# AZERBAIJAN STATE OIL AND INDUSTRY UNIVERSITY



# **Procurement policy**





#### Section 1 Purpose statement:

The procurement strategy of Azerbaijan State Oil and Industry University (after that ASOIU) was created to support optimal procurement methods that complement the strategic economic objectives of the university. Stakeholders are informed by the Strategy about our emphasis on reducing business risks and optimizing value for money. The goal of the procurement strategy is to prepare procurement managers for successful negotiation, contract and business correspondence completion, tender management, problem-solving techniques for the procurement and contracting department, and how to leverage contemporary technology systems to accomplish a range of procurement-related tasks for the university's procurement department. The Strategy offers a deliberate method of procurement in a difficult geographic, economic, legal, and regulatory setting.

#### **Policy Purpose:**

This policy's primary goal is to recognize that its purchase and procurement operations have a big influence on the economy, society, and environment. The sustainable procurement policy will guarantee that the goods and services purchased can fulfill their social and environmental obligations.

The strategy strives to include sustainability concerns into procurement to reduce negative environmental and social consequences while increasing positive contributions to local and global communities. ASOIU aims to set a good example for its stakeholders by adopting sustainable procurement criteria and cultivating a culture of responsible purchasing.

This policy applies to ASOIU's procurement operations, regardless of financing source or value. This applies to all ASOIU workers involved in procurement, such as procurement officers, budget holders, and sustainability officers. This policy applies to all suppliers, contractors, and service providers employed by UNEC.

# The key aims of ASOIU's Sustainable Procurement Policy are as follows:

Environmental Stewardship: ASOIU aims to minimize its environmental effect through sustainable buying procedures. The policy prioritizes environmentally friendly products and services, promotes energy efficiency, reduces carbon footprints, and encourages the use of recyclable materials. By choosing eco-friendly options, ASOIU hopes to contribute to the protection of natural resources and reduce climate change.

Social Inclusivity: ASOIU prioritizes social inclusion and strives for fair, diverse, and ethical supply chain practices. The policy promotes diversified suppliers and ethical trade practices. ASOIU supports suppliers who prioritize human rights, labor rights, and community welfare.

Compliance with Regulations: ASOIU is committed to following all applicable environmental and social requirements. The policy emphasizes on regulatory and industry criteria for sustainable procurement. ASOIU prioritizes compliance to decrease risks and align procurement operations with global best practices.

\* Determine the contemporary techniques used in the supply and purchase planning process.

\* Implementing into practice the quality requirements connected to the procurement process.

\* Determine how procurement helps to cut expenses and increase work consistency.

- \* Ascertain the procurement management regulatory framework.
- \* Establish the procurement's methods and procedures.
- \* Determining the supply sources and methods for selecting the best.

#### Section 2

#### ASOIU's Commitment to Sustainability

Sustainability Vision: The Azerbaijan State Oil and Industry University (ASOIU) believes that higher education institutions play a crucial role in promoting sustainable development, social responsibility, and creating a fairer future. ASAOIU prioritizes sustainability in decision-making and integrates it into institutional values and principles.

ASOIU aims to set a standard for sustainable practices in education. ASOIU seeks to provide a positive example for students, professors, staff, and the community through sustainable buying methods.

#### Role in Promoting Responsible Procurement Practices.

Sustainable Procurement Advocacy: ASOIU will promote sustainable procurement methods for its personnel, students, and stakeholders. The university will hold seminars, workshops, and awareness campaigns to educate the community on the benefits of sustainable procurement for social, economic, and environmental aspects.

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Supplier Engagement: ASOIU acknowledges the crucial role of suppliers in attaining sustainable procurement objectives. The institution will work with vendors to promote sustainable practices and follow ASOIU's Climate Action Plan. ASOIU will pick suppliers based on their sustainability performance.

Research and Innovation: ASOIU promotes research and innovation in sustainable procurement. The institution will work with scholars and specialists to find sustainable buying methods and implement innovative solutions.

Partnerships and Collaborations: ASOIU aims to collaborate with government entities, NGOs, and industry players to tackle sustainability concerns together. ASOIU strives to support sustainability efforts and policy development by using synergies and resources.

#### Section 3

#### **Guiding Principles**

#### **Environmental Responsibility**

#### **Conservation of Natural Resources:**

ASOIU understands the limited nature of natural resources and strives to minimize their utilization.

Sustainable buying prioritizes environmentally friendly and resource-efficient products and services. ASOIU aims to purchase things with little packaging and promote digital alternatives to minimize paper waste.

Energy Efficiency: ASOIU will focus on energy-efficient goods and services to lower its carbon impact. When purchasing equipment and appliances, choose those with high energy efficiency ratings. ASOIU plans to use renewable energy sources in procurement and promote suppliers' green energy projects.

Waste Reduction and Recycling: ASOIU works to reduce trash and encourage recycling activities. The institution will purchase readily recyclable items and urge vendors to use environmentally responsible packaging. ASOIU will collaborate with suppliers to establish take-back programs for items at the end of their lives to guarantee proper disposal or recycling.

Emission Reduction: ASOIU is committed to minimizing greenhouse gas emissions from procurement activities. The institution prioritizes reducing emissions during supplier selection and promotes low-carbon delivery solutions whenever possible.

Biodiversity Conservation: ASOIU prioritizes biodiversity protection and will not purchase items that degrade habitats or threaten endangered animals.

The institution will urge vendors to use sustainable techniques that maintain biodiversity and natural habitats.

#### Social Inclusivity

Ethical Labor Practices: ASOIU promotes fair and ethical labor standards across its supplier chain. The institution will only work with vendors who follow international labor standards, including the ban of forced labor, child labor, and discrimination. ASOIU will encourage suppliers who provide safe working conditions and fair remuneration for their employees.

Diversity and Inclusion: ASOIU promotes a diverse and inclusive supply chain. The institution aims to involve vendors from underrepresented categories, such as women, minorities, and those with impairments. UNEC will assess suppliers' commitment to diversity and inclusion in their workforce.

Community Engagement: ASOIU wants its vendors to share its commitment to community responsibility. Suppliers are urged to connect with local communities and support their social and economic development. ASOIU prioritizes suppliers who show dedication to corporate social responsibility and community participation.

Health and Safety: ASOIU prioritizes vendors with excellent health and safety requirements for its workers and stakeholders. Suppliers must follow all health and safety requirements, and ASOIU will perform frequent evaluations to assure compliance.

#### Section 4 Scope Applicability

The Sustainable Procurement Policy of Azerbaijan State Oil and Industry University (ASOIU) is applicable to all procurement undertakings carried out by the university. It is mandatory for all ASOIU staff involved in procurement processes, including procurement officers, budget holders, and sustainability officers, as well as all suppliers, contractors, and service providers engaged by ASOIU.

Procurement Activities: This policy encompasses all procurement activities, such as the acquisition of goods, services, works, and consultancy services, covering both capital and revenue expenditures regardless of the funding source, whether it be government funding, donor funds, or self-generated revenue.

Full Procurement Lifecycle: The policy covers the entire procurement lifecycle, from planning and sourcing to evaluation and contract management,

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integrating sustainability considerations at each stage to ensure compliance with sustainable procurement principles and objectives.

Grants and Donor Funding: In instances where ASOIU receives funding through grants or donations, the policy applies to procurement using these funds. ASOIU will encourage donors and funding agencies to align with the sustainable procurement principles outlined in the policy.

#### **Exemptions:**

While ASOIU is dedicated to upholding sustainable procurement practices, exemptions may be applicable under specific circumstances and will be assessed on a case-by-case basis, subject to approval by appropriate university authorities. Exemptions may be considered under the following conditions:

Legal and Regulatory Constraints: Exemptions may be granted when sustainable procurement criteria conflict with existing laws, regulations, or governmental requirements. ASOIU will collaborate with relevant authorities to identify alternative solutions that align with sustainability objectives while complying with the law.

Emergency Situations: Exemptions may be considered during emergencies or urgent situations requiring immediate procurement to protect human health, safety, or critical infrastructure. However, ASOIU will aim to incorporate sustainable considerations to the extent possible even in emergency procurement.

Research and Academic Freedom: Exemptions may be granted for research-related procurements necessitating specific products or services for academic or scientific purposes that do not align with sustainability criteria. Nevertheless, ASOIU will encourage researchers to consider sustainability aspects whenever feasible.

#### Implementation:

ASOIU will implement the procurement strategy through the following points:

• The University's sustainable procurement policy shall be applied to all individuals who purchase products and services on its behalf.

• ASOIU will make sure that the products and services it purchases are as environmentally friendly and socially beneficial as feasible.

• ASOIU will promote a partnership approach to sustainable advancement and will incentivize suppliers to adhere to national and international norms on environmental, social, and economic problems.

• Oversee the sustainable sourcing of goods and services to limit or

lessen adverse effects on the environment.

ASOIU will publish this Sustainable Procurement Policy on its website and disseminate it to the larger university community in order to oversee its execution and continued adherence. The Board of Directors and Financial Manager shall evaluate the Sustainable Procurement Policy on a regular basis. The Financial Manager will subsequently oversee the implementation of any suggested changes or enhancements.

#### Section 5 Roles and Responsibilities Procurement Officers

Procurement officers are crucial in executing ASOIU's Sustainable Procurement Policy. They are responsible for ensuring that all procurement operations adhere to the policy's concepts and standards. Procurement officers have several critical roles, including:

Sustainable Procurement Implementation: Procurement officers are responsible for incorporating sustainable procurement principles into all procedures. ASOIU will analyze suppliers based on sustainable criteria and promote products and services that match with their aims.

Supplier Engagement: Procurement officers will tell vendors about ASOİU's commitment to sustainable procurement and gather information on their environmental and social practices. They will collaborate with suppliers to enhance sustainability and encourage responsible procurement.

Policy Compliance: Procurement officers shall follow the Sustainable Procurement Policy's principles and standards while making procurement choices. They will document and defend any policy exclusions or variations, and request permissions as needed.

Budget Holders: Budget holders, such as department heads, faculty deans, and administrative unit managers, are responsible for encouraging sustainable procurement in their particular areas. Their tasks include:

Policy Advocacy: Budget holders promote sustainable buying practices within their departments or units. They will promote sustainability and encourage personnel to make ecologically and socially responsible purchasing decisions.

Budget Allocation: Budget holders will spend money towards sustainable procurement efforts. When approving procurement budgets, they will prioritize initiatives that align with ASOIU's sustainability objectives.

Reporting and Monitoring: Budget holders will work with procurement officials to oversee procurement operations in their departments or divisions.

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They will verify sustainability targets are reached and collect appropriate data for reporting.

#### **Sustainability Officers**

Policy Oversight: Sustainability officers will incorporate policy concepts and criteria into all university procurement procedures. They will guide and help procurement professionals and budget holders to implement sustainable procurement practices.

Stakeholder Engagement: Sustainability officers will work with stakeholders, including procurement personnel, budget holders, suppliers, and academic departments, to foster a sustainable culture across the institution.

Policy Review: Sustainability officers will examine and amend ASOIU's Sustainable Procurement Policy to reflect best practices, new sustainability trends, and changing organizational needs.