- Investigative Journalists
- Editors
- Media Experts
- Election Experts
- Human Rights Experts
- Financial Experts
- Legal Experts
- IT Experts
- Communication Experts
- Graphic Designers
- Video Producers
- Evaluators
- External Auditors

Article 42

Procurement Procedure

The standard procedure shall include:

1. Procurement Request
2. Terms of Reference
3. Public Call or Request for Quotations
4. Submission of Applications
5. Administrative Check
6. Technical Evaluation
7. Financial Evaluation
8. Evaluation Report
9. Award Decision
10. Contract Signature

Article 43

Public Call

Whenever possible, experts shall be selected through a Public Call.

The announcement shall include:

- title;
- background;
- objectives;
- qualification requirements;
- required documentation;
- evaluation criteria;
- deadline;
- submission address.

Article 44

Request for Quotations

When donor rules permit, BIRC may invite at least three qualified experts to submit offers.

The invitation shall contain identical information for all invited experts.

Article 45

Required Documentation

Applicants shall normally submit:

- Curriculum Vitae;
- Technical Proposal;
- Financial Offer;
- Declaration of No Conflict of Interest;
- References;
- Examples of previous work (where applicable).

Article 46

Evaluation Criteria

Typical evaluation criteria include:

Criterion	**Maximum Points**
Education	15

Criterion	Maximum Points
Professional Experience	30
Relevant Assignments	25
Methodology	20
Financial Offer	10

Total: **100 points**

The Evaluation Committee may modify the criteria according to the specific assignment.

Article 47

Financial Evaluation

Financial evaluation shall normally consider:

- total contract price;
- taxes;
- reimbursable costs;
- value for money.

The lowest price shall not automatically win the procedure.

Article 48

Interviews

For highly specialized assignments, shortlisted candidates may be invited for interviews.

Interview scores shall form part of the overall evaluation.

Article 49

Award Decision

Following evaluation, the Procurement Committee shall prepare an Evaluation Report recommending the successful candidate.

The Executive Director shall issue the Award Decision.

Article 50

Notification

All applicants may be informed of the outcome of the procedure.

Upon request, unsuccessful applicants may receive a brief explanation of the evaluation results.

Article 51

Framework Roster of Experts

BIRC may establish and maintain a roster of pre-qualified experts.

Registration in the roster shall not guarantee future contracts.

Experts shall still be selected through competitive procedures whenever required.

CHAPTER X

PROCUREMENT COMMITTEE

Article 52

Appointment

The Executive Director shall appoint a Procurement Committee for each procurement procedure.

Article 53

Composition

The Committee shall consist of at least three members.

Whenever possible, members shall possess expertise relevant to the subject matter.

Article 54

Duties

The Committee shall:

- open applications;
- verify eligibility;
- evaluate technical offers;
- evaluate financial offers;
- prepare the Evaluation Report;
- recommend contract award.

Article 55

Confidentiality

Committee members shall not disclose any information obtained during the procurement procedure.

All documentation shall remain confidential until completion of the procedure.

Article 56

Conflict of Interest

Before commencing evaluation, each Committee member shall sign a Declaration of No Conflict of Interest.

A member who has a conflict shall immediately withdraw from the procedure.

CHAPTER XI

EVALUATION PROCEDURES

Article 57

Opening of Applications

Upon expiration of the submission deadline, the Procurement Committee shall formally open all received applications.

An Opening Record shall be prepared containing:

- procurement reference number;
- procurement title;
- date and time of opening;
- names of committee members;
- list of received applications;
- confirmation of submission deadline compliance.

Late applications shall not be considered unless otherwise permitted by donor rules.

Article 58

Administrative Compliance Check

Before technical evaluation, the Committee shall verify whether each application contains all mandatory documents.

The following documents shall normally be checked:

- Application Form;
- Curriculum Vitae;
- Technical Proposal;
- Financial Offer;
- Declaration of No Conflict of Interest;
- Supporting documents required by the Terms of Reference.

Applications that do not satisfy mandatory administrative requirements may be declared non-compliant.

Article 59

Technical Evaluation

Only administratively compliant applications shall proceed to technical evaluation.

Each committee member shall independently evaluate applications using the approved Evaluation Matrix.

The evaluation shall consider:

- educational background;
- professional experience;
- relevant assignments;
- methodology;
- understanding of the assignment;
- quality of previous work.

Each evaluator shall sign an Individual Evaluation Sheet.

Article 60

Consensus Meeting

Following individual evaluation, the Committee shall hold a consensus meeting.

The Committee shall:

- compare individual scores;
- discuss significant differences;

- agree on final technical scores;
- prepare the Consensus Evaluation Report.

The report shall be signed by all committee members.

Article 61

Financial Evaluation

Financial Offers shall be opened only after completion of the technical evaluation unless donor rules prescribe another procedure.

Financial evaluation shall consider:

- total contract value;
- completeness of the financial proposal;
- compliance with the Terms of Reference;
- cost-effectiveness.

Where appropriate, BIRC may apply the principle of the **Most Economically Advantageous Offer (MEAO)** rather than selecting solely the lowest price.

Article 62

Clarifications

The Procurement Committee may request written clarification from applicants.

Clarifications shall not:

- alter the substance of the proposal;
- introduce new qualifications;
- modify financial offers.

All clarifications shall be documented in writing.

Article 63

Negotiation

Negotiations may only be conducted when:

- permitted by donor rules;
- clearly justified;
- equally applied where appropriate.

Negotiations shall not distort competition.

Article 64

Evaluation Report

The Committee shall prepare an Evaluation Report containing:

- procurement reference number;
- procurement title;
- list of applicants;
- administrative compliance results;
- technical scores;
- financial evaluation;
- ranking;
- recommendation for contract award;
- signatures of committee members.

The Evaluation Report becomes part of the Procurement File.

CHAPTER XII

CONTRACT MANAGEMENT

Article 65

Contract Signature

No work shall commence before the contract has been signed by both parties, unless explicitly authorised under donor rules.

Contracts shall include at least:

- contract title;
- parties;
- scope of work;
- implementation period;
- deliverables;
- reporting obligations;
- payment schedule;
- intellectual property provisions;
- confidentiality;

- termination clauses.

Article 66

Contract Monitoring

The Project Manager shall monitor contract implementation.

Monitoring shall include:

- progress against the work plan;
- quality of deliverables;
- compliance with deadlines;
- communication with the contractor.

Article 67

Amendments

Any amendment to a contract shall:

- be justified in writing;
- be approved before implementation;
- not substantially alter the original scope unless donor approval has been obtained.

Contract amendments shall be signed by both parties.

Article 68

Deliverables

Each deliverable shall be reviewed by the Project Manager.

Deliverables may include:

- analytical reports;
- policy papers;
- research studies;
- manuals;
- training materials;
- publications;
- datasets;
- communication products.

Deliverables shall only be accepted when meeting the quality standards defined in the Terms of Reference.

Article 69

Acceptance Certificate

Acceptance of services shall be documented through an Acceptance Certificate signed by:

- Project Manager;
- Executive Director (where required).

No payment shall be processed without an Acceptance Certificate unless otherwise approved.

CHAPTER XIII

PAYMENTS

Article 70

General Rule

Payments shall only be made after:

- satisfactory completion of contractual obligations;
- approval of deliverables;
- receipt of invoice or payment request;
- verification by the Finance Officer.

Article 71

Payment Schedule

Contracts may include:

- advance payment;
- interim payments;
- final payment.

The payment schedule shall correspond to project implementation and donor rules.

Article 72

Taxes

Payments shall comply with applicable tax legislation.

Where applicable, BIRC shall:

- withhold taxes;
- declare payments to competent authorities;
- issue payment confirmations.

Article 73

Currency

Contracts may be concluded in:

- Macedonian Denars (MKD);
- Euro (EUR);
- other currencies permitted by the donor.

Exchange rates shall follow donor financial rules where applicable.

CHAPTER XIV

RECORD KEEPING

Article 74

Procurement Files

A complete Procurement File shall be maintained for every procurement.

The file shall include:

- Procurement Request;
- Procurement Plan reference;
- Budget Verification;
- Terms of Reference;
- Technical Specifications;
- Procurement Notice;
- Offers;
- Opening Record;

- Evaluation Sheets;
- Evaluation Report;
- Award Decision;
- Signed Contract;
- Amendments;
- Deliverables;
- Acceptance Certificate;
- Invoice;
- Payment Proof.

Article 75

Electronic Archive

All procurement documentation shall be stored electronically in the official BIRC document management system.

Electronic copies shall be protected against unauthorized modification.

Article 76

Retention Period

Procurement documentation shall be retained:

- for a minimum of **seven (7) years** after project closure; or
- for a longer period if required by donor agreements or applicable legislation.

Documentation shall be made available to authorised auditors, donors and competent public authorities upon request.