



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

Telephone No. 92-28600-16  
Website: <http://www.mof.gov.jm>  
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**MINISTRY OF FINANCE AND THE PUBLIC SERVICE**  
**30 NATIONAL HEROES CIRCLE**  
**P.O. BOX 512**  
**KINGSTON**  
**JAMAICA**

**May 14, 2012**

**Circular No.: 17**

**Division: Public Expenditure Policy Coordination**

**Permanent Secretaries**  
**All Heads of Procuring Entities**

**Re: Business Sensitive and Other Related Procurement Provisions**

Further to the issuance of the *Revised Government of Jamaica Handbook of Public Sector Procurement Procedures, 2010* and *Cabinet Decision No. 28/08 dated August 25, 2008*, Permanent Secretaries, Heads of Departments, Chairmen of Boards and Chief Executive Officers are hereby advised that the following procurement provisions are effective:

Business Sensitive Procurement is defined as special procurements undertaken to take advantage of business opportunities that would impact the financial viability and core business of the procuring entity. For business-sensitive procurement of goods, services or works the operating functions or business objectives of the Procuring Entity are likely to be significantly impeded, or placed in jeopardy if the procurement is not executed expeditiously.

In the above circumstance, the Head of the Procuring Entity has the authority to approve contract awards through the use of the Direct Contracting Procurement Methodology as stipulated in the provisions for contracting under emergency circumstances. In this regard, the contract award is to be reported to the Ministry of Finance and Planning in the PRS1 Report, the Office of the Contractor General in the QCA Report and the National Contracts Commission (NCC) within thirty days.

The provisions that were issued by way of *Circular 34 dated September 22, 2008* for commercial entities have been revised and should be noted as follows:

**Petrojam Limited**

Petrojam's internal procurement regime will apply to the following:

- (i) Spot Procurement of Petroleum Products, Crude Oil, LPG, and Freight

- (ii) Procurement of LPG, MTBE and Freight
- (iii) Tank Cleaning and Repairs
- (iv) **Use of Pre-Approved Contractor List** - Petrojam may use its pre-approved contractors list for the selection of contractors by way of Limited Tender for specific work on the Refinery, provided that: the list is large enough to allow for competition; these contractors also become registered with the NCC; and Petrojam will advertise annually for additional contractors to be pre-approved.

**All other procurements will be subject to standard tender rules and procedures as contained in the Government of Jamaica Handbook of Public Sector Procurement Procedures, 2010.**

**Port Authority of Jamaica (PAJ) – Use of Direct Contracting Procurement Method**

1. The Head of PAJ may approve up to **J\$5M**.
2. NCC's prior approval is required for values above **J\$5M**.
3. Cabinet's prior approval is required for values above **J\$50M**.

**General Requirements**

**The exemptions do not discharge the entities from their responsibility to advise their portfolio Ministers of developments taking place within these entities.**

**Notwithstanding any internal approval, the Ministry of Finance and Planning, the OCG and NCC must be duly advised of all contract awards.**

***Permanent Secretaries, Heads of Departments, Chairmen of Boards and Chief Executive Officers must 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