



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 THE PUBLIC SERVICE
30 NATIONAL HEROES CIRCLE
P.O. BOX 512
KINGSTON
JAMAICA

September 5, 2013

Circular No. 23
Division: Public Expenditure Policy Co-ordination

Permanent Secretaries
Heads of Departments
Chief Executive Officers
Heads of Procuring Entities

Re: Revised Procedures for Procurement of Insurance Services

In furtherance of the objectives of the GOJ insurance tender process, Permanent Secretaries, Heads of Departments, Chief Executive Officers and other Heads of Procuring Entities are required to adhere to the following guidelines for the procurement of general insurance services **effective October 1, 2013**:

Procuring Entities' Obligations:

- 1) To ensure adequate insurance coverage, all asset valuations must be ascertained prior to the initiation of the insurance tender process. Valuations should be no more than one (1) year old at the time of tender invitation;
- 2) The procurement process must conclude with the signing of the attached standard Insurance Brokerage form of contract; a copy of which must be submitted to the Procurement & Asset Policy Unit in the Ministry of Finance & Planning within fourteen (14) days of signing;
- 3) Over the life of the brokerage contract the annual renewal of insurance premiums must be subject to the review of the Consulting Actuary and the approval of the relevant authorities, according to the established thresholds;
- 4) The endorsement of the Procurement & Asset Policy Unit in the Ministry of Finance & Planning must be sought prior to the extension of any general insurance contract. Such requests must be accompanied by appropriate justification, current annual premium, proposed premium rates for the period of extension and the names of the broker and insurer.

Actuary's Right to Disqualify Insurance Tenders

Consulting Actuaries who are engaged by procuring entities to undertake the evaluation of insurance tenders have the right to reject any insurance tender which, in their professional opinion, exhibits characteristics which contravene the Insurance Act, the Insurance Regulations or the prescribed Public Sector Procurement Procedures.

Accordingly, tenders which are disqualified by the Consulting Actuary shall not be eligible for further consideration for the award of contract if:

- 1) such tenders exhibit signs of unfair trade practice, inclusive of, but not limited to:
 - (a) preferential treatment;
 - (b) artificial bid pricing;
 - (c) attempted or effective market blocking; and
- 2) the broker/insurer fails to provide the requisite clarification/documentation deemed satisfactory at the time of evaluation.

All Heads should ensure that these procedures are brought to the attention of procurement staff and all other relevant Officers.



Devon Rowe
Financial Secretary