

**TERMS OF REFERENCE
PROCUREMENT COMMITTEE**

1. PURPOSE

The purpose of the Procurement Committee is to monitor the procurement activities of the company to ensure compliance with the Handbook of Public Sector Procurement Procedures (“the Handbook”) and the Public Procurement Act (“the Act”).

2. RESPONSIBILITIES AND OBJECTIVES

The Procurement Committee shall:

- 2.1 Review the annual procurement plan.
- 2.2 Ensure that proposed procurement activities are executed according to the procurement plan.
- 2.3 Review the procurement policy as required.
- 2.4 Recommend procurements for endorsement by the Board of Directors.

3. MEMBERS’ APPOINTMENT PROCESS

- 3.1 The Committee members shall be appointed by the Board of Directors.
- 3.2 The Board from time to time will review the composition of the Procurement Committee to ensure that members have the required skills and capabilities to effectively discharge their responsibilities.

4. MEMBERSHIP & COMPOSITION

- 4.1 The Procurement Committee shall comprise of not less than three (3) directors.
- 4.2 Officers of Petrojam, including members of the Internal Procurement Committee, may be called upon to participate in meetings as resource personnel. In addition, the General Manager and the Procurement Unit Head shall be invited to attend each meeting.

5. PRINCIPAL OFFICERS

- 5.1 **Chair**
The Chair of the Procurement Committee shall be appointed by the Petrojam Board of Directors.
- 5.2 **Secretary**
The secretary of the Committee shall be the Corporate Secretary.

6. TENURE

The Procurement Committee tenure is two (2) years.

7. MEETINGS

- 7.1 **Notice**
At least seven (7) days written notice shall be given to each member of the Committee except in the case of an emergency. The notice shall contain, inter alia, an agenda identifying in reasonable detail the matters to be discussed at the meeting and copies of any relevant papers to be discussed at the meeting.
- 7.2 **Venue**
The venue shall be at the Corporate Offices of Petrojam Limited unless otherwise agreed.
- 7.3 **Frequency**
The Committee shall meet monthly or otherwise as required either in person or by electronic means. Additional meetings will be scheduled as necessary to consider matters for approval.
- 7.4 **Quorum**
A quorum is a majority of committee members established as sixty percent (60%) rounded up to the nearest whole number.
- 7.5 **Voting**
 - i. Only Committee members have the right to vote at meetings.
 - ii. Matters arising at any Procurement Committee meeting shall be determined by a majority of votes.
 - iii. In case of an equality of votes, the Chairman shall have a second or casting vote.

7.6 **Minutes**

The Secretary shall be responsible for drafting the minutes of each meeting and circulating them for approval by the attending Members. The minutes shall be signed by the Chairperson and the Secretary, after same have been approved by all attending members to the Committee meeting.

8. ACCOUNTABILITIES

- 8.1 The Committee shall report its recommendations, discussions and decisions on principal procurement activities to the Board at each board meeting or as often as determined by the Board.
- 8.2 The Committee shall **not** have power to bind the Board unless power to do so in respect of a specific matter is delegated by a resolution of the Board.
- 8.3 The Procurement Committee is accountable to the Board of Directors.
- 8.4 The Procurement Committee shall keep detailed records of its meetings and such records shall be made available to the external auditor and any examiner of a public body during any external audit or examination.
- 8.5 Except in the above mentioned circumstances, minutes and documents of the Procurement Committee are held confidential and not for redistribution by Committee members.
- 8.6 Members of the Committee shall comply with the approved conflict of interest and ethics guidelines.