

# TEPU – PROCUREMENT PROCESS OVERVIEW



Q1-2024 National Content Workshop

08 APRIL 2024



- 1. Governance & Guiding Principles**
- 2. Supplier Eligibility Requirements**
- 3. The Procurement Process**
- 4. The Payment Terms / Process**



# GOVERNANCE & GUIDING PRINCIPLES

THE PETROLEUM (EXPLORATION, DEVELOPMENT AND PRODUCTION) REGULATIONS, 2016

TotalEnergies Fundamental Principles of Purchasing



## 3. Responsibility of the licensee.

(1) The licensee and other parties participating in petroleum activities in Uganda are responsible for operating in accordance with the Act, these Regulations and any other applicable law.

(2) The licensee shall ensure that a person carrying out work for him or her, either personally or as an employee, contractor or sub-contractor, complies with the Act, these Regulations and any other applicable law and administrative decisions issued under the Act.

## PART XII—PROCUREMENT AND CONTRACTS

- 172. Definitions.
- 173. Procurements.
- 174. Methods of procurement.
- 175. Annual procurement plan.
- 176. National supplier database.
- 177. Bidding procedure.
- 178. Bid submission.
- 179. Bid opening and evaluation.
- 180. Award stage.
- 181. Notification of awards and regret.
- 182. Complaints.
- 183. Submissions after contract award.
- 184. Audit by the Authority.
- 185. Failure to comply with this Part.



**PRINCIPLE 1**  
Respect human rights at work



**PRINCIPLE 4**  
Preserve the environment



**PRINCIPLE 5**  
Prevent corruption, conflict of interests, and fight against fraud



**PRINCIPLE 2**  
Protect health, safety, and security



**PRINCIPLE 6**  
Respect competition law



**PRINCIPLE 3**  
Act in favor of climate



**PRINCIPLE 7**  
Promote economic and social development

# SUPPLIER ELIGIBILITY REQUIREMENTS



## General Contractual Requirements:

- Registration on the National Supplier Database
- Certificate of Incorporation
- Audited financials for the most recent 3 years
- Tax Clearance Certificate
- Valid Trading license
- NSSF Compliance Certificate
- Ethics Policy/ Ethics Charter included in the employee contract
- Internal Employment Policy
- Template for Employee Contract
- Evidence of Medical Insurance for Employees
- Workman's Compensation Insurance
- Quality Control/ISO certification

## Other Key Considerations:

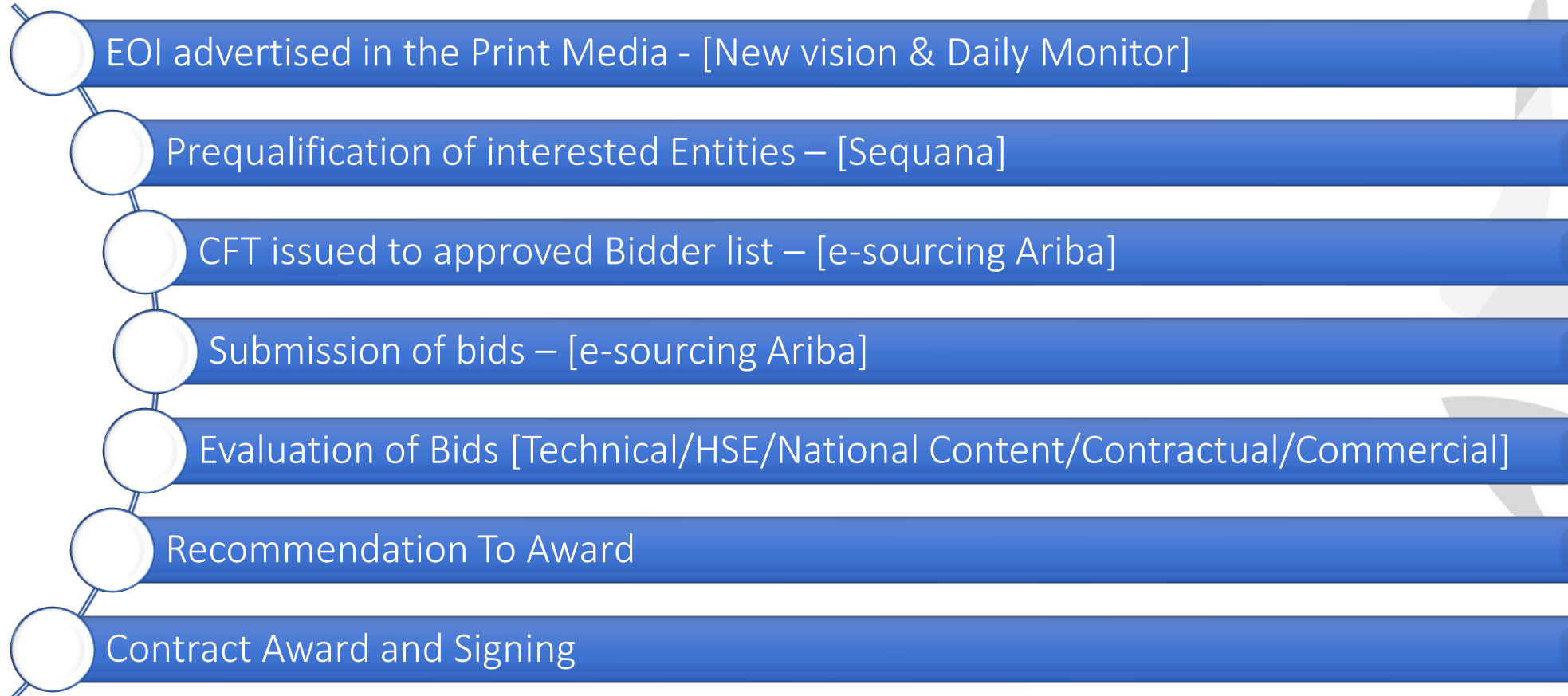
- National Content
- HSE Competence
- Technical Competence
- Sustainability Commitment [Climate, Human Rights, Environment Policies and Targets]



# The Procurement Process



Open bidding – Preferred Procurement Method also mandatory >\$500K



Stringent Contract Management – To optimise production [Minimise cost and time loss]

# The Payment Terms / Process



## Standard payment Terms – Appearing in 99% of our Contracts

“Customer shall pay non-disputed invoices by means of electronic transfer of funds (or other agreed method) within thirty(30) days from the last day of the month in which the invoice was received.”

### Example - 1;

Invoice Receipt - 25/03/2024

Duration to pay - Within 30 days from 31/03/24 [Maximum of 36 days]

### Example - 2;

Invoice Receipt - 05/03/2024

Duration to pay - Within 30 days from 31/03/24 [Maximum of 56 days]

90% of invoices are paid on time (within contractual payment terms)

Report any queries to [ep.ugep-procurement-queries@totalenergies.com](mailto:ep.ugep-procurement-queries@totalenergies.com)

All queries are managed at a minimum by C&P Manager but can escalate to Top Management if necessary.

### Payment related considerations

- Cash Call Process at the end of the month
- Technical & Budget approval of the invoices
- Regular/Monthly invoicing encouraged (towards end of month to optimise on duration to pay)



*Merci*

*Thank you!*

*Asante Sana*

