



Proud Lebanon

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Procurement, Purchasing and Logistics Policy

1. Purpose

This policy outlines the procedures for procurement and logistics management at PROUD Lebanon. It aims to ensure efficient use of resources, transparency, and accountability in our operations. By following these guidelines, we seek to maximize the impact of our limited resources and maintain the trust of our donors and beneficiaries.

2. Scope

This policy applies to all staff members involved in purchasing goods or services and managing logistics for PROUD Lebanon. It covers all procurement activities, regardless of value or type of goods or services being procured.

3. Procurement Guidelines

3.1 Purchase Thresholds

- For purchases under \$500, No formal quotations are required. However, staff should ensure value for money by comparing prices and quality where possible.
- For purchases over \$500: a minimum of three written quotations must be obtained, and the purchase must be approved by the Executive Director. This ensures a competitive process and helps PROUD Lebanon obtain the best value for its resources.

3.2 Approval Process

All purchases, regardless of value, must be approved by the Executive Director.



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3.3 Ethics and Conflict of Interest

PROUD Lebanon is committed to maintaining the highest ethical standards in its procurement processes. Staff members must declare any potential conflicts of interest in the procurement process. This includes any personal or family relationships with potential suppliers. Staff shall not accept gifts, favors, or any form of compensation from current or potential suppliers, as this could compromise the integrity of our procurement decisions. If a staff member has a conflict of interest, they must recuse themselves from the procurement process to ensure fairness and transparency.

3.4 Documentation

Proper documentation is crucial for accountability and auditing purposes. All quotations, invoices, and receipts must be kept on file. These documents should be stored securely for at least 5 years. This allows for proper financial tracking and ensures we can respond to any audit requests from donors or regulatory bodies.

4. Supplier Selection

PROUD Lebanon is committed to responsible and effective supplier selection practices. Whenever possible, we will prioritize local suppliers to support the local economy. This approach not only contributes to the economic development of the communities we serve but also often results in faster delivery times and easier communication.

When evaluating potential suppliers, we will consider multiple factors to ensure we receive the best overall value. These factors include, but are not limited to, price, quality of goods or services, reliability of delivery, and ethical practices. By considering this range of factors, we aim to establish relationships with suppliers who can consistently meet our needs while aligning with our organizational values.



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For items that we purchase frequently, we will maintain a list of approved suppliers. This list will be regularly reviewed and updated based on supplier performance. Maintaining such a list allows us to streamline our procurement process for routine purchases while ensuring we continue to work with reliable and high-quality suppliers.

5. Emergency Procurement

We recognize that there may be situations requiring rapid procurement, such as urgent project needs or disaster response. In these cases, the Executive Director can authorize purchases up to \$5,000 without multiple quotations. However, the reason for emergency procurement must be clearly documented, and all related receipts must be kept. This allows us to respond quickly to urgent needs while maintaining accountability.

6. Documentation and Record Keeping

For each purchase over \$500, we will maintain a simple procurement file. This file should include all quotations received, approvals obtained, and invoices paid. All procurement records must be kept for at least 5 years to ensure we can respond to any future audits or inquiries.

7. Logistics Management

7.1 Inventory Control

PROUD Lebanon will maintain a simple inventory system for office supplies and project materials. This system will help us track our resources effectively and prevent unnecessary purchases or waste. To ensure accuracy, we will conduct physical inventory counts twice a year. These counts will allow us to reconcile our records with actual stock levels and identify any discrepancies or issues that need to be addressed.



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7.2 Asset Management

We will keep a detailed record of all assets valued at \$500 or more. This record will include information such as the asset's description, purchase date, cost, and assigned user. To keep this information current, we will update the asset register annually. During this update, we will review and record the condition and location of each asset. This practice will help us maintain accountability for our resources and plan for future asset needs or replacements.

7.3 Transportation

For all project-related travel, staff members must obtain approval from their supervisor before making any arrangements. When planning travel, we will always seek the most cost-effective option that meets the needs of the project. This may include comparing different modes of transportation or seeking discounted rates where possible. By carefully managing our transportation costs, we can ensure that more of our resources are directed towards our core mission and activities.

8. Ethical Considerations

PROUD Lebanon is committed to ethical procurement practices. We will avoid purchasing from suppliers who are known to exploit workers or engage in unethical practices. This commitment extends to our entire supply chain, and we will make reasonable efforts to verify the ethical standards of our suppliers. If we become aware of unethical practices by any of our current suppliers, we will review and potentially terminate our relationship with them.

In addition to general ethical practices, we require our suppliers to adhere to PROUD Lebanon's key policies and regulations. This includes, but is not limited to, our Prevention of Sexual Exploitation and Abuse (PSEA) policy and our Code of Conduct. We expect our suppliers to understand and comply with these policies, which reflect our commitment to protecting vulnerable populations and maintaining high ethical standards in all our operations.



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During the supplier selection process, we will inform potential suppliers about these policies and include compliance requirements in our contracts.

In addition to social ethics, we will also consider the environmental impact when making procurement decisions. This consideration may include factors such as the energy efficiency of products, the use of sustainable materials, or the carbon footprint of transportation. While we recognize that as a small NGO we may have limited influence, we believe that every decision can make a difference. By prioritizing environmentally responsible options when feasible, we contribute to broader sustainability efforts and set a positive example in our community.

9. Policy Review

To ensure this policy remains relevant and effective, it will be reviewed annually by the Executive Director and Finance Manager. Updates will be made as necessary to reflect changes in PROUD Lebanon's operations or external regulations. All staff will be informed of any changes to the policy.

16/09/2024



PROUD
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