



Blacklist Policy

Introduction

This policy regulates the suspending or blacklisting of “vendors”, “suppliers” and “contractors” who apply for the tenders published by RDC, seeking to purchase goods, supply goods, provide services and assign works and are either suspected of partaking in ‘corrupt practice’, ‘fraudulent practice’, ‘collusive practice’ or ‘coercive practice’ or in breach of the contract executed between both parties.

1. Guidelines and Objectives of Blacklist Policy

1.1 Objectives

- 1.1.1 Encouraging the service providers to ensure compliance with the agreements executed with RDC.
- 1.1.2 Taking appropriate measures against service providers whose actions are deemed non-compliant with the agreements executed with RDC.
- 1.1.3 Identifying those who are in breach of the procurement policy of RDC.
- 1.1.4 Implementing a transparent blacklisting practice.

1.2 Misprocurement

Bidders and RDC’s procurement section shall not accept misprocurement actions of any sort and uphold the guidelines and rules set forth in the procurement policy.

1.3 Corruption, Fraud and Collusion

The vendors, suppliers, contractors, and bidders conducting business transactions with RDC who are engaging in corruption, fraud or collusive activities or actions leading up to such activities at any stage of procurement, they are in breach of the policies of RDC.



- a) Definition of Terms
- 1.3.1 **‘Corrupt Practice’**: Offering to give or receive any valuables or benefit or giving or receiving such valuables or benefit, directly or indirectly with the purpose of influencing the procurement or agreement process.
- 1.3.2 **‘Fraudulent Practice’**: Any misleading act, lies of omission or submission of counterfeit documents carried out with intention of influencing the procurement or agreement process. This includes altering specific documents that are instructed by RDC not to bring any changes to or the submission of fabricated documents.
- 1.3.3 **‘Collusive Practice’**: An arrangement made between two or more bidders for the purpose of price rigging on bids or conducting activities which might lead to it.
- 1.3.4 **‘Coercive Practice’**: Harming or menacing the participants to the procurement or agreement process to influence the processes directly or indirectly.
- b) If RDC realizes that a winning bidder, directly or via an agent, has been engaged in corrupt, fraudulent, collusive, or coercive practice to win the bid, the bid shall not be awarded to such a bidder.
- c) If RDC realizes that a bidder or a beneficiary to a project have been engaged in corrupt, fraudulent, collusive, or coercive practice during the procurement or agreement signing process, and they have not attempted to resolve their involvement in such practice within a reasonable time frame with actions acceptable to RDC, the respective part of the agreement signed under the project shall be annulled.
- d) If RDC realizes at any given time that a firm, company, sole proprietorship, or any other party, directly or via an agent, have been engaged in corrupt,



3. Stages of Blacklisting and Decisions

- 3.1 If the procurement department finds that a vendor, supplier, or contractor carried out any of the acts mentioned under section 2 of this policy, the issue shall be reported to the bid committee in writing.
- 3.2 If the supplier breaches the conditions set out in a public bid and requests to extend the duration to supply without an appropriate reason, a percentage of the total value of the contract shall be deducted. The percentage value shall be determined by the party mentioned in section 2 of this policy.
- 3.3 If the supplier requests to extend the duration to supply without an appropriate reason more than once, the company shall determine a tolerance level and blacklist the supplier.
- 3.4 If an act mentioned under section 2 of this policy is known to have been carried out by the vendor, supplier, or contractor, a decision regarding this shall be determined and relevant parties informed within 2 to 14 days.
- 3.5 Based on the nature and severity of the reported issue, the vendor, supplier, or contractor could be blacklisted for a period between 6 months to 3 years.
- 3.6 After receiving the report prepared by the bid committee, detailing the process for blacklisting in necessary situations and the recommended penalty for the party in writing, the Managing Director will implement the penalty against the party.
- 3.7 Additionally, if RDC finds it appropriate to file legal charges against a party under this policy, RDC reserves the right to do so to the relevant authorities.

4. Assigning Work to Blacklisted Parties



Work can only be assigned to the blacklisted party during the blacklisted period, if there is no other party for the work to be assigned to and when the assignment to the blacklisted party is granted consent from the bid committee, following the written consent by the Managing Director.