

ANY REPLY OR SUBSEQUENT  
REFERENCE SHOULD BE ADDRESSED TO  
THE **FINANCIAL SECRETARY** AND THE  
FOLLOWING REFERENCE NUMBER  
QUOTED:-

TELEPHONE NO. 922-8600-16  
FAX NO. 922-7097

**MINISTRY OF FINANCE & THE PUBLIC SERVICE**  
**30 NATIONAL HEROES CIRCLE**  
**P.O. BOX 512**  
**KINGSTON 4**  
**JAMAICA**

**Circular No. 26**

12<sup>th</sup> October 2010

Permanent Secretaries  
Heads of Departments  
Heads of Agencies and other Public Bodies

#### REQUESTS FOR EXTENSION OF CONTRACTS

Concerns have been expressed regarding the number of requests for multiple extensions of existing service contracts (examples: insurance and security) from several Public Sector Procuring Entities. There is a strong view that one major contributing factor is the lack of proper planning.

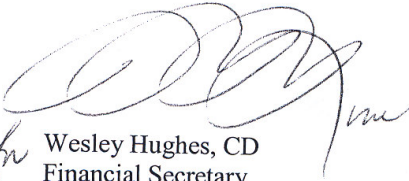
Procurement Planning (*with reference to Sub-Section 2030 of GOJ Handbook of Public Sector Procurement Procedures*) must be incorporated into the annual planning and budgeting process in all Ministries, Departments, Agencies, and Public Bodies. In addition, the annual Budget Call Circular requires all Central Government entities to submit Procurement Plans along with their Budget Proposals. This Plan should inform all the activities for the period and adequate lead time given to ensure that the procurement activities are finalized before the expiry date of an existing service contract.

All heads of entities are hereby reminded to impress upon the relevant officers, the importance of timely execution of the procurement process. The primary principles of efficiency and effectiveness are critical for maintaining the integrity and reliability of the system. Repeated requests for extensions are in violation of these principles and undermine the competitive bidding process.

All requests for extension of contracts will continue to be closely scrutinized and if the reasons for their delay cannot be attributed to unavoidable or extenuating situations, they will not be endorsed by this Ministry or the National Contracts Commission.

Public entities are hereby advised to take a more proactive approach in ensuring that the procurement procedures are upheld and responsible officers held accountable for their actions or lack thereof.

Permanent Secretaries, Heads of Departments, Agencies, and other Public Bodies, must ensure that this policy directive is disseminated to the relevant personnel for inclusion in the Handbook of Public Sector Procurement Procedures.

  
for Wesley Hughes, CD  
Financial Secretary