



DOCUMENT TITLE	Invitation to tender MAG/2009/03/Freight and Warehousing	DOCUMENT REFERENCE	CSS/ITT/003
AUTHOR	Peter Wright	DATE	11/06/2009
ISSUE	1	DOCUMENT TYPE	Invitation to tender

MAG - General purchasing conditions

These general purchasing conditions are applicable to contracts for supplies, services or works provided by companies, suppliers, consultants or their sub-contractors for amounts exceeding 60 000 USD per year. These conditions constitute the reference document for the administrative and financial management of the contract. They specify the reports, and administrative and financial obligations of the two signatories of the contract(s). They form an integral part of the contract and are assumed to be accepted by the contracted party by his/her signature.

1. Placing an order

An order is considered to be formally placed once the acknowledgement of receipt of the order has been received by Mines Advisory Group (MAG)

The contractual documents should include, as a minimum, and in descending order of priority:

- The purchase order form
- The price proposed by the supplier (quotation)

And, where appropriate:

- The specific conditions for the order

2. Payment conditions

The prices are firm and may not be revised unless otherwise indicated on the order or in the specific conditions negotiated during the contracting process.

In the absence of any other negotiated and accepted provision, the payment conditions are:

- Once the object of the contract has been delivered, 100 % by bank transfer 30 days after receipt of the invoice, at the end of the month.

3. Deadlines – late delivery penalties

The dates for delivery are given on the order. They are firm and may not be revised without the written agreement of the party having placed the order (MAG).

If the deadlines are not kept, late delivery penalties will be applicable to all or part of the contract. These will run from the sixth working day after the expiry of the deadline specified in the contract. They are fixed at 0.1 % of the total amount of the item or service subject to delay, and for each day's delay, with a ceiling of 5% of the amount concerned.

MAG may cancel an order without any financial consequence, if the delay is long or considered inadmissible.

MAG reserves the right to cancel the totality or part of an order in the event of unreasonable delay in delivery affecting MAG's ability to deliver its programmes and projects.

4. Clauses for the revision of prices

At the express request of the holders of the contract and after written agreement from the client (MAG), prices may be revised each month. The formula for price revision is indexed to the average monthly or annual exchange rate of the dollar against the contract currency. The reference exchange rate is that of the month in which the contract is signed.

5. Managing amendments



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Any changes to the goods or services stated in the contract must always be communicated, calculated and accepted by MAG before being implemented. They will be formalised within thirty (30) days via the drafting of an amendment to the current contract.

Any undertakings by the holder of the contract (contractor) resulting in added value that have not been agreed in advance will not be taken into consideration.

6. Sub-contracting

The contract holder may sub-contract all or part of the contract under certain conditions:

- The contract holder may only sub-contract to one level removed. A sub-contractor may not therefore sub-contract the execution of the contract.
- The intention to sub-contract must be declared by the future contract holder at the time of submitting the quotation, and the intention to sub-contract duly authorised by MAG before the contract is executed.
- All sub-contractors are subject to the same conditions as the contract holder.

If these principles are not respected, the contract may be cancelled.

7. Security

The contract holder should introduce appropriate measures for guaranteeing the security of his/her employees whilst executing the contract. MAG reserves the right to suspend the contract if basic security is not guaranteed. Repeated non-respect of elementary security regulations may result in the contract being cancelled.

8. Ethics

MAG is a member of the Inter-Agency Procurement Group (IAPG), which is a network of logistics professionals who work collectively on humanitarian supply chain activities. We aim to share knowledge and develop expertise with the goal of improving standards and the effectiveness of humanitarian logistical systems and practices worldwide.

We seek to work with suppliers who adhere to the IAPG Code of Conduct. Suppliers adopting this Code of Conduct should commit to continuous improvement towards compliance with the labour and environmental standards specified, both in their own companies and those of their suppliers.

www.iapg.org.uk

The non-respect of rules of ethics may result in the cancellation of the contract or the application of deductions from invoices.

- Child labour:

Child labour may not be employed either directly or indirectly on a contract or sub-contract with MAG (for definition see: <http://www.unicef.org/sowc97/report/>)



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- Working conditions :

The working conditions of the employees of the holder of contracts signed with MAG must conform to regulations in application in the country, particularly with regard to the minimum wage and working hours. If no such regulations exist, working conditions must be decent and wages equivalent to the average wage in the zone. All forms of physical constraint or discipline vis à vis employees are prohibited.

- Links with the production and trading of indiscriminate anti-personnel weapons :

In conformity with MAG policy, companies involved in the R&D, production or trade in indiscriminate anti-personnel weapons may not bid for MAG contracts.

- Links with terrorist networks:

No company or supplier may execute a contract with MAG, if it is shown that he/she has links of any kind with terrorist networks of any nature (acts of violence against civilian populations or installations committed by an organisation).

- Protection of the environment :

Holders of contracts with MAG should make every attempt to use production techniques and processes that respect the fundamental rules for the protection of the environment (notably with regard to deforestation and the use of chemical agents affecting biodiversity).

- Conflict of interest :

No employee or member of MAG may accept or solicit any form of gratuity, favour or personal advantage related to his/her function or the contracts. Furthermore, in principle no company or supplier may attempt to obtain a contract, if there is any direct link, whether through family or interests, with a member of MAG's staff unless this is properly declared at all stages of the process and that it can be clearly proven that at no point during the procurement process has there been any unfair advantage gained.

9. Documents required of the contract holder

- The formal and detailed quotation.
- The acknowledgement of receipt of the order dated and signed.
- These general purchasing conditions dated and signed.

10. Litigation and action

In the event of litigation for whatever reason, and in the absence of amicable agreement which should be preferred over litigation, the Law of England will apply.

11. Insurance

The holder of the contract and any sub-contractors will be covered by employer's liability and third party liability insurance for their activities relating to the execution of the said contract.