



LOCAL PROCUREMENT STRATEGY



centerragOLD



June 2015

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POLICY and PROCEDURE

Subject: LOCAL PROCUREMENT STRATEGY		
Section: Procurement	Effective: June 1, 2015	Policy No.
Management Responsibility: Regional Buyer Supervisor		Author:
Approved by: Vice President Procurement & Logistics		

POLICY

Local Procurement brings significant benefits to Kumtor Gold Company (KGC). As KGC's local procurement strategy will create significant economic benefits at the local, regional and national level in the Kyrgyz Republic, this policy is introduced to ensure KGC's Local Procurement and Sustainable Development strategy is aligned to:

- Increase employment locally by utilizing more local suppliers
- Increase the percentage and value of goods and services sourced from local suppliers
- Increase the portion of KGC procurement spending that ultimately stays within the Kyrgyz Republic by increasing spending on domestically produced goods and services
- Strengthen the capacity of local businesses such that they are in a better position to supply KGC, and are also sustainable beyond the life of the Kumtor mine
- Lower costs and delivery times of goods and services used by KGC by shifting from international to local suppliers by increasing the range of goods and services available locally
- Improve KGC's reputation and social licence to operate by effectively communicating the benefits of local procurement to its external stakeholders.

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1. Vision

To increase the quantity and range of goods and services procured locally by Kumtor Gold Company in order to create shared value for the company and the Kyrgyz Republic.

We aim to increase the socio economic impact of Kumtor Gold Mine on the Kyrgyz Republic and in so doing, leave a positive legacy, which will further drive the development of the Mining sector and related industries.

2. Rationale

Local procurement brings significant benefits to Kumtor Gold Company (KGC). It is one of the most effective ways for KGC to maintain its social license to operate, strengthen its relationship with the Kyrgyz Government, and improve the company's supply chain efficiency.

KGC's local procurement strategy will create significant economic benefits at the local, regional and national level in the Kyrgyz Republic. Local procurement leads to more local jobs and income, transfers skills and technology, and helps to create vital domestic business networks. Local procurement thus represents a genuine opportunity to create shared value – value for KGC and value for the communities where it operates.

3. Objectives

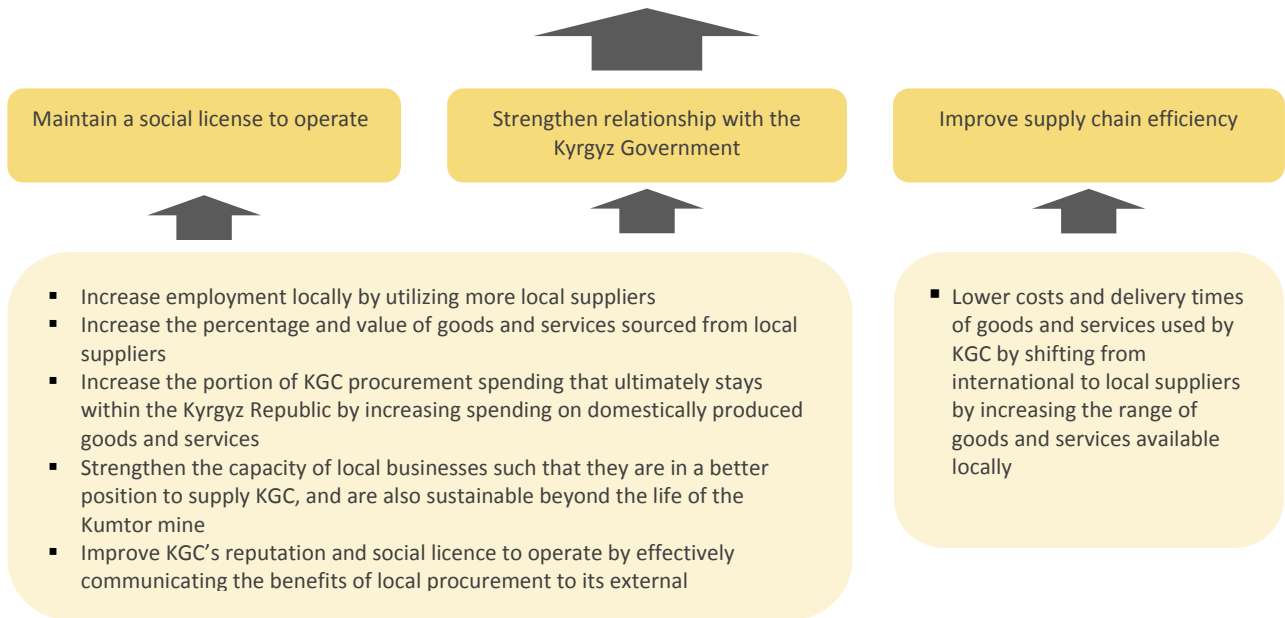
KGC will adopt this local procurement strategy to:

- Increase employment locally by utilizing more local suppliers
- Increase the percentage and value of goods and services sourced from local suppliers
- Increase the portion of KGC procurement spending that ultimately stays within the Kyrgyz Republic by increasing spending on domestically produced goods and services
- Strengthen the capacity of local businesses such that they are in a better position to supply KGC, and are also sustainable beyond the life of the Kumtor mine
- Lower costs and delivery times of goods and services used by KGC by shifting from international to local suppliers by increasing the range of goods and services available locally
- Improve KGC's reputation and social licence to operate by effectively communicating the benefits of local procurement to its external stakeholders.

3.1 Local Procurement Strategy Logic Model

To increase the quantity and range of goods and services procured locally by Kumtor Gold Company in order to create shared value for the company and the Kyrgyz Republic.

We aim to increase the socio economic impact of Kumtor Gold Mine on the Kyrgyz Republic and in so doing, leave a positive legacy which will further drive the development of the Mining sector and related industries.



4. Scope

This strategy will be applied to all of KGC's business activities. Within this strategic plan, local procurement refers to the process by which KGC buys goods and services from businesses at the local, regional and national level within the Kyrgyz Republic.

The company will give priority to majority Kyrgyz-owned businesses and, where possible, KGC will support firms that are located closest to the mine. The preferences for local, regional, national and foreign enterprises are outlined in the chart on the next page. KGC will ensure that it does not build new supplying capacity at the local and/or regional level when there are already adequate suppliers in the country. While KGC believes competition among suppliers is healthy, creating excess capacity in certain goods and services will result in fragmented demand that will hurt all suppliers.

All enterprises wanting to work with Kumtor where the owner, director, manager or any employee engaged in an important function in this enterprise, who is the immediate family of a non-executive Kumtor employee, the latter must immediately communicate that to his/her superiors, otherwise this company will be non-eligible, as per the Kumtor Code of Ethics and Code of International Business Conduct.

In all cases the Kumtor Procurement guidelines, including the International Code of Business Conduct and Code of Ethics apply for verification of business ownership. As well, all enterprises (or

organizations) wanting to obtain contracts with the Kumtor project must be in compliance with the appropriate Kyrgyz legislation.

4.1 Classification Chart

Category	Definition	Eligibility Criteria	Majority Kyrgyz Owned	Majority Foreign Owned
C1 – Local Enterprises	<ul style="list-style-type: none"> Businesses in communities that are most directly impacted by KGC activities (e.g. Jeti-Ögüz, Ton, Ak-Suu Raions) 	<ul style="list-style-type: none"> Affiliated and approved business enterprises within the KGC regional impact area Enterprises not likely to be in conflict of interest, in any form whatsoever, with Kumtor Commercial offers from eligible local enterprises will benefit from an additional favourable weighting in any RFQ analysis in relation to the other regions 	C1-K	C1-F
C2 – Regional Enterprises	<ul style="list-style-type: none"> Businesses in communities within the wider Issyk-Kul Oblast 	<ul style="list-style-type: none"> Same as above 	C2-K	C2-F
C3 – National Enterprises	<ul style="list-style-type: none"> Businesses within the Kyrgyz Republic 	<ul style="list-style-type: none"> If no local/regional enterprises are found to meet required qualifications the businesses outside of the Oblast are considered next If there are no enterprises able to provide the goods or services required we encourage twinning between foreign enterprise with a Kyrgyz local enterprise and if possible to be established in the KGC regional impact area Commercial offers from eligible national enterprises will benefit from an additional favourable weighting in any RFQ analysis over foreign enterprises 	C2-K	C2-F
C4 – Foreign Enterprises	<ul style="list-style-type: none"> Any business registered outside of the Kyrgyz Republic 	<ul style="list-style-type: none"> Only to be used once all resources to procure specific goods and services locally (considering pricing, quality & sustainability) have been exhausted and specific goods are not available locally This would normally include OEM suppliers 	-	C4-F

5. Accountability and Responsibilities

The ultimate responsibility for the execution of KGCs’ local procurement strategy lies with the Procurement Department, under the direction of the V.P. Procurement and Logistics. Other relevant departments, such as Sustainable Development, will also assist in the implementation of this strategy, such as by coordinating supplier capacity building initiatives. Employees at all levels, including end-users of goods and services, are accountable for actively supporting local procurement.

In carrying out efforts to increase local procurement, KGC staff will adhere to standard operating policies and procedures pertaining to ethics, environmental protection, health and safety, and other key areas.

This includes, but is not limited to, the following policies and procedures:

- Procurement Policies and Procedures PP-01-PP-04
- International Business Conduct (Centerra Policy)
- Code of Ethics I-28
- All relevant laws and regulations of the Kyrgyz Republic, including tax legislation
- The necessity of KGC to obtain goods and services at competitive prices, with reliable delivery times, and of the quality required to carry out operations
- The necessity to obtain all appropriate internal approvals, including legal review, before entering into procurement arrangements
- All relevant health and safety rules and procedures
- The need for accurate reporting, internally and externally, subject to standard external assurance procedures

Lastly, this strategy aims to provide a level playing field for all KGC suppliers and at the same time insist on good governance, compliance with local laws, respect for human rights, safety, and the environment.

6. Processes to Support Local Suppliers

The procurement processes and procedures of KGC must be structured so they are promoting local procurement, rather than hindering the inclusion of national suppliers of goods and services. This will require KGC to modify the procurement processes it traditionally uses with more professional, high capacity suppliers, to procedures which are designed to accommodate the needs of lower capacity local businesses. In order of preference, KGC will consider the following definitions when dealing with local suppliers:

- 1st preference - buying from a local manufacturer, producer, or service provider
- 2nd preference - support development of a new sustainable local business
- 3rd preference - buying from locally based resellers

Revisions to procurement processes may include:

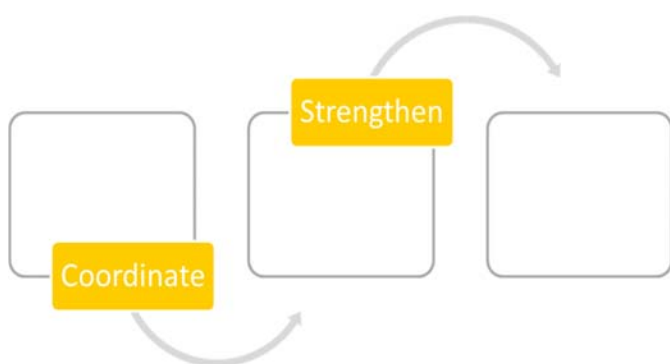
- Creating flexible payment procedures
- Weighting in tender evaluation that provide points for bids from local suppliers
- Reserving particular goods and services to Kyrgyz suppliers outright
- Willingness to pay a goods seller a percentage more for a locally produced good than an imported version of the same product
 - < 14% for orders placed with local manufacturers, producers and new sustainable local businesses.
 - 5% for orders with values < US\$25k, and 3% for orders with values > US\$25k for purchases from resellers.

- Unbundling of service or goods contracts into smaller pieces that are more suitable in size for low-capacity suppliers

However, such flexible procurement processes are intended to be short term, and will be implemented to help develop the business skills and capacity of local businesses. The eventual phasing out of such practices must be clearly communicated to all suppliers to pressure them to become more competitive.

7. Capacity Building for Suppliers

Adapting procurement processes to favour local suppliers and making proactive efforts to find suppliers that are currently outside the knowledge of KGC will act as a good start to increase local spending. However, in order to successfully increase spending to the level expected by the Kyrgyz government, but also purchase goods and services at competitive prices, KGC will need to help build the capacity of local businesses so that they are able to supply the company. This will mean upgrading the supplying capacity of national businesses, either by building up the skills and abilities of existing businesses, or by helping to create entirely new businesses. This will often include KGC helping to introduce new goods and services not currently produced in the Kyrgyz Republic.



Importantly, these capacity building efforts must be carried out in partnership with local organizations. KGC cannot afford to fund and staff all of the required efforts, and domestic organizations must participate in programming to ensure local ownership and sustainability. KGC should see itself as a minor funder, but its larger role should be to coordinate capacity building efforts by actors already operating in this space, such as

industry associations, vocational schools, financing institutions and development agencies.

8. Monitoring and Evaluation

To effectively execute the local procurement strategy, KGC will implement a comprehensive set of metrics to evaluate progress of the various processes, activities and programs.

Broadly these metrics will fall into two categories:

- Inputs – Initiatives undertaken (e.g. number of supplier workshops held, contracts unbundled, etc.)
- Outputs – High level results of KGC’s local procurement strategy (e.g. increased employment, increased capacity of local suppliers, etc.)

8.1 Monitoring Chart

	Objective	Measure	Data Collection Tool
1	Increase the percentage and value of goods and services sourced from local suppliers	<ul style="list-style-type: none"> ▪ Percentage of procurement spend going to local and national suppliers 	<ul style="list-style-type: none"> ▪ KGC procurement database
2	Increase the portion of KGC procurement spending that ultimately stays within the Kyrgyz Republic by increasing spending	<ul style="list-style-type: none"> ▪ Percentage of local spending that goes to goods and services produced in Kyrgyzstan 	<ul style="list-style-type: none"> ▪ KGC procurement database

	on domestically produced goods and services	<ul style="list-style-type: none"> ▪ Amount of spending on locally produced goods and services 	
3	Improve KGC's reputation and social licence to operate by effectively communicating the benefits of local procurement to its external stakeholders	<ul style="list-style-type: none"> ▪ Proxy measure: satisfaction with KGC from public ▪ Proxy measures: incidents, road blocks, grievance filings, etc. 	<ul style="list-style-type: none"> ▪ Public Relations Department data ▪ Grievance filings ▪ Interviews with key stakeholders

9. Communications Plan

An effective communications plan is an essential component of the local procurement strategy. KGC needs to be completely transparent and set realistic expectations with Stakeholders on the development of our local supply chain

Appropriate internal and external communications are essential for:

- Managing expectations among suppliers and stakeholders
- Achieving buy-in, both internally and from partners
- Attracting partners and allies to programming
- Strengthen KGC's reputation amongst key stakeholders by highlighting the significant impact the company's local procurement has on the Kyrgyz economy

For this reason, communications need to accompany all types of activities involved in the operationalization of this local procurement strategy. The Local Procurement Department will be central to the creation, testing and distribution of communications using the following resources:

- Printout information: leaflets, reports, newspaper articles, etc.
- Meetings with current and potential suppliers: presentations, seminars, workshops;
- The company's website

Annex: Operational Plan

This section presents the operational steps that will need to be carried out to implement the KGC Local Procurement Strategy. It is accompanied by a spreadsheet that provides approximate target dates for the start and completion of each task.

This operational plan is divided into task groups. The following groups are presented roughly in the order in which will they will be implemented. However, tasks from several groups will be carried out concurrently as many of the processes will overlap.

Where possible, tasks are footnoted with online resources to be consulted during the execution of tasks, including sample forms, examples of committee structures and other relevant documents.

1. Create Management Structures

KGC will create internal management and accountability structures to assign responsibilities and create accountability systems for the execution of the strategy.

1.1. Key Tasks

- i. Establish a budget for initiatives, recognizing that early investment in programming will result in KGC's ability to meet the local procurement targets in the future without raising procurement costs¹.
- ii. Create an internal Local Procurement Task Force made up of senior level managers from several departments².
- iii. Modify role descriptions of senior management outside of the Procurement and Sustainable Development Departments to include the responsibility for promoting local procurement³.

2. Identify and Seek Partners

KGC cannot achieve the goal of a major increase in local procurement on its own, and nor should KGC be expected to provide all the necessary resources to do so. For this reason KGC will seek out applicable partners to comprehensively participate in its local procurement strategy.

2.1. Key Tasks⁴

- i. Map out all relevant potential partners, including business associations, educational institutions, financing bodies, civil society organizations, aid agencies and charities, and any organization that focuses on the development of national businesses.
- ii. Identify the relevant high profile events to seek partners, showcase efforts and demonstrate impact (e.g. trade shows, government and university organized conferences, etc.).

3. Conduct Foundational Research

¹ For more information about creating a local procurement budget, please see the IFC's *A Guide to Getting Started in Local Procurement*, Annex 10 (<http://www.engineersagainstopoverty.org/documentdownload.axd?documentresourceid=1>)

² For more information about creating a task force, please see the IFC's *A Guide to Getting Started in Local Procurement*, Annex 5 (<http://www.engineersagainstopoverty.org/documentdownload.axd?documentresourceid=1>)

³ To see best practices of senior management promoting local procurement, please see Ana Maria Esteves et al *Procuring From SMEs in Local Communities: A Good Practice Guide for the Australian Mining, Oil and Gas Sectors*, page 17-18 (<http://www.aemee.org.au/common/pdf/SME-Report.pdf>)

⁴ For more information about when mining companies should partner with external stakeholders, please see Ana Maria Esteves et al *Procuring From SMEs in Local Communities: A Good Practice Guide for the Australian Mining, Oil and Gas Sectors*, page 52 (<http://www.aemee.org.au/common/pdf/SME-Report.pdf>)

In order to inform the necessary processes and activities to increase local procurement, KGC will undertake an intensive program to better understand the socio-economic context where the company operates. This includes a thorough examination of internal processes and learning from suppliers already part of the company's supply chain.

3.1. Internal Research Tasks⁵

- i. Survey procurement staff to learn about their experiences in utilizing local suppliers, in order to identify common challenges and successes in supplier engagement.
- ii. Take stock of all procurement processes currently in use to help local suppliers and determine the extent of their application across the entire Procurement Department.
- iii. Hold focus groups between procurement management, buyers and current suppliers to identify current success and challenges in local procurement.
- iv. Survey end-users to ascertain their experiences in using local goods and services, and seek ideas on high-volume items where local sourcing may be realistic.

3.2. Key Tasks⁶

- i. Gather information on the current economic capabilities of the Kyrgyz economy (e.g. service provision, manufacturing, agricultural production, etc.).
- ii. Research factors challenging local businesses in supplying KGC and other major corporations.
- iii. Review the legal environment Kyrgyz businesses operate in, as well as the tax system, in order to understand government policy that may hinder local suppliers.
- iv. Determine the services available for use by businesses from chambers of commerce, business training institutions, development organizations, aid agencies and other relevant institutions.

4. Seek Potential Suppliers in the Kyrgyz Republic

KGC will carry out a comprehensive search of existing potential suppliers in the country. This process aims to identify businesses that can reliably supply KGC currently, as well as to locate businesses that could be the targets of future capacity building efforts.

⁵ To view a sample company self-assessment framework, please see the IFC's *A Guide to Getting Started in Local Procurement*, Annex 1 (<http://www.engineersagainstpoverty.org/documentdownload.axd?documentresourceid=1>)

⁶ To see examples of tools to gather external knowledge, please see IPIECA's *Local Content Strategy: A Guidance Document for the Oil and Gas Industry*, page 5 (<http://www.ipieca.org/publication/local-content-strategy-guidance-document-oil-and-gas-industry>)

4.1. Key Tasks

- i. Correspond with business associations, educational institutions and other organizations to find suppliers.
- ii. Advertise in newspapers, radio and other media, as well as with billboards in high traffic areas.
- iii. Attend industry trade shows and other events where suppliers are present.

5. Supplier Analysis

KGC will significantly expand its current *Vendor Information Questionnaire* to include questions to evaluate the capabilities of its suppliers, and identify the common challenges they face in supplying the company. The results of these audits will be used to amend KGCs procurement processes, and inform the most effective types of capacity building initiatives required.

5.1. Key Tasks

- i. Create a supplier questionnaire in cooperation with relevant experts such as business university faculty⁷.
- ii. Create a scoring system to evaluate the general capabilities of suppliers based on the questionnaire data⁸.
- iii. Distribute and collect completed questionnaires from current and new suppliers.
- iv. Distribute questionnaires to suppliers who have been unable to supply KGC, and/or those who have been dropped due to poor past performance.
- v. Use scoring system to assign scores to each existing and potential supplier.
- vi. Compile questionnaire data and scores to identify patterns.
- vii. Discuss questionnaire results with the Local Procurement Task Force and partners.

6. Reform Procurement Procedures

Based on the knowledge gathered internally, externally, and as a result of the analysis data, KGC will review current processes to identify necessary changes required to support Kyrgyz suppliers. Internationally accepted best practices will also inform these revisions. During this process KGC will implement the new measurement systems required to evaluate the success and impacts of its local procurement strategy.

6.1. Key Tasks

⁷ For sample questions for suppliers, please see the IFC's *A Guide to Getting Started in Local Procurement*, Annex 7 (<http://www.engineersagainstopoverty.org/documentdownload.axd?documentresourceid=1>)

⁸ For an example of a scoring system, please see Ana Maria Esteves et al, *Procuring From SMEs in Local Communities: A Good Practice Guide for the Australian Mining, Oil and Gas Sectors*, page 25 (<http://www.aemee.org.au/common/pdf/SME-Report.pdf>)

- i. Ensure current best practices of local procurement in use by the Procurement Department, as identified in Task Group 3, are implemented consistently across the department.
- ii. Use questionnaire data from suppliers as well as internal surveys and focus groups, to reform any practices that were commonly identified as acting as a barrier for local suppliers to supplying KGC.
- iii. Identify particular goods and services to be reserved for local suppliers.
- iv. Identify current goods and service contracts that, if broken up, would allow for more business opportunities for local suppliers.
- v. Include the local, regional and national locations of suppliers in the weighting of bid contracts, to institutionalize the favoring of domestic over international suppliers, within a certain range of competitiveness (for many products the weighting will remain at zero).
- vi. Implement a rotation system for buyers in procurement to ensure integrity for procurement processes and to prevent accusations of corruption.

7. Build Capacity for Local Suppliers

To operationalize capacity building for existing and potential KGC suppliers, KGC will begin a comprehensive process of identifying opportunities and coordinating assistance for businesses. The basis of these efforts will be the information gathered in Task Group 3. Broadly, capacity efforts will come in two areas.

The first group of activities will focus on the business skills and management capabilities of current and potential KGC suppliers. The aim of these activities will be to improve business skills that were identified as lacking in the supplier audits and focus groups, such as business plan creation for example.

The second, more complex group of capacity building efforts will focus on creating new businesses, or expanding current suppliers into new products that currently are unavailable competitively in the Kyrgyz Republic. These activities will involve technical assistance as well as business skills improvement.

7.1. Key Tasks for Business Skills Capacity Building⁹

- i. Run workshops to provide training for current and potential suppliers to build up skills that were commonly identified as lacking in the supplier audits (e.g. business plan creation, tender preparation, customer diversification planning, etc.).
- ii. Create and distribute resources for improving management skills to help suppliers develop the capacity of their businesses.

⁹ For more information about how to grow the capacity of local suppliers, please see Ana Maria Esteves et al *Procuring From SMEs in Local Communities: A Good Practice Guide for the Australian Mining, Oil and Gas Sectors*, Section 5 (<http://www.aemee.org.au/common/pdf/SME-Report.pdf>)

- iii. Create and distribute guidance on how suppliers can seek financing for their businesses¹⁰.

7.2. Key Tasks to Target New Products and Services

- i. Search for “quick-win” opportunities that lower shipping costs and waste by shifting to local suppliers (e.g. moving a procured service in-country, e.g. a tire retreading business, etc.).
- ii. List and pursue “quick-win” opportunities as per the following example:

Supplying Opportunities	KGC Volume Need 1-5	KGC Procurement Spend 1-5	Customer Diversification Potential 1-5	Feasibility of Production 1-5	Employment Opportunities 1-5	Overall Rank
Engine Rebuilds	2	2	2	1	1	8
Coveralls	5	3	3	5	5	21
Gloves	5	2	3	5	3	18
Grinding balls	5	5	2	2	5	19
Lime	5	4	1	3	5	18

- iii. After ranking each supplying opportunity, work with partners to identify and plan capacity building initiatives for the most feasible supplying opportunities (e.g. bringing in technical advisors, providing courses in vocational skills, etc.).
- iv. Where appropriate seek out joint venture opportunities to support development of local suppliers.
- v. Create a financing plan for capacity building initiatives, utilizing partner resources, and determine the extent to which KGC will financially support them (e.g. vouching for loans, providing seed capital, etc.).
- vi. Carry out capacity building programs.

8. Monitoring and Evaluation

- Increase the percentage and value of goods and services sourced from local suppliers;
- Increase the portion of KGC procurement spending that ultimately stays within the Kyrgyz Republic by increasing spending on domestically produced goods and services;
- Improve KGC’s reputation and social licence to operate by effectively communicating the benefits of local procurement to its external stakeholders.

¹⁰ For more information about the financing needs of SMEs, please see Ana Maria Esteves et al *Procuring From SMEs in Local Communities: A Good Practice Guide for the Australian Mining, Oil and Gas Sectors*, page 32 (<http://www.aemee.org.au/common/pdf/SME-Report.pdf>)

9. Communicate Local Procurement Strategy

KGC will create an internal and external communications plan to accompany the implementation of the local procurement strategy.

9.1. Key Tasks for Internal Communications Strategy

- i. Map out all relevant internal stakeholders who will be the targets of communications.
- ii. Send memos from senior management to all staff explaining the local procurement strategy's purpose and goals, and stressing that all employees have a role to play in ensuring the success of the strategy.
- iii. Create and run company-wide presentations regarding the local procurement strategy.
- iv. Implement internal signage strategy involving signs promoting local procurement at high visibility areas and where local products are used and stored (e.g. signs in dining areas promoting local origin of food items, signs in warehouse facilities, etc.).
- v. Organize events where KGC end-users and other staff can meet with Kyrgyz suppliers.

9.2. Key Tasks for External Communications Strategy

- i. Map out all relevant external stakeholders who will be the targets of communications
- ii. Create an externally focused brand for KGC's local procurement strategy.
- iii. Create an expanded website section dedicated to local supply featuring information on Local Procurement Strategy, required commodities and services, bidding procedures, reports, contacts, etc.

Task	Description	Ownership	Comments
1	Create management structures		
1.1.1	establish budget	Management	
1.1.2	create Local Procurement Task Force	Management	
1.1.3	Review and modify roles and responsibilities	Management	
2	Identify and seek partners		
2.1.1	map potential partners	Procurement	
2.1.4	Identify high profile events	Procurement	
3	Conduct foundational research		
3.1.1	Survey procurement staff for challenges and successes	Consultants	
3.1.2	review current procurement processes	Consultants	
3.1.3	hold focus groups with buyers and suppliers	Consultants	
3.1.4	survey end users regarding local purchases	Consultants	
3.2.1	review current capabilities in KR economy	Consultants	
3.2.2	challenges to current local suppliers	Consultants	
3.2.3	review tax and legal environment to understand challenges	Consultants	
3.2.4	determine the services available for use by businesses from partners	Consultants	
4	Seek potential suppliers in KR		
4.1.1	use associations, government, and others to find potential suppliers	Consultants	
4.1.2	advertise in mass media	Media Relations, Procurement	
4.1.3	attend industry trade shows	Procurement	
5	Supplier analysis		
5.1.1	create supplier questionnaire	Consultants	
5.1.2	create scoring system	Consultants	
5.1.3	distribute and collect questionnaires with current suppliers	Consultants	
5.1.4	distribute and collect questionnaires with former suppliers	Consultants	
5.1.5	score results	Consultants	Comments
5.1.6	analyze results for patterns	Consultants	
5.1.7	discuss results with stakeholders and expert groups	Consultants	
6	Reform procurement procedures		
6.1.1	implement best practices from Task 3	Procurement	
6.1.2	implement changes from supplier questionnaires to reduce barriers	Procurement	
6.1.3	Identify goods and services which are reserved for local purchase	Procurement	
6.1.4	identify "monopoly" contracts which could be broken up to employ more suppliers	Procurement	
6.1.5	include detailed locations for supplier scoring weighing	Procurement	
6.1.6	implement rotation system for buyers	Procurement	
6.1.7	develop metrics for reporting	Procurement	
7	Build capacity for local suppliers		
7.1.1	develop workshops for key supplier challenges	Procurement, SD	
7.1.2	develop resources for management skills improvement	Procurement, SD	
7.1.3	develop guidance for supplier financing	Procurement, SD	

7.2.1	Identify quick wins from international to local purchases	Procurement, SD
7.2.2	list and pursue "quick-win" opportunities	Procurement, SD
7.2.3	work with partners to develop capacity building initiatives	Procurement, SD
7.2.4	seek out JV opportunities	Procurement, SD
7.2.5	create financing plan for capacity building initiatives	Procurement, SD
7.2.6	carry out capacity building programs	Procurement, SD
8	Monitoring and Evaluation	
8.1.1	Monitoring chart	Procurement, SD
9	Communicate local procurement strategy	
9.1.1	map relevant internal stakeholders	Procurement, SD
9.1.2	send memo to all employees from management	Procurement, SD
9.1.3	create company presentations for all employees	Procurement, SD
9.1.4	implement internal signage strategy	Procurement, SD
9.1.5	organize events where KGC end users can meet potential suppliers	Procurement, SD
9.2.1	map relevant external stakeholders	Procurement, SD
9.2.2	create a KGC LPS	Procurement, SD
9.2.3	create an expanded website on Local Procurement	Procurement, SD, Public Relations