

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

Telephone No. 922-8600-16 Website: http://www.mof.gov.jm Email: info@mof.gov.jm MINISTRY OF FINANCE AND THE PUBLIC SERVICE
30 NATIONAL HEROES CIRCLE
P.O. BOX 512
KINGSTON
JAMAICA

June 9, 2025

Circular No. 5

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

Re: Competition Thresholds made pursuant to The Public Procurement (Amendment) Act 2025

Cabinet Secretary, Permanent Secretaries, Heads of Departments, Chairmen of Boards, Chief Executive Officers and other Heads of Procuring Entities are hereby advised that effective Thursday March 27, 2025, The Public Procurement Act 2015 has been amended by The Public Procurement (Amendment) Act 2025 ("the amendment Act"). Amongst other things, the amendment Act corrects conceptual or fundamental deficiencies in the primary legislation, clarifies ambiguities in the primary legislation, establishes a new "Competition Threshold", increases contract approval limits, and increases concurrence with the strategic objectives of the government. Your attention is drawn to the amendment Act which may be found on the website of the Office of Public Procurement Policy- www.procureja.gov.jm.

The amendment Act provides that in respect of procurement proceedings, the default market approach is open competition, and derogations therefrom are only allowable in certain circumstances. Amongst these circumstances is procurement in situations where the estimated value of the procurement does not exceed particular thresholds. These thresholds, called the "Competition Threshold" are made pursuant to Ministerial Order as set out in Section 22B(3) of the Act. This measure aims to increase transactional efficiency, and ensures that a variety of procurement methods are available at particular levels of competition. It is emphasised that notwithstanding the allowance for restricted competition as provided, the broadest possible competition in the circumstances, is likely to produce greater levels of economic efficiency and will be the central approach that achieves most objectives of public procurement. Procuring Entities are therefore encouraged to include competition as far as practicable.

The new thresholds are as follows:

Table 1- Competition Thresholds- Contract for Works

Value Limit	Level of Competition	Specified Procurement Methods
Exceeding 150 million	Open International Competition	International Competitive Bidding
		National Competitive Bidding
		Request for Proposals with Consecutive Negotiations
		Request for Proposals without Negotiation
Exceeding \$40 million but not exceeding \$150 million	Open National Competition	National Competitive Bidding
		Request for Proposals with
		Consecutive Negotiations
		Request for Proposals without
		Negotiation
Exceeding \$5 million but not	Restricted Competition	Restricted Bidding (minimum of
exceeding \$40 million	~	3 selected suppliers)
Not exceeding \$5 million	Restricted Competition	Request for Quotations
		Single-Source Procurement

Table 2- Competition Thresholds- Contract for Goods and Services

Value Limit	Level of Competition	Specified Procurement Methods
Exceeding \$90 million	Open International Competition	International Competitive Bidding
		National Competitive Bidding
		Request for Proposals with Consecutive Negotiations
		Request for Proposals without Negotiation
Exceeding \$20 million but not exceeding \$90 million	Open National Competition	National Competitive Bidding
		Request for Proposals with Consecutive Negotiations
		Request for Proposals without Negotiation
Exceeding \$3 million but not exceeding \$20 million	Restricted Competition	Restricted Bidding (minimum of 3 selected suppliers)
		Request for Proposals with Consecutive Negotiations
		Request for Proposals without Negotiation
Not exceeding \$3 million	Restricted Competition	Request for Quotations
		Single-Source Procurement

It is to be noted that all new thresholds/values contained in this Circular will replace those values previously relied upon. However, careful note must be taken of all relevant governance procedures including the requirement for the prior approval of the Head of Entity to restrict competition in circumstances that require open competition. It must also be noted that insofar as National Competitive Bidding is concerned, there is no limitation as to the value of contract that may be awarded using this method.

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,

J. Mome-

Darlene Morrison, CD Financial Secretary