

WORLD TAEKWONDO PROCUREMENT POLICY AND PROCEDURE

POLICY

As a membership organization, World Taekwondo (WT) needs to spend money wisely and selectively to ensure that the best value for money is obtained. WT recognizes this requirement in entering into contracts to supply goods and services, and all contracts with a value of USD\$30,000 or more, including VIK and other alternative payment methods, will be subject to a tendering process.

The WT procurement policy aims to:

- a. Secure value for money, based on whole-life cost, not short-term price. Whole-life cost takes into account cost over time, including capital, maintenance, management, and operating costs.
- b. Conform with Korean law and best practices.
- c. Ensure contracts are entered into within budget constraints and with correct authorization.
- d. Support compliance with the WT's Integrity Code of Conduct.

PROCEDURE

Selective tendering is required for all contracts of more than USD 30,000 (or USD 30,000 per annum for a multi-year contract). Contracts of less than USD 30,000 p.a. will still need to be market-tested or benchmarked to ensure the best value. Market testing should include obtaining pricing information and qualitative information on the goods and/or services to be procured.

Tenders are to be sought from at least three suppliers selected as being capable of providing the goods and/or services to the specifications or standards required by the WT. In addition, tender offers will be published on the WT website.

If the good or service is so specialized that there are not multiple providers reasonably capable of making an offer, an Assessment Letter from the WT Finance Committee is needed to confirm this fact.

WT will give due consideration to legal and ethical requirements and best practice including equality and diversity, freedom of information, engagement with small and medium-sized enterprises, data protection and security, sustainability and other aspects of corporate social responsibility.

Approved suppliers for centrally purchased goods and services can be set up as formal contracts or framework agreements based on requirements estimated for a set period. These cases should be subject to the normal tendering process requirements based on WT's likely annual requirement.

Legal Affairs Office should be consulted at the commencement of the procurement process to confirm the appropriate level process required.

EMPLOYEE COMMITMENT

All WT employees involved in procurement are expected to maintain the highest standards of propriety and integrity in all of their business relationships both inside and outside the WT.

In particular, WT staff are required to work in line with the following principles:

- a. Personal interest - They must avoid any conflict of interest in purchasing activity at all times
- b. Confidentiality - Confidentiality of commercial information must always be respected and the information never used for personal gain or passed to others
- c. Fair competition - Any arrangement with a supplier which might in any way prevent fair competition must be avoided
- d. Anti-bribery – All staff should review the WT's Integrity Code of Conduct prior to commencing a procurement process

e. Business gifts and hospitality - Any goods, services, hospitality, gifts or benefits offered, which might be interpreted as affecting decisions taken by you or others, could be taken as a conflict of interest. Corporate hospitality or entertaining may be accepted in the interests of fostering a professional relationship but must at all times comply with the WT's Code of Ethics and Integrity Code of Conduct. However, gifts or hospitality of any value must not be accepted during a tender process from a tenderer. Where there is any doubt:

- consult your Department Head or the Secretary General before accepting; or
- discuss the possibility of handing the gift over to WT; or
- refuse the offer, citing this guidance.

SIGNING AUTHORITY

- All procurement contracts regardless of value or duration must be submitted to the Contract Database accompanied by a completed Request for Approval (RFA).
- Contracts with a value of over USD 10,000 per year require the signature of the President or Secretary General.
- Contracts are normally issued for a maximum of 36 months, inclusive of a satisfactory trial period where appropriate.
- Contracts with a duration of more than 36 months, or valued at more than USD 300,000 in total require a Finance Committee Assessment Letter.