

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 22, 2008

**Circular No. ~~34~~**  
**Division: Public Expenditure Policy Coordination**

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

**Re: Amendments to Procurement Procedures for Commercial Entities**

Permanent Secretaries, Heads of Departments, Chairmen of Boards and Chief Executive Officers are hereby advised that via *Cabinet Decision No. 28/08 dated August 25, 2008*, partial exemption from the procurement procedures has been granted for the following procuring entities as listed below effective **22<sup>nd</sup> September 2008**.

**Air Jamaica Limited**

The Head of Air Jamaica may approve contracts up to **US\$150,000**. Above this value will require the prior approval of the National Contracts Commission.

Air Jamaica's internal regime will apply to the following procurements:

- (i) Procurement of goods, services and works to Air Jamaica's overseas stations;
- (ii) Procurement of goods, services and works for which the standards and suppliers are regulated by the Jamaica Civil Aviation Authority (JCAA), Federal Aviation Authority (FAA), other regulatory bodies or manufacturers;
- (iii) Lease of aircraft or procurement of repair services in a situation of *Aircraft on Ground (AOG)*;
- (iv) Procurement of goods, services or works in security restricted areas;
- (v) Procurement of Aircraft Fuel;
- (vi) Accommodations for Crew Layover;

- (vii) Interline Agreements and Code Share Agreements;
- (viii) Purchase and maintenance of support equipment for aircraft handling e.g. Paymovers, Passenger steps, baggage carts etc.;
- (ix) Products for use onboard aircraft e.g. pillows and blankets; and
- (x) Purchases from unregistered small suppliers.

**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 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.

**Port Authority of Jamaica**

The Head of Port Authority may approve sole source/direct contracting up to **JS\$5,000,000.00**. Above this value will require the prior approval of the National Contracts Commission. Cabinet's prior approval is required for values above **JS\$50,000,000.00**.

**Jamaica Tourist Board & Jamaica Vacations Ltd.**

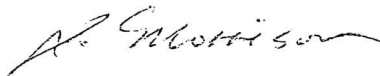
The following activities are exempt from coverage under the procurement rules and guidelines and these activities will be undertaken according to standard industry practice.

- i. Co-sponsorship arrangements;
  - ii. Trade and travel road shows;
  - iii. Supplies of goods and services to overseas offices of the JTB; and
  - iv. Co-operative advertising.
1. **All other procurements conducted by the above-named entities will be subject to standard tender rules and procedures as contained in the Government of Jamaica Handbook of Public Sector Procurement Procedures.**
  2. **The exemptions do not discharge the entities from their responsibility to advise their portfolio Ministers of developments taking place within these entities.**

3. Notwithstanding any internal approval, the NCC must be advised of all contract awards within the NCC thresholds on a quarterly basis.

*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.



Darlene Morrison  
Financial Secretary (Acting)