



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

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MINISTRY OF FINANCE AND PLANNING
30 NATIONAL HEROES CIRCLE
P.O. BOX 512
KINGSTON
JAMAICA

May 14, 2012

Circular No.:16
Division: Public Expenditure Policy Coordination

Permanent Secretaries
All Heads of Procuring Entities

Re: Increased Approval Thresholds for Public Sector Procurement

Permanent Secretaries, Heads of Departments, Chairmen of Boards and Chief Executive Officers are hereby advised that the approval thresholds for the procurement of goods, services and works by public sector entities have been increased via *Cabinet Decision No. 14/12 dated April 23, 2012*. The threshold values relate to gross amount payable to contractors.

In accordance with the Cabinet Decision, the following thresholds are applicable with effect from **May 14, 2012**.

Procurement of Goods, Works, and General Services

Contract Value Threshold	Procurement Method	Approval Requirements
Above \$40M	Local Competitive Bidding or International Competitive Bidding	Cabinet
Above \$15M up to \$40M	Local Competitive Bidding	National Contracts Commission
Above \$5M up to \$15M	Local Competitive Bidding	Head of Procuring Entity
Above \$1.5M up to \$5M	Limited Tender Minimum five (5) quotations	Head of Procuring Entity
Above \$500,000.00 up to \$1.5M	Limited Tender Minimum three (3) quotations	Head of Procuring Entity
Up to \$500,000.00	Direct Contracting	Head of Procuring Entity

Procurement of Consulting Services

Contract Value Threshold	Procurement Method	Approval Requirements
Above \$40M	Local Competitive Bidding or International Competitive Bidding	Cabinet
Above \$15M up to \$40M	Local Competitive Bidding	National Contracts Commission
Above \$5M up to \$15M	Local Competitive Bidding	Head of Procuring Entity
Up to \$5M	Limited Tender Minimum three (3) quotations	Head of Procuring Entity


Other Requirements

- For contract values below **\$500,000.00**, contractors are required to submit National Insurance Scheme (NIS) Number and Taxpayer Registration Number (TRN).
- For contract values above **\$500,000.00**, contractors are required to submit Tax Compliance Certificate (TCC).
- The Head of the Procuring Entity has the authority to approve the use of the Limited Tender procurement method for contracts up to a value of **J\$15M**. Contract values above this threshold will require the pre-approval of the NCC.
- The Head of the Procuring Entity has the authority to approve Direct Contracting up to **J\$5M**. Contract values above this threshold will require the pre-approval/endorsement of the NCC.
- Where the specified minimum number of quotations cannot be obtained, the procuring entity must ensure that the circumstances are documented and proceed with the procurement subject to the approval of the Head of Entity.

All other procedures contained in the Government of Jamaica Handbook of Public Sector Procurement Procedures, 2010 remain effective.

Permanent Secretaries, Heads of Departments, Chairmen of Boards and Chief Executive Officers are required to ensure that all Officers concerned are notified of this directive.

The directives contained in this Circular supersede all previous directives addressing these issues.


Wesley Hughes
Financial Secretary