



GOVERNMENT OF JAMAICA

**HANDBOOK OF PUBLIC SECTOR
PROCUREMENT PROCEDURES
(MAY, 2001)**

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Acknowledgements

This HANDBOOK OF PUBLIC SECTOR PROCUREMENT PROCEDURES is the definitive document on the subject as of 1 May 2001. It updates and replaces all previous procedural guidelines and memoranda issued on the subject of public sector procurement. The Handbook will have to be updated with time and usage. Contributions toward such updates should be addressed to the Chairman of the National Contracts Commission.

The HANDBOOK was prepared with the assistance of a Working Group consisting of representatives of the following private and public sector organizations:

- The Ministry of Finance and Planning
- The Incorporated Masterbuilders Association of Jamaica
- The Professional Societies Association of Jamaica
- The Joint Consultative Committee for the Building and Construction Industry of Jamaica
- The Ministry of Transport & Works
- The Jamaican Institute of Architects
- The Port Authority of Jamaica
- The Ministry of Education & Culture
- The Airports Authority of Jamaica
- The Jamaica Institution of Engineers
- The Jamaican Institute of Quantity Surveyors
- The Ministry of Health
- The National Water Commission
- The Urban Development Corporation
- The National Contracts Commission

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The HANDBOOK is now distributed for USE. It is the guide to all persons responsible for public sector procurement actions. It is the reference document for all procurement by public sector entities.

Any comments should be addressed to the NATIONAL CONTRACTS COMMISSION.

**CHAIRMAN,
NATIONAL CONTRACTS COMMISSION**

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Procurement of Goods
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Procurement of Services

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SECTION 4 - PROCUREMENT OF GOODS

4.1 GENERAL

The procuring entity shall first refer to the Government of Jamaica Schedule of Framework Agreements (“Schedule”) for the current period to determine whether the category of good to be procured is covered under agreement in the Schedule. If the item(s) required is/are included in the Schedule, refer to the Schedule for applicable procedures. The following procedures apply to procurement of goods not included in the Schedule.

4.1.1 AWARD EVALUATION CRITERIA

Contract award evaluation criteria for the procurement of goods should be objective, and to the extent practicable, quantifiable, and must be communicated to potential contractors in the invitation to tender. Criteria should include consideration of the following, as applicable:

- Cost of operating, maintaining and repairing the good (life-cycle costs);
- Delivery time/date;
- Functional characteristics of the good;
- Terms of payment;
- Terms of guarantees and warranties;
- Accessibility of after-sales services;
- Availability of spare parts;
- Provision of user training, operating manuals, etc.;
- Provision of volume discounts;
- Extent of local content, including manufacture, labour and materials.

4.2 CONTRACT VALUE LESS THAN JS\$250,000

Where the estimated value is less than J\$250,000 goods should be procured by limited tender procedures, in accordance with the nature of the goods desired and the circumstances of the procurement, where tenders may be invited from three or more appropriately qualified contractors that are registered with the NCC. Although opportunities offered through limited tender are not generally advertised, procuring entities may post invitations to tender as described in Section 3.2 herein. There is no requirement for provision of a tender security in this contract value range. See Section 6 "Tendering Procedures" for applicable procedures.

Procuring entities may employ offsets, e.g., local manufacture restrictions, within this contract value range.

4.3 CONTRACT VALUE FROM J\$250,000 TO LESS THAN J\$1M

Where the estimated value is equal to or greater than J\$250,000 but less than J\$1M goods should be procured by limited tender procedures, in accordance with the nature of the goods desired and the circumstances of the procurement, where tenders should be invited from a minimum of five appropriately qualified contractors that are registered with the NCC. Although opportunities offered through limited tender are not generally advertised, procuring entities may post invitations to tender as described in Section 3.2 herein. There is no requirement for provision of a tender security in this contract value range. See Section 6 "Tendering Procedures" for applicable procedures.

Procuring entities may employ offsets, e.g., local manufacture restrictions, within this contract value range.

4.4 CONTRACT VALUE FROM J\$1M TO LESS THAN J\$4M

Where the estimated value is equal to or greater than J\$1,000,000.00 but less than J\$4,000,000.00 participation opportunities shall be open to all appropriately qualified suppliers that are registered with the NCC. Procuring entities shall advertise the procurement opportunity as set out in Section 3.2 herein, unless the nature and/or complexity of the procurement require national advertising. There is no requirement for contractor provision of tender securities within this contract value range. See Section 6 "Tendering Procedures" for applicable procedures.

Procuring entities may employ offsets, e.g., local manufacture restrictions, within this contract value range.

4.5 CONTRACT VALUE FROM J\$4M TO LESS THAN J\$15M

Where the estimated value is equal to or greater than J\$4,000,000.00 but less than J\$15,000,000.00 goods shall be procured on the basis of selective tender by national advertising. Tenders should be invited from all appropriately qualified contractors registered with the NCC. All contracts within this range of values require contractor provision of tender securities and shall be referred to the NCC for review of procuring entities' award recommendation. See Section 6 "Tendering Procedures" for applicable procedures.

Procuring entities may employ offsets, e.g., local manufacture restrictions, within this contract value range.

4.6 CONTRACT VALUE FROM J\$15M TO LESS THAN THE INTERNATIONAL CONTRACT VALUE THRESHOLD FOR GOODS

Where the estimated value is equal to or greater than J\$15,000,000.00 but less than the international contract value threshold for goods these shall be procured on the basis of selective tender by national advertising. Tenders should be invited from all appropriately qualified contractors registered with the NCC. A contractor pre-qualification process shall be required for goods in excess of J\$150 million. Authority to enter into contract must be obtained from the Cabinet, after reference to the NCC for approval of award recommendation. See Section 6 “Tendering Procedures” for applicable procedures.

Procuring entities may employ offsets, e.g., local manufacture restrictions, within this contract value range.

4.7 CONTRACT VALUE EQUAL TO OR GREATER THAN THE INTERNATIONAL CONTRACT VALUE THRESHOLD FOR GOODS

Where the estimated contract value is equal to or greater than the international contract value threshold for goods, goods are procured on the basis of open tender with pre-qualification. Authority to enter into contract must be obtained from the Cabinet, after reference to the NCC and the portfolio Minister for approval of award recommendation. See Section 6 “Tendering Procedures” for applicable procedures.

