

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

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August 7, 2025

Circular No.: 11

Cabinet Secretary
Permanent Secretaries
Heads of Departments and Agencies
Chief Executive Officers

Re: The Public Procurement (Amendment) Regulations 2025 - Effective Date & Transition Guidance

Cabinet Secretary, Permanent Secretaries, Heads of Departments, Chairmen of Boards, Chief Executive Officers and other Heads of Procuring Entities are hereby advised that effective Monday July 7, 2025, the Public Procurement Regulations 2018 has been amended by the Public Procurement (Amendment) Regulations, 2025 ("the amendment Regulations"). Amongst other things, the amendment Regulations align the Public Procurement Regulations with the primary legislation as amended by the Public Procurement (Amendment) Act, 2025, which came into effect on March 27, 2025. Similarly, it creates alignment with the provisions outlined in the Public Procurement (Competition Threshold) Order, 2025, which came into effect on May 16, 2025.

The amended Regulations further outline inter alia:

- increases to the contract approval limits:
- the procedure for making adjustments to the amount of an advance payment or the making of an advance payment in excess of 50% of a contract price;
- changes to the time at which a bidder's eligibility is to be determined;
- clarifications regarding the requirement for proof of tax compliance or proof of there being no obligation to pay taxes in Jamaica, where the estimated value of the contract is less than the relevant competition threshold for a single-source procurement; and
- a clear requirement for negotiation in all single-source procurements, unless such negotiations are not feasible and the procuring entity is satisfied that the objective of value for money will be achieved.

These amendments are aimed at promoting greater efficiency, transparency, and accountability, and the improvement of the alignment of the public procurement framework with the strategic objectives of the government. Your attention is drawn to the amendment Regulations which may be found on the website of the Office of Public Procurement Policy- www.procureja.gov.jm.

The new Procurement Contract Approval Limits are as follows:

| Procurement Contract Approval Limit | |
|---|--|
| Procurement Contract Approval Limit | Procurement Contract Value |
| A procurement contract of - | |
| (a) Tier 1 Limit – Approval by Head of Entity | (a) A value not exceeding sixty million dollars; |
| (b) Tier 2 Limit – Approval by the Commission and the Head of Entity | (b) a value exceeding sixty million dollars but not exceeding one hundred million dollars; |
| (c) Tier 3 Limit – Approval by the Cabinet, the Commission and the Head of Entity | (c) A value exceeding one hundred million dollars. |

It is to be noted that the new Contract Approval Limit values and the other provisions contained in the Public Procurement (Amendment) Regulations, 2025, will replace those values and provisions previously relied upon. However, careful note must be taken of the following **transition guidance:**

1. No Retrospective Effect

The Public Procurement (Amendment) Act 2025 and the Public Procurement (Amendment) Regulations, 2025 are not to be applied retrospectively. This means that the amendments shall not affect any right, privilege, obligation or liability that was acquired, accrued or incurred under the Public Procurement Act or the Public Procurement Regulations prior to the 2025 amendments coming into force.

2. Procurement Proceedings Commenced Before 2025 Amendments

Where a procurement process was initiated prior to the coming into force of the amendments, actions lawfully taken under the previous legislative framework shall remain valid and enforceable. However, the subsequent stages of the procurement process (i.e., any step not yet completed as at the effective date of the amendments) should comply with the amended provisions of the Act and Regulations, provided it does not negatively affect any right, privilege, obligation or liability that was acquired, accrued or incurred prior to the 2025 amendments coming into force.

3. New Procurement Activities

All new procurement activities commenced after the effective date of the Public Procurement (Amendment) Act 2025 and the Public Procurement (Amendment) Regulations, 2025 must be conducted entirely in accordance with the amended Act and Regulations.

Cabinet Secretary, Permanent Secretaries, Heads of Departments, Chairmen of Boards, Chief Executive Officers and other Heads of Procuring Entities are hereby advised to bring this circular to the attention of all affected personnel.

Yours sincerely,

Darlene Morrison, CD

Financial Secretary