YALPAE

YOUNG AFRICAN LEADERS PIONEERS AND ENTREPRENEURS

Africa's Light, paying forward to the future

CREATED MARCH 2026

FINANCIAL PROCUMERMENT

1ST EDITION

LEGAL STATEMENT

This document constitutes an official governance instrument of **Young African Leaders, Pioneers and Entrepreneurs (YALPAE)**, a registered Non-Profit Company operating in accordance with the laws of the Republic of South Africa.

This document is classified under the **YALPAE Policy Class**, under which all policies, frameworks, declarations, manuals, and operational instruments are maintained as part of YALPAE's integrated governance system.

This Procurement Policy forms part of YALPAE's internal governance, compliance, and operational control framework and must be read together with the **YALPAE Constitution**, **By-Laws**, **Mandate**, **Financial Policy and Procedures Manual**, and all other applicable annexes, policies, and governance instruments.

This document applies to all persons who initiate, request, approve, review, recommend, manage, oversee, or otherwise participate in the procurement of goods, services, works, partnerships, sponsorship-linked support, in-kind contributions, or related supplier and contracting processes under the authority, representation, or auspices of YALPAE, including directors, officers, committee members, staff, volunteers, chapter leaders, partners, and affiliated participants.

AUTHORITY CLAUSE

This document is issued under the authority of the **YALPAE Board of Directors** in accordance with the **YALPAE Constitution** and **By-Laws**.

Its provisions derive their authority from, and must be interpreted consistently with:

- The **YALPAE Constitution**
- The **YALPAE By-Laws**
- The **YALPAE Mandate**
- The **YALPAE Financial Policy and Procedures Manual**
- All applicable annexes, policies, and governance instruments, including the **Code of Conduct and Ethics**, **Conflict of Interest provisions**, and any relevant **Safeguarding Framework**

In the event of any inconsistency:

- The **Constitution** shall prevail

- Safeguarding provisions shall take precedence in all safeguarding-related matters
- The **Financial Policy and Procedures Manual** shall govern financial approvals, controls, and payment authority where procurement creates a financial commitment
- This document shall govern procurement administration, sourcing standards, ethical conduct, supplier-related procedures, and implementation within its defined scope, subject always to higher governing instruments

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YALPAE PROCUREMENT POLICY

Young African Leaders, Pioneers and Entrepreneurs (YALPAE)
Owner: Treasurer, under the authority of the Board of Directors

1. Authority, Purpose and Status

1.1 Authority

This Procurement Policy is issued under the authority of the YALPAE Board of Directors in accordance with the YALPAE Constitution, the YALPAE By-Laws, and the YALPAE Financial Policy and Procedures Manual.

1.2 Status

This Policy is binding on all Directors, officers, committee members, staff, volunteers, chapter leaders, project leads, consultants, and any person acting on behalf of YALPAE in the sourcing, evaluation, recommendation, approval, award, receipt, or management of goods, services, works, partnerships, sponsorship-linked procurements, or in-kind contributions.

1.3 Purpose

The purpose of this Policy is to:

- regulate the procurement of goods, services, works, and procurement-linked partnerships in a fair, transparent, and accountable manner;
- ensure value for money, mission alignment, and proper stewardship of YALPAE resources;
- prevent fraud, favouritism, corruption, conflicts of interest, and informal or undocumented commitments;
- support youth empowerment and inclusive economic participation in a controlled and ethical way;
- establish clear procurement methods, thresholds, approval routes, and record-keeping obligations; and
- ensure that procurement decisions strengthen YALPAE's integrity, continuity, and public trust.

1.4 Relationship to Other Governance Instruments

This Policy must be read together with:

- the YALPAE Constitution;
- the YALPAE By-Laws;
- the Financial Policy and Procedures Manual;
- the Code of Conduct & Ethics;
- the Conflict of Interest provisions;
- the Partnership and Sponsorship framework;

- any Board-approved committee Terms of Reference; and
- any procurement forms, templates, or operational procedures approved under this Policy.

Where any inconsistency arises, the Constitution shall prevail, followed by the By-Laws, then the Financial Policy, and then this Policy.

1.5 Interpretation

This Policy shall be interpreted in a manner that promotes:

- stewardship over personal influence;
- fair competition over personal preference;
- accountability over informality;
- mission alignment over convenience;
- youth empowerment with integrity; and
- continuity beyond individuals.

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2. Scope

2.1 Activities Covered

This Policy applies to all procurement and sourcing activity carried out in YALPAE's name, including:

- the purchase or leasing of goods, equipment, or supplies;
- the appointment of service providers, consultants, trainers, or contractors;
- venue hire and event-related sourcing;
- media, technology, branding, printing, logistics, and project procurement;
- grant-funded or donor-funded purchases;
- chapter procurement using YALPAE authority or funds;
- sponsorship-linked procurement commitments;
- in-kind contributions or donated services where YALPAE assumes obligations or assigns value;
- procurement arising through partnerships, collaborations, or Memoranda of Understanding; and
- contract renewals, extensions, and variations where value or scope materially changes.

2.2 Activities Not Excluded from Oversight

No transaction is exempt from ethical, conflict-of-interest, documentation, or approval requirements merely because it is:

- urgent;
- donor-funded;

- chapter-led;
- low in value;
- offered at a discount;
- supported by a partner;
- provided by a member; or
- partly or wholly non-monetary.

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3. Guiding Procurement Principles

YALPAE shall conduct procurement in accordance with the following principles:

3.1 Legality

All procurement must comply with applicable law, contractual obligations, donor conditions, and YALPAE governance instruments.

3.2 Mission Alignment

YALPAE shall procure only where the expenditure or commitment supports approved organisational purposes, programmes, operations, or obligations.

3.3 Fairness

Suppliers and service providers must be treated fairly and consistently, without improper favour, hidden preferences, or biased exclusion.

3.4 Transparency

Procurement decisions must be properly documented and capable of review.

3.5 Value for Money

Procurement must seek the best overall value, taking into account quality, cost, reliability, suitability, sustainability, risk, and total benefit to YALPAE.

3.6 Conflict-Free Decision Making

Any person with a real, potential, or perceived conflict of interest must disclose it immediately and recuse themselves from the process.

3.7 Competition

Competitive sourcing shall be the default unless a properly authorised exception applies.

3.8 Proportionality

The complexity of the procurement process must be proportionate to the value, risk, and strategic importance of the procurement.

3.9 Institutional Accountability

No person may use procurement authority as personal influence, reward, patronage, or informal bargaining power.

3.10 Youth Empowerment with Integrity

YALPAE may support youth-led enterprises and mission-aligned businesses, but never at the expense of fairness, competence, conflict safeguards, or value for money.

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4. Procurement Governance and Roles

4.1 Board of Directors

The Board retains ultimate authority over procurement governance and shall:

- approve this Policy and any substantive amendments;
- approve high-value procurements where required by the Financial Policy;
- approve procurement-related delegations and committee mandates;
- exercise oversight over procurement integrity, major risks, and exceptions;
- ensure procurement systems are aligned with YALPAE's governance framework; and
- intervene where necessary to protect YALPAE's mission, legality, finances, or reputation.

4.2 Treasurer

The Treasurer is the principal Board officer responsible for procurement oversight in financial and compliance matters.

The Treasurer shall:

- oversee implementation of this Policy together with the Financial Policy;
- review procurement compliance and documentation;
- chair or oversee high-value procurement adjudication where mandated;
- ensure procurement activity is linked to approved budgets and controls;
- flag or suspend procurement progression where there are credible concerns regarding conflict of interest, compliance failure, irregularity, financial risk, or documentation defects, pending proper review;
- report material procurement matters and irregularities to the Finance Committee and Board; and
- support procurement discipline without replacing formal approval structures.

The Treasurer may not act unilaterally to bind YALPAE outside approved authority.

4.3 Finance Committee

The Finance Committee is an oversight and advisory body. It shall:

- review significant procurement recommendations within its delegated scope;
- consider compliance, value, budget impact, and financial risk;
- recommend high-value awards or exceptions to the Board where required; and

- monitor procurement integrity through regular reporting.

4.4 Procurement or Tender Adjudication Committee

Where required under this Policy, the Board, Finance Committee, or Treasurer may convene a Procurement or Tender Adjudication Committee in accordance with approved Terms of Reference.

The committee shall:

- evaluate submissions against disclosed criteria;
- keep proper records of deliberations and recommendations;
- avoid conflicts and protect confidentiality; and
- submit a recommendation to the approving authority.

No committee may exceed the authority granted to it.

4.5 Management, Project Leads and Chapters

Any officer, manager, project lead, or chapter leader initiating procurement shall:

- ensure the procurement is necessary and budgeted or properly approved;
- prepare a clear specification or scope;
- ensure quotations or bids are properly sourced where required;
- maintain documentation;
- avoid informal commitments;
- report conflicts immediately; and
- submit the matter through the correct approval route.

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5. Procurement Planning

5.1 Procurement Must Be Planned

All reasonably foreseeable procurement should be planned in advance and linked to:

- the annual budget;
- approved work plans;
- project plans;
- chapter plans; or
- donor-approved activities.

5.2 No Artificial Splitting

A procurement may not be split into smaller purchases, contracts, phases, or invoices for the purpose of avoiding competition requirements, approval thresholds, or scrutiny.

5.3 Scope Definition

Before procurement begins, the responsible person must define, as appropriate:

- the goods or services required;
- the intended purpose;
- the expected timeframes;
- the estimated value;
- funding source;
- risk level;
- technical or service requirements; and
- any safeguarding, data protection, confidentiality, or branding considerations.

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6. Ethical Conduct and Prohibited Practices

6.1 Ethical Standard

All procurement activity shall be conducted with fairness, integrity, professionalism, and respect for YALPAE's values.

6.2 Gifts, Benefits and Improper Influence

No Director, officer, employee, volunteer, committee member, or representative of YALPAE may solicit, accept, request, or offer any personal gift, favour, hospitality, commission, kickback, rebate, or other improper benefit from any current or prospective supplier, contractor, service provider, or intermediary.

Modest hospitality of a purely incidental nature may only be accepted where:

- it does not influence or appear to influence decision-making;
- it is lawful and appropriate; and
- it is disclosed where required by YALPAE policy.

6.3 Prohibited Conduct

The following are prohibited:

- bribery or kickbacks;
- bid manipulation or collusion;
- leaking confidential supplier information unfairly;
- favouring friends, relatives, or associates without proper disclosure and control;
- creating false urgency to bypass procedure;
- using YALPAE's name to negotiate personal benefits;
- falsifying quotations, bids, invoices, or approvals; and

- backdating procurement records.

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7. Conflict of Interest in Procurement

7.1 Duty to Disclose

Any person involved in a procurement process must disclose any real, potential, or perceived conflict of interest immediately upon becoming aware of it.

7.2 Examples of Conflict

A conflict may arise where the person:

- has a personal, family, romantic, professional, financial, or business relationship with a supplier;
- stands to benefit directly or indirectly from the transaction;
- is a member, director, employee, or advisor of the bidding entity;
- has received gifts or benefits from the supplier; or
- is otherwise not able to act impartially.

7.3 Disclosure Route

Conflicts shall ordinarily be disclosed to the Treasurer.

Where the conflict involves the Treasurer, the disclosure must be made to the Chairperson and Board Secretary, or another Board-designated governance authority.

7.4 Recusal

A conflicted person must immediately recuse themselves from:

- drafting specifications in a biased manner;
- receiving or evaluating bids;
- influencing recommendations;
- approving the procurement;
- authorising payment; and
- accessing confidential comparative information except where formally necessary and properly controlled.

7.5 Record of Conflict

All material procurement conflicts and their management must be documented in the conflict register and in the relevant procurement records, subject to confidentiality.

7.6 Failure to Disclose

Failure to disclose a conflict of interest may result in:

- cancellation or review of the procurement decision;
- disciplinary action;
- reversal of approvals;
- recovery of losses where applicable; and
- referral for investigation under relevant YALPAE procedures.

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8. Supplier Eligibility and Due Diligence

8.1 General Suitability

YALPAE may only contract with suppliers or providers that are reasonably suitable, capable, and lawful.

8.2 Minimum Considerations

Where appropriate, YALPAE shall consider:

- supplier identity and legitimacy;
- capability and track record;
- price and cost realism;
- service quality and technical suitability;
- financial and reputational risk;
- safeguarding, data, or confidentiality risks where relevant;
- legal compliance; and
- alignment with YALPAE's values and public trust.

8.3 Grounds for Exclusion

YALPAE may decline or disqualify a supplier where there is evidence or credible concern of:

- fraud, corruption, or bribery;
- material conflict of interest;
- misrepresentation;
- unlawful conduct;
- serious reputational risk;
- inability to perform;
- repeated poor performance; or
- terms inconsistent with YALPAE's mission or independence.

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9. Youth-Centred and Mission-Aligned Procurement

9.1 Principle

YALPAE seeks, where appropriate, to use procurement as one of several tools for youth empowerment and inclusive development.

9.2 Preferential Consideration

Where lawful, fair, and value-justified, preference may be given to:

- youth-led businesses;
- YALPAE members who operate businesses relevant to the initiative;
- African youth enterprises;
- social enterprises; and
- enterprises with a demonstrated commitment to sustainable and inclusive development.

9.3 Conditions for Preference

Such preference may be exercised only where:

- the provider is genuinely capable of delivering;
- value for money is still achieved;
- the process remains fair and documented;
- no unmanaged conflict of interest exists; and
- the selection does not undermine integrity or public trust.

Preference is not an automatic entitlement and does not override procurement controls.

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10. Procurement Methods and Thresholds

10.1 General Rule

The procurement method used must correspond to the estimated total value, VAT inclusive, of the full procurement.

10.2 Thresholds

a. Up to R5,000

Method: Single written quotation or price confirmation.
Requirements:

- the need must be justified;
- one written quotation, invoice, catalogue price, or comparable written price confirmation must be obtained;
- approval must follow the Financial Policy and Procedures Manual; and
- the decision and supporting documents must be filed.

b. R5,001 to R50,000

Method: Three written quotations.
Requirements:

- at least three competitive written quotations should be obtained where reasonably possible;
- where fewer than three are obtained, reasons must be documented;
- evaluation must be documented against basic criteria such as price, suitability, quality, delivery capacity, and risk;
- the recommendation must be reviewed and co-signed by the Treasurer or designated oversight authority; and
- financial approval must follow the Financial Policy.

c. Above R50,000 to R100,000

Method: Formal competitive procurement process.
Requirements:

- a formal request for quotations, request for proposals, or tender process must be conducted, depending on the nature and complexity of the procurement;
- written specifications or scope of work must be issued;
- submissions must be evaluated using disclosed criteria;
- a Procurement or Tender Adjudication Committee shall review and recommend the preferred supplier;
- the Finance Committee shall review the recommendation where required by the Financial Policy; and

- the procurement shall not proceed unless all required approvals are obtained.

d. Above R100,000

Method: Formal tender or equivalent Board-approved competitive process.
Requirements:

- all steps for high-value formal procurement must be followed;
- the Procurement or Tender Adjudication Committee must submit a written recommendation;
- the Finance Committee must consider and recommend the matter where required; and
- no award, contract, or binding commitment may be made without full Board approval in accordance with the Financial Policy.

10.3 Estimated Value

The estimated value must include the total likely value of the procurement, including:

- all phases;
- renewals;
- extensions;
- related services;
- associated delivery or installation costs; and
- taxes where applicable.

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11. Competitive Process Requirements

11.1 Specifications

Specifications, scopes of work, or terms of reference must be clear, relevant, non-discriminatory, and not designed to favour a specific supplier without proper justification.

11.2 Evaluation Criteria

Evaluation criteria may include:

- price;
- technical quality;
- experience and track record;
- service delivery capacity;
- risk;
- timeframes;
- warranty or support;
- safeguarding or data protection compliance where relevant;
- mission alignment; and
- sustainability considerations.

11.3 Documentation

Competitive processes must be documented sufficiently to show:

- how suppliers were invited or identified;
- what information was requested;
- what responses were received;
- how evaluation was conducted;
- who participated;
- any conflicts disclosed;
- the basis for the recommendation; and
- the final approval outcome.

11.4 Confidentiality

Supplier submissions and evaluation discussions must be treated confidentially, except where disclosure is required by law, governance oversight, or authorised audit/review

12. Limited Bidding and Single-Source Procurement

12.1 Exceptional Use Only

Single-source or limited-competition procurement may only be used in exceptional circumstances and must never become routine.

12.2 Permissible Grounds

Examples may include:

- genuine emergency where delay would materially harm YALPAE, its beneficiaries, property, or legal position;
- only one supplier is demonstrably capable;
- continuity with an existing system or provider is objectively necessary;
- compatibility or technical reasons make alternatives impractical;
- donor-imposed constraints lawfully require a particular source; or
- a very low-value purchase does not justify wider competition beyond the minimum threshold requirement.

12.3 Documentation

Any limited or single-source procurement above the basic threshold must include a written motivation explaining:

- why competition was not followed in the usual way;
- why the supplier is considered appropriate;
- what risks were considered; and
- who approved the exception.

12.4 Approval

All exceptions must be approved at the appropriate financial level under the Financial Policy, and material exceptions must be reported to the Finance Committee or Board.

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13. Emergency Procurement

13.1 Emergency Standard

Emergency procurement may be used where urgent action is necessary and the normal process would create material harm or unacceptable operational risk.

13.2 Limits

Emergency procurement must:

- be limited to what is strictly necessary;
- still avoid conflicts of interest and improper conduct;
- be documented immediately; and

- be reported to the Treasurer without delay.

13.3 Post-Fact Reporting

A written emergency procurement report must be submitted to the appropriate authority and tabled at the next Finance Committee or Board meeting where material.

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14. In-Kind Contributions, Donations and Procurement-Linked Partnerships

14.1 General Rule

Where procurement involves donated goods, services, venues, expertise, sponsorship-linked deliverables, or other in-kind support, YALPAE must still ensure that the arrangement is lawful, ethical, documented, and aligned with organisational interests.

14.2 Documentation Requirement

Where procurement involves:

- partnerships;
- donated services;
- in-kind contributions;
- sponsorship-linked deliverables; or
- any arrangement imposing obligations on YALPAE,

the arrangement must be governed by a written agreement, Memorandum of Understanding, contract, or equivalent document.

14.3 Minimum Agreement Content

Such documentation should set out, where relevant:

- the parties;
- purpose and scope;
- roles and responsibilities;
- deliverables;
- timelines;
- monetary or non-monetary value;
- ownership, branding, data, or publicity terms;
- confidentiality obligations;
- safeguarding obligations where relevant;
- dispute resolution terms; and
- termination rights.

14.4 Valuation

Where practical and appropriate, non-monetary contributions should be reasonably valued for record-keeping, reporting, and transparency purposes.

14.5 Independence

YALPAE may decline any donation, in-kind contribution, or procurement-linked partnership that compromises independence, creates unacceptable conflict of interest, or harms public trust.

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15. Approval of Awards and Contracting

15.1 Recommendation Does Not Equal Award

A committee recommendation or quotation comparison does not itself bind YALPAE.

The procurement is only approved when the correct authority has formally approved it under the Financial Policy and this Policy.

15.2 Contract Approval

Where a written contract, service-level agreement, or MoU is required, it must be reviewed and signed only by authorised persons acting within delegated authority.

15.3 No Unauthorised Commitments

No person may verbally or informally commit YALPAE to a supplier, service provider, or partner without proper approval.

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16. Receipt of Goods, Services and Performance Management

16.1 Verification Before Payment

Before payment is released, YALPAE must verify, where applicable, that:

- the goods were received;
- the services were delivered;
- the work meets the agreed scope or standard; and
- the invoice corresponds to the approved commitment.

16.2 Defective or Incomplete Delivery

Where performance is defective, incomplete, delayed, or non-compliant, payment may be withheld, reduced, queried, or escalated in accordance with the contract and Financial Policy.

16.3 Supplier Performance

Material supplier performance issues should be documented and may affect future procurement eligibility.

17. Procurement Records and Audit Trail

17.1 Record Keeping

A complete procurement file must be maintained for each procurement, proportionate to its value and complexity.

17.2 Minimum Contents

A procurement file should include, where relevant:

- request or requisition;
- specification or scope;
- quotations, proposals, or bids;
- conflict disclosures;
- evaluation notes or score sheets;
- committee recommendations;
- approval records;
- contract or MoU;
- delivery confirmation;
- invoice and payment evidence; and
- correspondence relevant to the decision.

17.3 Retention

Procurement records must be stored securely and retained in accordance with applicable law, donor requirements, financial retention rules, and YALPAE policy.

17.4 Audit Access

Procurement records must be available to authorised reviewers, auditors, investigators, the Treasurer, the Finance Committee, and the Board.

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18. Irregular Procurement and Remedies

18.1 Irregular Procurement

Procurement shall be treated as irregular where there is a material breach of this Policy, the Financial Policy, or an applicable approval process.

Examples include:

- no required quotations obtained;
- conflict of interest not disclosed;
- unauthorised commitment made;
- records missing without adequate explanation;
- supplier unfairly favoured;
- thresholds deliberately circumvented; or
- competition bypassed without approved justification.

18.2 Initial Response

Where irregular procurement is identified, YALPAE may:

- pause the procurement;
- suspend contract signature or payment;
- seek clarification or corrective documentation;
- refer the matter for review or investigation; and
- take interim measures to protect funds or evidence.

18.3 Consequences

Where misconduct, negligence, or deliberate circumvention is confirmed, YALPAE may:

- cancel or re-run the procurement;
- recover losses;
- reject the supplier recommendation;
- impose disciplinary action;
- remove delegated authority;
- report the matter to the Board; and
- refer the matter externally where required by law or seriousness.

19. Procurement Reporting and Oversight

19.1 Regular Reporting

The Treasurer or designated procurement oversight officer shall ensure that material procurement activity is reflected in regular finance or governance reporting.

19.2 Matters to Be Reported

Reports may include:

- major procurements undertaken;
- exceptions granted;
- emergency procurements;
- irregularities identified;
- unresolved supplier disputes;
- contract risks; and
- any matter requiring Finance Committee or Board attention.

19.3 Board Visibility

High-value, strategic, unusual, or risk-sensitive procurement matters must be visible to the Board through proper reporting and escalation.

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20. Delegations, Forms and Supporting Procedures

The Board may approve:

- procurement request forms;
- quotation comparison templates;
- conflict disclosure forms;
- tender procedures;
- committee Terms of Reference;
- supplier due diligence checklists; and
- operational procurement guidelines,

provided these remain consistent with the Constitution, the By-Laws, the Financial Policy, and this Policy.

21. Review and Amendment

This Policy shall be reviewed at least annually, or sooner where:

- the law changes;
- YALPAE's procurement activities materially expand;
- audit findings require revision;
- the Financial Policy is materially amended; or
- the Board directs a review.

Substantive amendments require Board approval.

PROCUREMENT THRESHOLD SUMMARY

A1. Procurement Method Matrix

- **Up to R5,000**: One written quotation or equivalent written price confirmation
- **R5,001 to R50,000**: Minimum three written quotations
- **Above R50,000 to R100,000**: Formal competitive procurement process
- **Above R100,000**: Formal tender or equivalent Board-approved competitive process, with Board approval before award

A2. Core Rule

Meeting the procurement method requirement does **not** replace the need for financial approval under the Financial Policy and Procedures Manual.

A3. Minimum Non-Negotiables

- no undisclosed conflicts of interest;
- no invoice splitting;
- no informal commitments in YALPAE's name;
- no payment without proper approval and supporting records;
- no preference that overrides fairness, competence, or integrity.