



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
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March 7, 2014

Circular No. 8
Division: Public Expenditure Policy Co-ordination
Permanent Secretaries
Heads of Departments
Chief Executive Officers
Heads of Procuring Entities

Re: Amendments to GOJ Handbook of Public Sector Procurement Procedures

Permanent Secretaries, Heads of Departments, Chief Executive Officers and other Heads of Procuring Entities are hereby advised that in accordance with **Cabinet Decision No. 27/13 dated July 15, 2013** the procurement procedures have been amended with effect from **March 17, 2014**.

Kindly refer to the following sections of the *GOJ Handbook of Public Sector Procurement Procedures* for the relevant amendments:

Volume 1 -General Provisions

Section 1.2.1(m) - Exclusions
Section 2.2.5 - Procurement Committee

Volume 2 - Procurement of Goods, Works and General Services

Section 1.1 - Procurement Methods
Section 1.1.5 - Emergency Contracting
Section 1.3.1 - NCC Requirement
Section 1.3.3 - TCC Requirement
Section 1.3.4 - Pre-qualification of Bidders
Appendix 6 - NCC Register of Public Sector Contractors

Volume 3 - Procurement of Consulting Services

Section 1 - 1.1 - Procurement of Consulting Services
Section 1.3 - Contract Value Thresholds, Direct Contracting

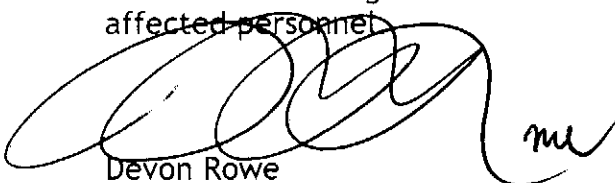
Volume 4 - Procurement of General Insurance Services

Section 1.10 - Overseas Companies
Section 3.1 - Brokers

In addition to the foregoing amendments, kindly note the following:

- i) Procuring Entities are no longer required to obtain the prior approval of the National Contracts Commission (NCC) to use the Direct Contracting nor the Limited Tender Methodologies above the specified thresholds. Heads of Procuring Entities now have the authority to grant such approvals, however, the recommendation for contract award must be submitted to the relevant authorities for final approval, in accordance with the thresholds established in the Handbook.
- ii) Named sub-contractors are required to submit proof of valid TCC and NCC registration at the time of bid submission and shall be assessed as part of the main contractor's team during the tender evaluation process.
- iii) Where there is no contractor listed on the NCC Register of Public Sector Contractors in the required category of procurement, the procuring entity may engage an unregistered supplier, subject to approval of the NCC.
- iv) The following value thresholds are applicable for procurement of goods, works, general services and consulting services:
 - Up to \$500,000 - Direct Contracting
 - Above \$500,000 up to \$1.5M - Limited Tender (3 quotes)
 - Above \$1.5M up to \$5M - Limited Tender (5 quotes)
 - Above \$5M up to \$40M - Local Competitive Bidding
 - Above \$40M - International Competitive Bidding/Local Competitive Bidding
 - Above \$150M - Prequalification is a mandatory requirement
- v) For procurement up to \$500,000, NIS requirement is no longer applicable;
- vi) For insurance tenders, Brokers will no longer be required to submit proof of professional indemnity at the time of bid submission. However, the successful Broker will be required to fulfill this requirement prior to the award of contract.
- vii) For insurance tenders, Brokers who propose facultative placement with Unregistered Insurers, shall obtain the approval of the Financial Services Commission and submit evidence of same within seven (7) days of notification of the award of contract.

Permanent Secretaries, Heads of Departments, Chief Executive Officers and other Heads of Procuring Entities are advised to bring these changes to the attention of all affected personnel.



Devon Rowe
Financial Secretary