**Accredited Entity: Kreditanstalt für Wiederaufbau**

**Procurement Rules applied in the Programme**

**BAF Procurement Guidelines to be applied by Sub-Projects**

Procurement and financial management will be implemented by NGOs according to BAF’s Grant Procedures Manual, which details all guidelines and rules for procurement, disbursement methods, financial accounting and auditing. BAF’s procurement rules are in line with KFW Procurement Guidelines (“Guidelines for the Procurement of Consulting Services, Works, Plant, Goods and Non- Consulting Services in Financial Cooperation with Partner Countries, January 2019”. Link for download: <https://www.kfw-entwicklungsbank.de/PDF/Download-Center/PDF-Dokumente-Richtlinien/Vergaberichtlinien-2019-Englisch-Internet_2.pdf>.)

Procurement of goods, works and related services and other consulting services for projects funded by GCF will be based on strict ethical principles and best international procurement practices for NGOs, and will conform to BAF’s procurement policy.

The following thresholds apply to all types of procurement for *consulting* services:

|  |  |
| --- | --- |
| **Contract value** | **Procurement method** |
| < EUR 10,000 | Discretionary award (= direct award) |
| EUR 10,000 to EUR 99,999 | Limited competitive bidding/price quotation (at least 3 qualified bidders) |
| ≥ EUR 100,000 | Open competitive bidding |

The following thresholds apply to all types of procurement for *goods and services other than consulting*:

|  |  |
| --- | --- |
| **Contract value** | **Procurement method** |
| < EUR 5,000 | Discretionary award (= direct award) |
| EUR 5,000 to EUR 99,999 | Limited competitive bidding/price quotation (at least 3 qualified bidders) |
| ≥ EUR 100,000 | Open competitive bidding |

**Discretionary award:** Prior to the first direct award, the contracting party will obtain BAF’s no-objection to a standard request for proposal and standard contracts for this type of procurement to be used by the Implementing Partners (NGOs) in the project.

**Limited competitive bidding:** Prior to the first tender, the contracting party will obtain BAF’s no-objection to the standard tender documents and standard contracts. The suitability of the shortlisted bidders must be documented by the Implementing Partners.

**Open competitive bidding:** Implementing Partners will inform BAF as early as possible about their intention to implement open competitive bidding, and are required to provide BAF with the tender documents prior to invitation to tender and the tender evaluation reports for no-objection. Tenders must be advertised in recognized national, regional and international newspapers as well as on the website of German Trade and Invest (GTAI). Prior to the conclusion of contracts, Implementing Partners are required to submit to BAF the negotiated draft contract for no-objection. Exemptions from international bidding (i.e. national bidding) must be agreed by BAF.

All contracts include an agreed declaration of undertaking, following KfW guidelines regarding rules for conflict of interest, corruption and fraud, sanctionable practices, and social and environmental responsibility, as well as safeguards regarding health and working safety.

For all procurement methods relevant documentation to demonstrate compliance must be stored, complying with the relevant legislation of the country. All selection processes must be confidential. While the tender procedure is ongoing neither the Implementing Partner nor Blue Action Fund will release any information on the assessment of the bids or the recommendations on the award of contracts to bidders or to any other persons who are not officially involved in the selection procedure.

**Procurement Guidelines to be applied by BAF for own Purchases**

Procurement of goods, works and related services, and other consulting services shall be based on strict ethical principles and shall conform to Blue Action’s internal procurement policy as described in this section. The procurement of goods, works, and related services as well as other consulting services shall also take account international best practices including KfW’s “Guidelines (see above).

The following thresholds apply to procurement with Public Funds, i.e. funds directly contributed to Blue Action by a government or governmental agency, such as BMZ, KfW, Swedish International Development Cooperation Agency, Agence Française de Développement etc. and would also be applied for procurement with GCF funds:



For Discretionary Awards, Blue Action documents suitability of the contractor for supplying the required goods and other services as well as the technical and financial appropriateness of the bid.

For Limited Competitive Bidding, Blue Action has developed standard tender procedures and standard contracts. The suitability of the short-listed bidders must be documented by Blue Action.

For any Open Competitive Bidding, Blue Action maintains updated documentation or obtains outside advice on specific rules that apply to it.

## Procurement Plan

**Not applicable at this stage of the Program preparation.**

The funds will be provided to carefully selected sub-projects on the basis on a GCF-specific call for proposals (see below). Activities and their procurement methods are not yet defined. Therefore, a procurement plan cannot be elaborated at this stage. Procurement methods are in line with the above mentioned procurement rules, which are in line with KFW Procurement Guidelines (“Guidelines for the Procurement of Consulting Services, Works, Plant, Goods and Non- Consulting Services in Financial Cooperation with Partner Countries, January 2019”. Link for download: <https://www.kfw-entwicklungsbank.de/PDF/Download-Center/PDF-Dokumente-Richtlinien/Vergaberichtlinien-2019-Englisch-Internet_2.pdf>.)

**Project Selection Cycle**

Subject to approval of GCF funds, the BAF will launch a call for proposals, based on the GCF investment criteria and policies and on the specific eligibility criteria for this EbA-Programme.

Eligible project proponents will be international and national NGOs with a proven track record regarding ecosystems and ecosystem services in coastal and marine areas and with regional long-term experience of working with countries in the WIO region. NGOs also have to demonstrate sufficient implementing capacity, implementing experience in projects with local communities and authorities, as well as with necessary safeguards, especially with regard to Environmental and Social Safeguard Requirements. They have to demonstrate a sufficient financial strength and fund at least 25% of the total project costs (“match funding”). In addition, NGOs have to demonstrate experience with tender procedures of international donors.

The entire BAF funding mechanism is demonstrated in the following graphic (see also section B.4. – Implementation Arrangements).

