



Procurement Policy

Libyan Investment Authority

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1. Overview

The Libyan Investment Authority (“LIA”) may at times source goods and services from external vendors. Such procurement of goods and services requires a clear and consistent framework for decision-making.

The Procurement Policy aims to:

- Define and establish adequate principles, rules and standards to regulate the procurement of goods and services made by or on behalf of the LIA;
- Standardise and structure all purchasing processes and sourcing strategies; and
- Ensure that the goods and services acquired are a result of a transparent, robust and cost-effective decision-making process.

1.1. Scope of Applicability

This Policy shall apply to any purchase of goods or services made by the LIA to support the regular functioning of the organisation. This Policy applies to all procurement types, namely:

- Minor Purchasing – the process supporting the procurement of services or tangible items (such as equipment or material) whose value is below LYD 5,000;
- Major Purchasing – the process supporting the procurement of goods or services (such as specific professional services / consulting projects) whose value is above LYD 5,000.

Investment transactions do not fall within the scope of this Policy and are managed by the Investment Directorate.

All LIA employees must comply with the Procurement Policy (see Appendix A for the full definition of ‘employees’). This Policy and the employees to whom it applies are bound by the LIA’s Code of Conduct.

1.2. General principles

1.2.1. Effectiveness and efficiency

The procurement process shall be conducted such that the LIA’s resources are used in a way that maximises value for money. In addition to price competitiveness, additional factors must be considered, including but not limited to:

- The quality of the goods or services to be provided;
- The proposed timeframe for the goods or services' delivery; and
- The historical performance records of the potential vendors in delivering similar goods or services at a high quality (if applicable).

1.2.2. Ethical and fair treatment

All ethical norms identified in the LIA's Code of Conduct shall apply to all procurement activities.

All vendors shall be treated with fairness and shall be given the same information when applying for tenders. Their offers shall be evaluated based on their technical, financial and legal qualifications.

Employees shall not disclose to any person any information regarding the quotations or proposals submitted to the LIA, except for persons assigned to complete the procurement and contracting processes in a manner that does not conflict with the rules of the LIA's Code of Conduct.

All parties involved in the Procurement process should not have any conflict of interest that can arise from business interests, family, etc.

As such, all parties undertake to declare any conflict of interest to the Officer of Compliance and ensure that procurement are conducted to the highest standards of integrity, carrying out duties impartially and fairly and refraining from any suspicion of fraud and corruption.

1.2.3. Transparency and accountability

The procurement process shall be detailed and documented in a manner that facilitates the appropriate review of procurement activities as described in this Policy. Responsibilities and accountabilities related to procurement activities are outlined in this document.

1.3. Legislative Compliance

All procurement activities should comply with the following legislations:

- Law No. (13) of 2010 regulating the Libyan Investment Authority; and
- Law No. (19) of 2013 regarding the reorganisation of the Audit Bureau and its amendments with a focus on enhancing the principles of transparency in contracting.

2. End-to-end Procurement Process

All purchases of goods and services must be done in an open and competitive environment to ensure receiving good value for money. Below is an outline of the key steps required each

time a purchase is made. Please refer to Appendices C and D for the end-to-end procurement process charts.

The Procurement Section provides support at any step of the procurement process in accordance with the mandates assigned to it under this Policy.



2.1. Planning



The first step in procurement is determining the needs and requirements of goods or services for the LIA.

Each LIA Department shall develop a Department Annual Procurement Plan (“DAPP”) outlining procurement requirements for the following year. The DAPPs cover a list of known or anticipated purchasing or strategic procurement requirements over the next calendar year, defining the services and goods to be sourced, jointly with the anticipated budget and delivery timeframes. The DAPPs are to be developed and submitted using the template provided by the Procurement Section.

The Procurement Section shall consolidate the DAPPs across departments into a LIA Annual Procurement Plan (“LAPP”). Once developed, the LAPP shall be submitted by the Head of Administrative Services Department to the Director of Operations for approval. The LAPP shall be aligned with the LIA’s Annual Budget preparation and approval process as managed by the Finance Directorate. The LAPP shall be reviewed and updated quarterly in order to reflect actual purchases against the approved budget, in case any variances arise in the estimated budget.

In all cases, the LAPP must be included in the LIA’s annual estimated budget approved by the BoT in accordance with the provisions of Law No. (13) of 2010 regulating the Libyan Investment Authority.

To initiate the procurement of goods or services covered in the LAPP, a Purchase Request form is to be completed by the Requesting Department or end-user. The following conditions must be followed when completing a Purchase Request (“PR”):

- LIA Departments requesting a purchase should fill in a PR form, including the purpose of the purchase, as well as all the required goods or services' specifications (e.g. quantity, size, etc.); and
- This form shall be signed off by the Head of the Requesting Department.

Cancellation or change of a PR must be communicated to the Procurement Section as soon as possible.

For the procurement of goods or services not included in the LAPP, a Special Purchase Request form is to be completed by the Requesting Department or end-user. The following conditions must be followed when completing this special Purchase Request form ("SPR"):

- The SPR form should include the purpose and the business case of the purchase, as well as all the required goods or services' specifications (e.g. quantity, size, etc.);
- This form shall be signed off by the Head of the Requesting Department; and
- This form shall be shared with the Director of Operations for approval (for purchases whose value is below LYD 20,000) or the CEO (for purchases whose value is exceeding LYD 20,000).

Once the PR and/or SPR are approved by the relevant party as explained above, the procurement process provided in the following steps is to be carried out.

2.2. Sourcing



Once requirements are determined and approved, the next step is to identify potential sources for the acquisition of the goods or services required.

2.2.1. Qualified Vendors List

The Procurement Section will prepare and update a Qualified Vendors List ("QVL") of potential vendors that meet specific requirements set by the LIA. These qualification requirements include, but are not limited to the vendor's:

- Financial reliability (i.e. their financial condition / strength);
- Track record and contracting experience (e.g. through references from previous clients);

- Market reputation (e.g. rankings in professional websites, press articles);
- Capability to deliver the required goods or services;
- Compliance with environmental and social regulations; and
- Previous performance in cases of prior engagements with the LIA.
- Compliance with qualification requirements in accordance with the approved Administrative Contract Regulations in Libya.

Note: Meeting the qualification requirements does not guarantee the vendor any business transactions with the LIA.

The Procurement Section shall update the QVL every six months.

The QVL will include both vendors with existing or previous contracts with the LIA (whose performance is satisfactory) and those who have met the qualification criteria set by the LIA through previous tendering processes (but may not have contracted with the LIA yet).

2.2.2. New Suppliers

When goods or services are not offered by any vendors on the LIA's QVL, the LIA shall identify new vendors and ensure they meet the vendor qualification requirements as set out above for the specific goods or services required. The extent and depth of the qualification process will depend on the type and value of the goods or services required and will be managed by the Procurement Section.

2.3. Quote / Proposal Collection



To ensure cost-effectiveness and best value for money, quotes and/or technical proposals must be requested from all potential vendors. The process for doing so differs for goods or services whose value is below LYD 5,000 (Minor Purchase Process) and those whose value is above LYD 5,000 (Major Purchase Process).

2.3.1. Minor Purchase Process

For goods or services whose value is below LYD 5,000, the LIA must run the minor purchase process as explained below:

- If the goods or services have been purchased before and if the vendors have performed well in the past, the Procurement Section shall review previous vendor's quotes or contracts and seek to obtain updated quotes, if required; or
- If the goods or services have never been purchased before or if the LIA does not have pre-qualified vendors with satisfactory performance, the Procurement Section shall research potential vendors (that meet the LIA's vendor qualification requirements) and seek to obtain quotes / technical proposals for evaluation.

2.3.2. Major Purchase Process

2.3.2.1 Introduction

For goods or services exceeding LYD 5,000 (whether purchased regularly or for the first time), the LIA must run a competitive bids process. This process can be managed by either the Procurement Section (for goods or services between LYD 5,000 and LYD 100,000) or by a standing Bidding Committee (for goods or services exceeding LYD 100,000).

2.3.2.2 Bidding Committee

A. Formation

For all purchases of goods or services whose value exceeds LYD 100,000, a permanent Bidding Committee shall be established by the CEO to conduct the tendering processes. This Committee shall be formed of the Head of Administrative Services Department (Chairman), a representative member from the Legal Affairs Directorate, a representative member from the Finance Directorate, and a representative member from the Information Technology Department. The CEO can invite one or two members from the relevant technical department in cases where their technical expertise is needed (e.g. Hiring process for Investments Consultants).

B. Role and responsibilities

The Bidding Committee is responsible for overseeing the tendering process, including receiving, evaluating and taking all necessary actions required to process the bids submitted by bidders. The relevant technical department members invited by the CEO shall join the Technical Bids Evaluation only (bids process outlined in Section 2.4.2).

C. Meeting procedures and decision making

The meetings of the Committee shall be valid by attendance of majority of members with the decisions to be passed by majority of votes. In case of a tie, the chairman of the Bidding Committee shall have the casting vote.

The Bidding Committee shall issue minutes and documentation while conducting the tender process. This documentation shall include the Bid Conditions and Specifications ("BCS") received by vendors, including details such as their terms of reference, timelines, as well as actions taken by the Bidding Committee during the tendering process. They shall also

highlight the results of the technical and commercial assessment of the proposals along with the Committee's final recommendation and all the documentation of the proposal's evolution during the negotiation. This shall also include the criteria on which the final recommendation is based, as well as any discarded proposals from vendors.

2.3.2.3 Bid Mechanism

Depending on the type of purchase, the Procurement Section or the Bidding Committee may need to hold a limited tender or public tender to obtain relevant quotes / proposals from potential vendors or to assign works to vendors through a direct commission process.

A. Limited tender

The limited tender is the appropriate procurement method according to the nature of the LIA's work used for acquiring goods and services. It is restricted to entities and people selected from those listed in the LIA's QVL or others specialized in the type of activity or services required. The LIA must ensure that it requests proposals from the most qualified vendors.

Limited tenders are used in the following cases:

- Business and supplies that are made or imported from abroad and that exist only with certain persons or companies;
- The procurement is confidential;
- Professional services such as consulting services, external audit, legal services, etc.; or,
- Extension of existing major contracts with vendors who perform well or outperform, when looking for a competitive price.

An adequate number of vendors (not less than four) shall be invited to participate in any tender process.

Before inviting the vendors to the limited tender, the Bidding Committee (for goods or services whose value is larger than LYD 100,000) or the Procurement Section shall ensure they:

- Prepare a BCS, in collaboration with the Requesting Department, covering the required scope of goods or services along with the technical specifications and competencies needed;
- Develop the Bids Evaluation Criteria and the weightings of each criterion; and,
- Make the bid documents available.

The following details shall be included in the tender announcement:

- Summary of the tender's subject, requirements and conditions;
- Date by which proposals must be submitted;
- Timeline required to provide the goods or services requested;
- The entity to which the proposals must be submitted;
- Bid bond to submit a proposal: 1% of the estimate value of works, services and supply tenders (as appropriate);
- Performance bond (to ensure good performance) when awarding: 5% of the value of works, services and supply tenders (as appropriate);
- Classification category of vendors who are eligible to bid; and
- Other data that the Bidding Committee or the Procurement Section deem fit to be added to the announcement.

The deadline by which proposals must be submitted (typically between two and four weeks) depends on the urgency and nature of the purchase and must be set by the Procurement Section or the Bidding Committee.

In case no responses are received to the limited tender, the process must be reconducted as soon as possible.

B. Direct Commission

Direct commission is made through direct contact with a vendor from those listed in the LIA QVL. Direct commission is used in the following cases:

- Exceptional cases such as:
 - Performance of urgent maintenance work or purchase of material necessary for an urgent case;
 - Performance of urgent consulting services;
 - Monopolised materials or materials which are only available with certain persons or entities; or
 - Extensions of existing contracts with vendors who have performed well in previous engagement or that would create risk if tendered to other parties. Existing contracts can only be extended up to a maximum of two times. Beyond that, the tender process must be reconducted.

These cases require approval from the Director of Operations under delegation from the CEO for goods or services whose value is below LYD 100,000 and from the CEO for goods or services whose value exceeds LYD 100,000.

- Spare parts when purchasing from the original manufacturer or its certified agent.

C. Public tender

A public tender allows anyone to submit a tender to supply the goods or services required and provides the greatest competition among vendors. The tender may be national (if there are at least three vendors with relevant expertise and competency in the field of work or services to be performed) or international (announced locally and abroad).

The LIA may conduct a public tender by announcing local and international public tenders as follows:

- The local public tender shall be announced by publishing in the local media. Additionally, tenders may be advertised through indoor billboards at the LIA premises.
- International tenders shall be announced by publishing in local and international media and on the LIA website. Libyan embassies abroad shall - at their request - be provided with the tender's conditions, specifications, lists and appendices by direct emails.

In case no bidders participate in the public tender, the tender process must be reconducted.

2.4. Evaluation, Negotiation and Decision



Once vendors' quotes / technical proposals have been received, technical and commercial evaluations shall be undertaken.

2.4.1. Bid Evaluation Criteria for Minor Purchase

The Procurement Section shall select the preferred vendor based on an evaluation of the quotes / technical proposals received or the existing contract in place. This evaluation must be based on both competitive pricing but also a review of whether the technical requirements of the goods or services to be purchased are met by the vendor.

The Procurement Section must thereafter notify the Accounting & Payables Section¹ to process the purchase.

Once the approval is given, the Procurement Section shall notify the selected vendor by issuing an awarding letter. The Legal Affairs Directorate shall then carry out the contracting process if required (outlined in Section 2.5).

2.4.2. Bid Evaluation Criteria for Major Purchase Process

Depending on the type of the purchase, the Procurement Section or the Bidding Committee shall carry out the process of evaluating the bids in an objective manner. In cases where specific technical expertise is required, they may conduct the technical evaluation in collaboration with the relevant technical department members appointed by the CEO. The technical evaluation shall be based on the following objective criteria (where relevant – to be modified according to the specific bid at hand as appropriate):

- Technical merits of the offered goods or services;
- Technical support and spare part availability;
- Compatibility with existing systems of the LIA;
- Personnel skills and experience;
- Design and development capabilities; and
- Ability to meet the specified timeframes.

To ensure transparency and fairness among all vendors, the Procurement Section in coordination with the Requesting Department (in cases where their technical expertise is needed) or the Bidding Committee (depending on the type of the purchase) shall pre-define the weightings of each evaluation criterion prior to floating the RFP.

To ensure an independent evaluation, the members of the Bidding Committee or the Procurement Section shall score all technical criteria independently, and then discuss and agree on a single score for each criterion.

The commercial evaluation must be conducted only once the technical evaluation is complete. This shall be done independently from the Requesting Department or the relevant technical department members appointed. No information relating to the commercial assessment may be disclosed to either the bidders or to other persons who are not part of this process until

¹The Accounting & Payables Section is a section under the Financial Accounting & Control Department in Finance and is responsible for processing payments.

the selected vendor is notified. No vendor shall be invited or permitted to modify its bid at this stage.

Any vendor who scores less than 50% in the technical evaluation shall be disqualified. If the highest price is 50% higher than the second highest, then the vendor with the highest price is disqualified.

Once the Bids evaluation is complete, the Bidding Committee or the Procurement Section may request to negotiate the vendors' proposals before making a final decision.

For purchases whose value is between LYD 5,000 and 50,000, the Procurement Section shall submit their recommendation of the preferred vendor to the Head of Admin Services Department under delegation from the CEO for sign-off before sending it to the Accounting & Payables Section for processing the payment. For purchases whose value is between LYD 50,000 and 100,000, the recommendation of the preferred vendor shall be submitted to the Director of Operations after receiving the delegation from the CEO.

For purchases of LYD 100,000 and above, the Bidding Committee submits their recommendation to the CEO. For any expenditures beyond LYD 500,000, the Board of Directors is responsible for the final approval.

For all cases stated previously, and once the required approvals are in place, the Procurement Section shall notify the selected vendor by issuing an awarding letter. Following that, the Legal Affairs Directorate shall carry out the contracting process.

The Procurement Section shall also notify unselected vendors by issuing a regret letter which includes information on how a vendor has scored in comparison to the selected vendor and the areas in which their tender has scored less well. This should provide vendors with sufficient information to assist organisations to improve their submissions for any future tenders.

Unselected vendors can request further feedback from the LIA. If they are still dissatisfied with the LIA's responses, they can report the grievance to the Procurement Section of the LIA. Upon receipt of the vendor's grievance, the Head of the Admin Services Department shall form a team of three members to investigate the grievance. The team shall have at least one member from the Procurement Section and one member from outside the Procurement Section. The investigating team may seek additional information from the vendor or other entity within the LIA to conduct a fair and transparent investigation. The Head of the Admin Services Department reviews the report, seeks any additional clarification necessary from the investigating team and then reports the outcome to the vendor.

2.5. Contracting



The Legal Affairs Directorate shall then undertake the contracting process with the selected vendor following the below guidelines and conditions.

2.5.1. General contracting management guidelines

- The Legal Affairs Directorate shall be responsible for the development, management, and amendment of contracts.
- The LIA must issue all contracts which shall include the LIA's standard contractual terms and conditions as defined by the Legal Affairs Directorate. However, the LIA may be open for negotiation with vendors or may sometimes agree to use vendors' contracts after getting the approval from the LIA's Legal Affairs Directorate.
- For all contracts, the vendors shall be assigned a relationship owner, who shall hold the overall responsibility of managing the vendor relationship and ensuring that the goods or services comply with the contract. The relationship owner will be appointed by the Requesting Department Head for purchases whose value is below LYD 100,000 and by the CEO for the purchases whose value is above LYD 100,000.
- All contracts and their associated documents (both paper and soft copies) must be duly recorded following the Legal Affairs Directorate's processes and kept in a safe place where they can be easily retrieved.
- The LIA may also engage with a vendor using a letter of engagement which serves as a contract and is a legally binding written agreement that describes the business relationship and sets expectations for both parties.

2.5.2. Vendors' contractual obligations

Any vendor contracting with the LIA shall comply with specific requirements and obligations. (Please refer to the Legal Affairs Directorate for the contracting requirements).

2.6. Payment



The purchase of goods or services shall be made primarily through cheques or bank transfers.

2.6.1. Cheques or Bank Transfers

All purchase of goods or services from local vendors must be settled by a cheque. The purchase of goods or services from outside Libya must be settled by a bank transfer. Both the cheques and bank transfers are carried out by the Accounting & Payables Section according to the payment terms agreed with the vendor.

2.6.2. Petty Cash

Petty Cash may only be used for paying employees' minor expenses when necessary. (Please refer to the Expense Policy for more details).

2.6.3. Advance Payment

Some vendors may require advance payment from the LIA. In such cases, a guarantee letter issued by a commercial bank operating in Libya and valid until the date of final account settlement may be required by the LIA when it disburses advance payment based on vendors' request. Advance payments made by the LIA shall not exceed 15% of the contract value. This amount may be increased in special circumstances and with the approval of the Board of Directors but may not exceed 25%. Advance payments may be disbursed in instalments as per the guarantee letter's value. This letter shall include a provision allowing the decrease of its value as equivalent to the advance payment. The advance payment shall be recovered from amounts due to the vendor at percentages equal to the recovery guarantee by the end of the contract.

2.7. Performance Management



All procured goods and services will be subject to a quality and performance review by the LIA.

The Procurement Section, in coordination with the Requesting Department, shall develop specific vendor performance evaluation criteria which must be used to assess vendors' performance throughout their engagement. The frequency of performance evaluation depends on the length of the contract and the type of the purchase and shall be defined by the Procurement Section. The vendor performance evaluation criteria shall cover (but is not limited to):

- The provision of goods or services based on the contract's specifications (e.g. quantity, functioning, deliverables, etc.);
- Compliance with the LIA's requirements, such as delivery time of the goods or services;
- The quality of customer service;
- Longer-term relationship potential; and
- Compliance with environmental and social regulations.

Vendor performance evaluations must be carried out by the Procurement Section using these predefined criteria. All records of performance evaluations shall be maintained by the Procurement Section with restricted access and not to be shared with vendors.

Should vendors consistently fail to meet certain criteria, the LIA may decide to remove those vendors from their qualified vendors list and/or cancel the contract according to the contract's terms. The final decision for blacklisting such vendors lies with the CEO.

3. Surplus Inventory Selling Process

The Procurement Section shall keep records of the LIA's inventory of goods and materials. In case of surplus inventory which has become old, unusable, non-functional or obsolete, the LIA may decide to sell these goods or materials in accordance with the law.

This is done through a public auction conducted by the Bidding Committee and is subject to approval by the Board of Directors.

Once a year, the Bidding Committee shall oversee the scrapping process for machineries, materials and objects that are to be sold or disposed of. The Committee shall outline the conditions of each item/good to be sold and set an estimated price for it. The Bidding Committee shall then conduct the auction process through a live auction or by evaluating proposals submitted by bidders in sealed bids.

In all cases, auction bidders shall be given the chance to inspect items and materials being sold. The Committee shall provide the bidders with information about the items to be sold including their detailed specifications (whilst omitting their price).

The Bidding Committee shall provide the Procurement Section with all the sale details which they must record and keep in a safe place where they can be easily retrieved.

(Please refer to the Legal Affairs Directorate for more details).

4. Governance

4.1. Roles in procurement activities

Entity	Role / responsibilities
Procurement Section	<ul style="list-style-type: none"> • Develop procurement tools and templates • Support Departments with the development of their DAPPs • Consolidate DAPPs into LAPP • Prepare and update LIA's Qualified Vendors List • Conduct research to collect quotes for minor purchases (less than LYD 5,000) • Notify the Accounting & Payables Section to process minor purchases (less than LYD 5,000) • Conduct competitive bids process for goods or services whose value is between LYD 5,000 and 100,000 • Submit the preferred vendor recommended the Head of Administration Services Department (for purchases whose value is between LYD 5,000 and 50,000) or to the Director of Operations (for purchases whose value is between LYD 50,000 and 100,000) for sign-off • Issue awarding letter for all purchases to notify selected vendors • Issue regret letter to notify unsuccessful vendors • Conduct vendor performance evaluation

	<ul style="list-style-type: none"> • Develop a monthly procurement report (outlined in Section 5) • Conduct monthly meetings with the Bidding Committee regarding ongoing activities
Requesting Department / user	<ul style="list-style-type: none"> • Fill Purchase Request or Special Purchase Request Forms • Head of Requesting Department should sign off the PR and SPR Forms • Work with Procurement Section or Bidding Committee when a technical bids evaluation process is undertaken if required • Head of Requesting Department should assign the contract relationship owner for goods or services whose value is below LYD 100,000
Head of Admin Services Department	<ul style="list-style-type: none"> • Submit the LAPP to the Director of Operations for approval • Chair the Bidding Committee • Sign-off the preferred vendor recommended by the Procurement Section for purchases whose value is between LYD 5,000 and 50,000 • Manage any disputes from unsuccessful vendors
Director of Operations	<ul style="list-style-type: none"> • Approve LAPP and conduct quarterly review • Approve SPRs (requests for goods / services not included in LAPP) for purchases whose value is below LYD 20,000 • Approve by a delegation from the CEO the Direct Commission contracting for exceptional cases (outlined in section 2.3.2.3) for purchases whose value is below LYD 100,000 • Sign-off the preferred vendor recommended by the Procurement Section for purchases whose value is between LYD 50,000 and 100,000 • Review Procurement Policy, submit to the CEO, and present to the BoD for approval

Bidding Committee	<ul style="list-style-type: none"> • Run tendering process, evaluate bids and recommend preferred vendor to the CEO (for goods or services whose value is between LYD 100,000 and 500,000) or the Chairman of the Board of Directors (for goods or services whose value is above LYD 500,000) • Issue minutes based on the tendering process (including proposals received by vendors, details such as their terms of reference, timelines, actions taken by the Bidding Committee during the tendering process, and bids evaluation outcomes) • Conduct the selling process of surplus inventory (goods or materials)
Finance Directorate	<ul style="list-style-type: none"> • Include LAPP in the LIA Budget to be endorsed by Board of Trustees • Accounting & Payables Section shall carry out payments through bank transfer or bank cheque
CEO	<ul style="list-style-type: none"> • Approve SPRs (requests for goods / services not included in LAPP) for purchases whose value is above LYD 20,000 • Establish the Bidding Committee • Approve the Direct Commission contracting for exceptional cases (outlined in section 2.3.2.3) for purchases whose value is above LYD 100,000 • Approve the Bidding Committee recommendation for purchases between LYD 100,000 and LYD 500,000 • Assign contract relationship owner for purchases whose value is above LYD 100,000 • Delegate the Director of Operations and the Head of Admin Services Department to complete the purchase processes whose value is less than LYD 100,000 and which are within their mandates according to this Policy.
Chairman of the Board	<ul style="list-style-type: none"> • Sign contracts in his capacity as the legal representative of the LIA and being the authorised signatory under Law 13 of 2010

Board of Directors	<ul style="list-style-type: none"> • Request to issue the award after adopting the recommendations of the Bidding Committee, or reverting to the Bidding Committee to perform any of the following: <ul style="list-style-type: none"> ○ Re-announcing a Bid; ○ Requesting final proposals from the vendors with the highest scoring proposals with a view of obtaining better contracting conditions financially and technically; or ○ Request to conduct an additional bid evaluation using different criteria weightings. • Cancel the Bid with relevant reasons explained • Approve the Procurement Policy • Approve expenditures above LYD 500,000 • Approve the public auction process for the selling of surplus inventory
Board of Trustees	<ul style="list-style-type: none"> • Endorse the LIA Budget (including the LAPP)

4.2. Conflict Resolution

The owner of this Policy is the Head of the Admin Services Department. All inquiries and matters relating to this Policy should be addressed to him or her. The owner is responsible for the resolution of any disputes or claims arising from this Policy.

In case any disputes arise internally from the implementation of the Procurement Policy, the Libyan laws are applicable through Libyan Courts and Jurisdiction. In case any disputes arise with vendors, the law applicable is the one that applies to the signed contract.

All employees shall report any deviations thereof to the Administrative Services Department.

5. Reporting

All Procurement activities shall be documented through written records. As detailed in this Policy, there are two types of reporting:

- By the Procurement Section: focused on vendor qualification lists, records of contracts, LAPP, procurement transaction records; and

- By the Bidding Committee: highlighting the assessment and selection approaches of the process conducted, meeting minutes and final recommendations.

Furthermore, the Procurement Section is responsible for the consolidation of a monthly purchase report, reporting to the Head of the Admin Services Department who addresses the report directly to the Director of Operations. This procurement report shall allow the LIA to demonstrate how its procurement activities deliver value for money and provide a snapshot of the effectiveness of the purchases in relation to the APP, and in particular the gaps between budget and actual purchases.

6. Review of Policy

The Head of Administrative Services Department shall submit the Procurement Policy to the Director of Operations for review who shall subsequently obtain the approval of the CEO. The CEO shall then recommend the Policy to the Board of Directors for approval.

The Administrative Services Department, in collaboration with the Legal Affairs Directorate, shall study and review the contents of the Policy at least every year or as needed to account for changes in the Libyan law, international standards or the LIA itself.

7. Appendices

Appendix A: Definitions

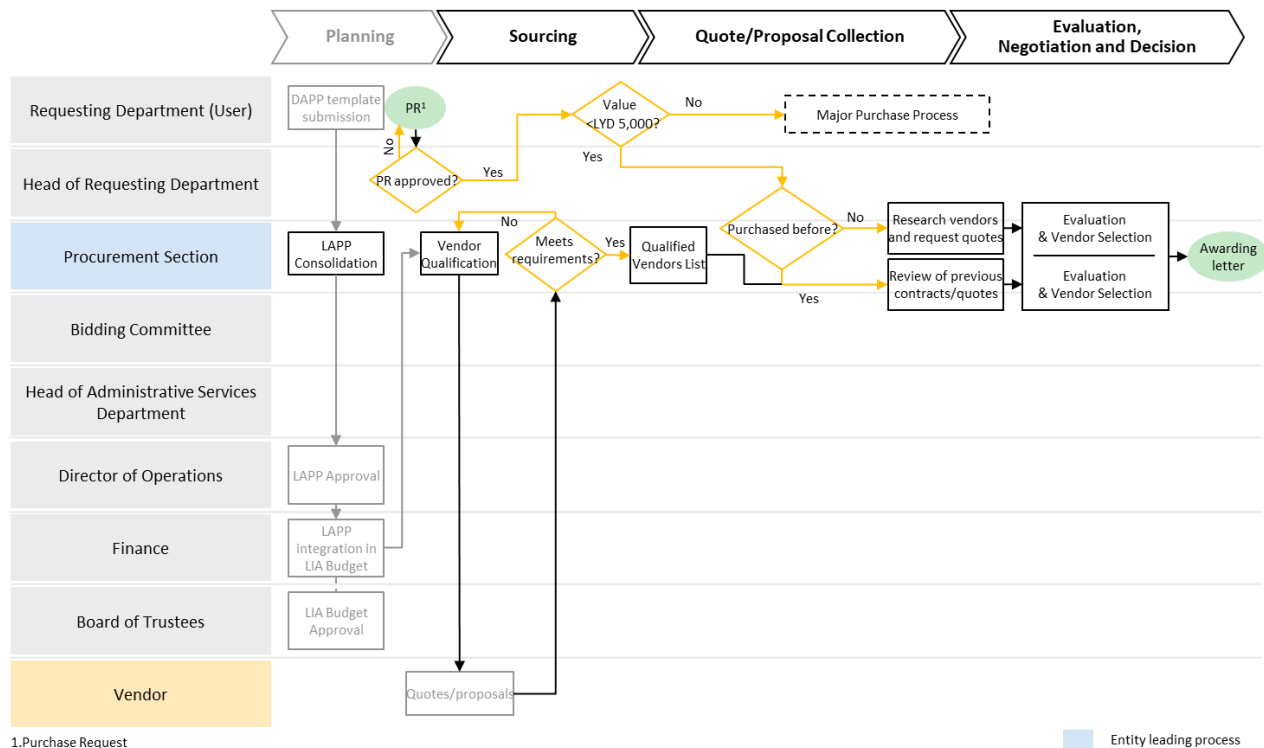
In this document, the following definitions apply unless the context clearly requires otherwise:

- “BoD” refers to the Board of Directors of the Libyan Investment Authority
- “CEO” refers to the Chief Executive Officer of the Libyan Investment Authority
- “DAPP” refers to the Annual Procurement Plan of the Department
- “Employee” means any person working for the LIA and includes full time, part time, probationary, contract/temporary staff, trainees or consultants at the LIA, as well as the Compliance officers, the Board of Directors, and other senior leaders within the organisation
- “LAPP” refers to the Annual Procurement Plan of the Libyan Investment Authority
- “LIA” refers to the Libyan Investment Authority
- “PR” refers to Purchase Request which is a formal request filled by the Requesting Department / User for acquiring goods or services
- “RfP” refers to the Request for Proposal which is an invitation floated to potential/qualified vendors to submit their detailed technical and financial proposals in relation to the required goods/services
- “SPR” refers to the Special Purchase Request which is a request form filled by the Requesting Department / User for acquiring goods or services not included in the LAPP
- “Vendor” refers to the counterparty in any procurement transaction with the Libyan Investment Authority

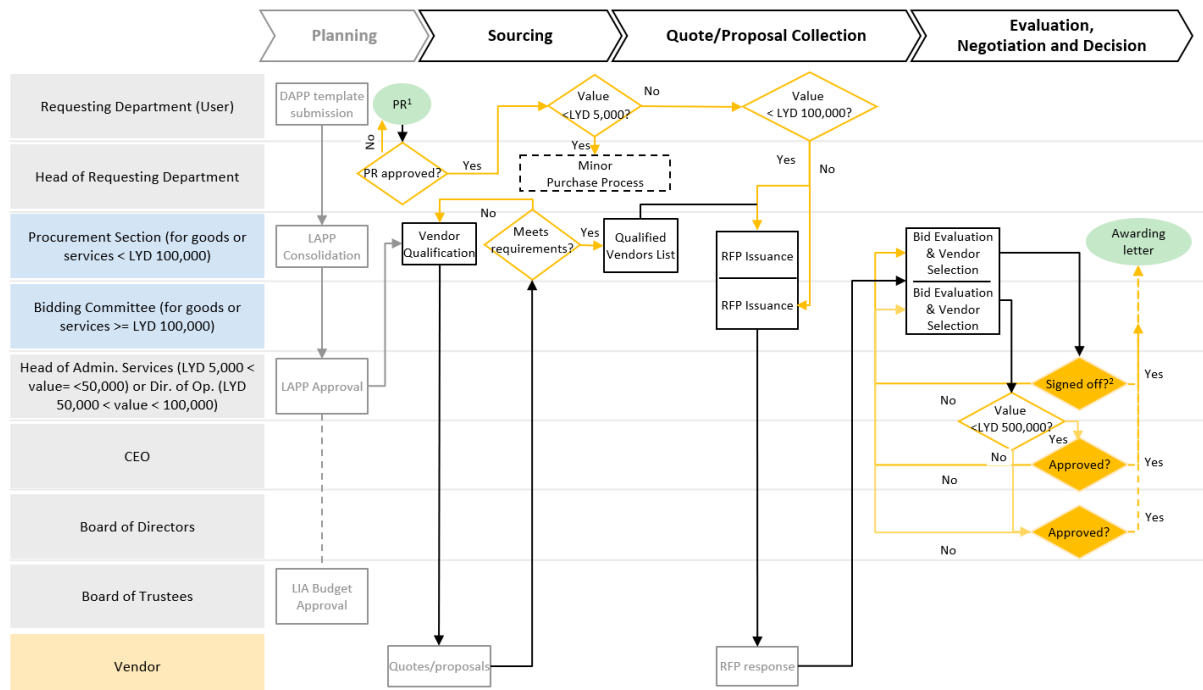
Appendix B: Forms to be developed by the Procurement Section

- DAPP
- LAPP
- PR
- SPR
- RFP template
- Vendor Performance Evaluation

Appendix C: End-to-end procurement cycle process – Minor Purchase



Appendix D: End-to-end procurement cycle process – Major Purchase



1. Purchase Request; 2. The CEO is to delegate the authority to sign-off purchases between LYD 5,000 – LYD 100,000 to Head of Admin. Services and Director of Operations

Entity leading process