



**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

The National Contracts Commission wishes to thank all those persons and organizations who have participated in preparing the HANDBOOK, whether directly in the Working Group or by commenting on it during the drafting stages.

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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## SECTION 6 - TENDERING PROCEDURES

### 6.1 TENDER DOCUMENTS

Procuring entities shall ensure that tender documents contain all the necessary information for the particular procurement. The minimum information that must be included, together with guidance notes, is listed in the paragraphs that follow. The level of detail required will depend on the value and complexity of the procurement. For the simpler and smaller procurements the documentation will be reduced although all the points listed below should be considered.

#### 6.1.1 DESCRIPTION OF THE WORKS, GOODS AND/OR SERVICES

A description of the works to be carried out, goods to be delivered or services to be performed should be inserted. The description may be brief provided the work required is described in detail elsewhere in the documents. The location or locations at which work is to be carried out or goods or services delivered should be stated.

##### 6.1.1.1 Reference to Specific Indicators

There should be no requirement or reference to a particular trademark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the goods, or standard of quality of the works or services to be procured and provided that words such as "equivalent" are included.

##### 6.1.1.2 Metrication Requirement

Pursuant to the provisions of the Weights and Measures Act (1976) and the Weights and Measures (Conversion of Unit of Measurement Order) (1998), metric units of measurement must be used in the procurement of works, goods and services.

#### 6.1.2 SOURCE OF FUNDS

The source of funds should be stated and where applicable a detailed statement of the type and conditions of any loan should be included.

#### 6.1.3 ELIGIBILITY REQUIREMENTS

Where participation is restricted in any way this should be clearly stated. An NCC list of approved contractors should be referred to and where applicable the means by which pre-qualification of tenderers is to be carried out should be described.



In addition there may be GOJ or external funding agency conditions, where tenderers, equipment and goods which are to be permanently incorporated into the project and services required for the execution of the project, should have their origin locally or in other specified countries. Eligibility requirements must be incorporated in the tender documents.

#### 6.1.4 CONTRACTOR PRE-QUALIFICATION

As a general rule, where contractors are to be pre-qualified this should be carried out before they are invited to tender. However, it is sometimes necessary to pre-qualify contractors at the same time that they are invited to tender, e.g., owing to the urgent nature of a particular procurement. In such cases, the “two-envelope” method may be used. The objective, at all times, is to pre-qualify contractors before examining their tenders or proposals.

##### 6.1.4.1 Pre-qualification Before Tender

This is the preferred method and time should be allowed in planning any procurement where pre-qualification is to be employed. Advertisements stating that the procuring entity intends to pre-qualify contractors for a particular project should be inserted in accordance with these rules. All contractors responding to the advertisements should receive pre-qualification questionnaires.

Questionnaires should include full instructions as to how the forms are to be completed. The marking scheme to be used to assess pre-qualification questionnaires should be set out in the document with the number of points to be allocated to each section clearly stated.

Once the pre-qualification has been carried out, all contractors that indicated interest should be informed whether they have been successful. Unsuccessful contractors should be informed of the reasons for their not being pre-qualified.

##### 6.1.4.2 The Two Envelope System

Where it is necessary to pre-qualify contractors at the same time as inviting tenders, the tender documents should include the full pre-qualification documents together with a guide as to how the documents are to be assessed.

When tenders are received, the pre-qualification document should be inside of the outer envelope. This envelope should be opened and the pre-qualification exercise carried out before opening the inner envelope that will contain the tenders.

It will be seen that that the system requires contractors to compile tenders without any guarantee that their tenders will even be considered. For this reason, this method should be used only when absolutely necessary because of a lack of sufficient time.

The procuring entity should inform contractors that fail to pre-qualify of the reasons for their failure.

#### 6.1.5 COST OF TENDERING

It should be clearly stated that tenderers shall bear all costs associated with the preparation and submission of their tenders and that the procuring entity will in no case be responsible or liable for those costs, regardless of the outcome of the tendering process.

#### 6.1.6 LANGUAGE OF TENDERING

Tenders documents should include a statement that tenders are to be prepared and submitted in the English Language.

#### 6.1.7 SITE VISIT

Where it is considered necessary or beneficial tenderers should be advised to visit and examine the site of the works or place of delivery of the goods or services. It should also be made clear that the tenderer is assumed to be obtaining for itself and at its own responsibility, all information that may be necessary for preparing the tender and entering into a contract. A note that the costs of visiting the site shall be at the tenderer's own expense should be inserted.

A note should also be attached stating that the procuring entity and GOJ, in granting permission to tenderers to visit the site, take no responsibility in respect of personal injury, loss of or damage to property and any other loss however caused, which might be seen to be a result of the exercise of such permission.

#### 6.1.8 TENDER DOCUMENTS

A detailed list of the sections of the tender documents should be included. Normally the documents should be laid out as follows:

- Instructions to Tenderers;
- Form of Tender and Appendix;
- Form of Tender Bond;
- Form of Tender Bank Guarantee;
- General Conditions of Contract (GCC);
- Special Conditions of Contract (SCC);
- Technical Specifications;
- Drawings where applicable;
- Bills of Quantities or Schedule of Items;
- Bills of Quantities or Schedule of Items Summary;
- Dayworks Schedule (if applicable);

- Schedules of Basic Prices (if applicable);
- Form of Agreement;
- Form of Performance Bond;
- Form of Performance Bank Guarantee;
- Form of Advance Payment Bond (if applicable); and
- Form of Advance Payment Bank Guarantee (if applicable);
- Workload at time of tender..

#### 6.1.9 CLARIFICATION OF TENDER DOCUMENTS

The method by which tenderers may obtain clarification of the tender documents should be set out in detail. The basic requirements that should be addressed are as follows.

Acceptable methods (e.g. telex, in writing, e-mail etc.) by which tenderers may seek clarification should be stated. Telephone queries are not acceptable

The exact mail or electronic address to which clarification queries are to be addressed should be stated.

The time period in relation to the end of the tender period during which clarification queries will be accepted.

It should be stated that all queries will be answered (without attributing the query to any tenderer) to all tenderers.

It should be stated that any explanation or information given by or alleged to be given by any officer of the procuring entity otherwise than in accordance with the above paragraphs will have no contractual validity.

#### 6.1.10 AMENDMENT OF TENDER DOCUMENTS

It should be stated that at any time prior to the deadline for submission of tenders, the procuring entity may, whether in response to a clarification request or for any other reason, amend the tender documents by issuing an addendum. It should be stated that where it becomes necessary, the procuring entity may extend the deadline for submission of tenders. Any addenda or extended deadlines so issued, form part of the tender documents and are binding upon tenderers.

Some means of ensuring that all tenderers have received the amendment should be included.

#### 6.1.11 PREPARATION OF TENDER

A statement as to the basis of the pricing of the tender should be inserted. The methods of dealing with local taxation (e.g., import duties, general consumption tax, contractor's levy, etc.) should be clearly stated.

A list of the sections of the documents that are to be completed by the contractor and the method of doing so (e.g. “in ink”) should be stated.

A statement should describe the way in which insertions or erasures shall be dealt with.

Where any additional information is to be submitted (e.g. a programme or resources lists) this should be stated here.

#### 6.1.12 TENDER PRICES

The requirement to price all items in the tender should be set out together with a statement of the means to be adopted to deal with items not priced. The basis of pricing, particularly which resources (labour, materials, plant, overheads, etc.) are to be included in various items, should be stated).

Where the rates and prices quoted by the tenderer are subject to adjustment during the performance of the contract in accordance with fluctuations provisions in the Conditions of Contract this should be stated here.

The currencies in which the tender may be compiled together with the means to be employed in evaluating tenders submitted in different currencies should be stated.

#### 6.1.13 ADVANCE PAYMENTS

Where advance payments are offered the amounts and terms under which the advances will be made and recovered should be stated. In all cases advances must be fully secured. In the case of mobilization payments it is normal to allow a grace period of up to one quarter of the contract period and a requirement that the whole advance must be recovered before commencement of the third quarter of the contract period.

#### 6.1.14 TENDER VALIDITY

The period during which tenders are to remain valid and in effect should be stated. The means of obtaining an extension of this period together with extension of a tender security should be set out if this is felt to be necessary.

#### 6.1.15 TENDER SECURITY

When the estimated contract value exceeds J\$4M, a note should state that all tenders must be accompanied by a tender security in the forms and amounts prescribed in the tender documents.

The amount of the security should be a fixed sum that may be calculated as a percentage of the estimated value. The percentage to be used will normally fall in the range between 1% and 2% of the estimated value of the contract.

The events that will release the tender security should be listed. The situations in which a security will be forfeit should be detailed.

It should be noted that where tender security is required, any tender not accompanied by a valid security will be rejected as non-responsive.

#### 6.1.16 SIGNING OF TENDER

The requirements for signing the tender should be explicitly stated.

#### 6.1.17 TENDER SUBMISSIONS

The detailed requirements for packaging of tenders should be set out. The following points should be considered.

The outer envelope or packaging should identify the tender subject, the name and address of the Procuring Entity and the date of opening but not the identity of the tenderer.

The precise location of the tender box or other arrangement together with the functional title of the officer responsible for receiving tenders should be stated.

A statement that the procuring entity will take no responsibility for tenders misplaced or prematurely opened if the instructions are not precisely followed should be included. It should be noted that a premature opening may result in the bid being rejected.

#### 6.1.18 DEADLINE FOR SUBMISSION OF TENDERS

The deadline should be stated with the date and time clearly identifiable.

A note should be included stating that the procuring entity may, at its discretion, extend the deadline for the submission of tenders in which case all rights and obligations of the procuring entity and the tenderers subject to the previous deadline shall thereafter be subject to the extended deadline.

#### 6.1.19 LATE TENDERS

A note should state that any tender presented to the procuring entity after the prescribed deadline for the submission of tenders will be not be accepted.

#### 6.1.20 MODIFICATION AND WITHDRAWAL OF TENDERS

A note should state that tenderers may modify or withdraw their tenders after tender submission provided that written notice of the modification or withdrawal is received by the procuring entity prior to the prescribed deadline for submission of tenders.

The requirements for the submission of modifications, adjustments or withdrawals should be stated as being the same as for tender submissions.

#### 6.1.21 TENDER OPENING

The location and time at which tenders will be opened should be stated. Normally this should be as soon after the time for tender closing as possible. Tender openings should allow representatives of the tenderers to be present, and may be public. To this end, the invitation to tenders should contain an invitation to those who have tendered to be present at the tender opening. The opening committee shall comprise a minimum of three public officers.

A record of tender opening containing the relevant information shall be prepared and signed by all those present. The standard form "Tender Receival Form" (Appendix 1) should be used. The Receival Form shall be signed by all members of the opening committee and by representatives of the tenderers present at the opening.

The information to be read out and recorded at the opening should be stated. For each tender, a minimum of the tenderer's name, total amount of tenders, tender price, modification and tender withdrawal, if any, and the presence of the requisite tender security and Tax Compliance Certificate (TCC) will be announced and recorded at the tender opening.

#### 6.1.22 DETERMINATION OF RESPONSIVENESS

The method of establishing whether tenders are responsive should be described in the tender document.

#### 6.1.23 CORRECTION OF ERRORS

The method by which arithmetic errors are to be dealt with should be set out in detail.

#### 6.1.24 CLARIFICATION OF TENDERS

It should be stated that the procuring entity may ask tenderers for clarification of their tenders in writing, cable, telex, fax or e-mail, but no change in the price or substance of the tender shall be sought, offered or permitted.

#### 6.1.25 EVALUATION AND COMPARISON OF TENDERS

The method of evaluation should be detailed here. The responsiveness of tenders will be determined during the evaluation. The currency in which price comparisons will be made should be stated, where relevant. The contract award criterion shall be the lowest evaluated tender.

#### 6.1.26 ALTERNATIVE TENDERS

A statement as to whether alternative tenders will be accepted should be inserted. If alternative tenders are to be accepted a note should state that a fully responsive tender must accompany all alternative tenders.

#### 6.1.27 AWARD CRITERIA

It should be stated that the procuring entity will award the contract to the tenderer whose tender is evaluated as the lowest responsive tender. The criteria by which the tender will be evaluated shall be stated.

#### 6.1.28 GOJ RIGHT TO REJECT ANY OR ALL TENDERS

A statement shall be included stating that the procuring entity reserves the right to accept or reject any tender, or to annul the tendering process and reject all tenders at any time prior to the award of contract without thereby incurring any liability.

#### 6.1.29 NOTIFICATION OF AWARD

It shall be stated that the procuring entity will, no later than the expiration of the prescribed tender validity period, notify the successful tenderer in writing that its tender has been accepted and that this acceptance will constitute the formation of the contract.

It shall be stated that, when the successful tenderer has furnished the documents required in the acceptance letter (usually the performance bond, insurances etc.), the procuring entity will promptly notify unsuccessful tenderers that their tenders have been unsuccessful and will return their tender securities.

#### 6.1.30 PERFORMANCE SECURITY

Where performance sureties are required the period within which they are to be submitted should be stated. It should also be stated that failure to provide the required performance security within the required period will be grounds for forfeiture of the tender security and contract award.

#### 6.1.31 SIGNING OF CONTRACT

It should be stated that, following completion of all the requirements of the acceptance letter the procuring entity will arrange with the successful tenderer to sign the Form of Agreement prescribed in the tender documents.

#### 6.1.32 TAX COMPLIANCE CERTIFICATES

It should be stated that, if a tenderer fails to submit a valid Tax Compliance Certificate with his tender, the tender will be rejected except where the requirement is specifically waived.

#### 6.1.33 ADVANCE PAYMENTS

Where advance payments are to be made, these will only be allowed upon presentation of an advance payment security. No advance payment shall be made without provision of a surety in the full value of the advance.

#### 6.1.34 INSTRUCTIONS TO TENDERERS

A section at the front of the tender documents entitled “Instructions to Tenderers” should be included showing how the above issues will be dealt with in the tender process.



## 6.2 CONTRACT DOCUMENTS

### 6.2.1 GENERAL

All contract documents must cover certain minimum possibilities. Both parties to the contract should be able to clearly see what are their rights and obligations.

There may also be specific events that are likely or expected to occur during the performance of a particular contract that would have to be covered in the contract documents for that procurement.

All contracts where standard forms are used should contain an appendix or similar arrangement where variables particular to the contract may be conveniently inserted.

### 6.2.2 MATTERS TO BE COVERED BY DOCUMENTS

All Contract Documents shall contain as a minimum the terms and conditions listed below:

#### 6.2.2.1 Contract Sum

The Contract Sum or a detailed means of arriving at a Contract Sum must be included.

#### 6.2.2.2 Description of the Works, Goods or Services

A detailed description of the works to be carried out, goods to be delivered or services to be supplied should be inserted. For works or supply of goods or materials contracts, a detailed Specification and Bill of Quantities or Schedule of Quantities should be provided. For Service Contracts a detailed Terms of Reference should be provided.

#### 6.2.2.3 Location of the Works, Goods or Services

The location or locations at which work is to be carried out or goods or services delivered should be stated.

#### 6.2.2.4 Contract Period

The period during which the works are to be executed or the goods or services delivered should be stated.

#### 6.2.2.5 Arrangements when Delivery is Late

The arrangements for the procuring entity to be compensated where the contractor delivers late should be covered in the conditions. These arrangements may include liquidated and ascertained damages, extensions of time, etc.

#### 6.2.2.6 Arrangements when Delivery is not in Accordance with the Description of Works, Goods or Services

A means of ascertaining when delivery of the contract is not in accordance with the Description of Works, Goods or Services should be included (e.g., inspection by a third party, tests and samples). The action to be taken when delivery is not in accordance with these Descriptions should be set out clearly in the contract.

#### 6.2.2.7 Termination of Contract

The situations where one party may terminate the contract and what would be the rights and obligations of the parties in the event of termination should be clearly described.

#### 6.2.2.8 Source of Funds

The source of funding should be stated where the method of financing impinges on the contractual positions of the parties and this should be covered in the contract.

#### 6.2.2.9 Language of Contract

The language of the Contract shall be stated (normally English).

#### 6.2.2.10 Site Visit

Tenderers should normally be made responsible for visiting the site of the works or delivery and obtaining, on their own behalf, information concerning the effect on the execution of the contract.

#### 6.2.2.11 Programme

Where appropriate a programme should be required to be submitted by the Contractor. The format or method of calculation of the programme should be defined in the documents.

#### 6.2.2.12 Contract Prices

The resource inputs (i.e., labour, materials, plant, overhead costs, etc.) required to be included in the prices of individual items should be listed.

Where the rates and prices quoted by the tenderer are subject to adjustment during the performance of the contract in accordance with fluctuations provisions in the Conditions of Contract, this should be stated here.

The currencies in which the contract is to be priced should be stated.

#### 6.2.2.13 Advance Payments

Where advance payments are offered the amounts and terms under which the advances will be made and recovered must be stated. Normally the advance should be recovered by installments by deduction from interim payments.

Advance payments for mobilization should not exceed 10% of the Contract Sum or such other amounts that may be stipulated by Cabinet. The procuring entity may allow the total of such advance payments to the amount of 15% of the Contract Sum where a large proportion of the contract sum is represented by the value of the work of nominated subcontractors. It is normal to allow a grace period of up to one quarter of the contract period and a requirement that the whole advance will be recovered before the third quarter of the contract.

All advance payments offered under contracts must be completely guaranteed by an advance payment security.

#### 6.2.2.14 Correction of Errors

The method by which arithmetic errors have been or will be dealt with should be set out in detail.

#### 6.2.2.15 Performance Security

Where performance sureties are required the amount should be stated and the format of the surety should be clearly set out in the documents. It should be made clear that it is a fundamental breach of contract if the surety proves to be unacceptable to the procuring entity or not properly in force.

Performance securities in the sum of 10% of the Contract Sum should be required under all contracts over the value of J\$4M. The amount of surety required for contracts over J\$100M may be increased where circumstances warrant. Such securities shall be in the form either of a performance bond or a performance guarantee.

#### 6.2.2.16 Tax Compliance Certificates

A clause should state that, the tenderer shall maintain a valid Tax Compliance Certificate, for the duration of the contract.

#### 6.2.2.17 Contractor's Levy

A clause should state that a contractor's levy in the amount of 2% is to be deducted from all payments by the procuring entity, in accordance with the Contractor's Levy Act.

6.2.2.18 Dispute Resolution

All contracts should contain detailed methods of dispute resolution whereby disputes may be adjudicated, mediated or arbitrated in order to settle disputes in a timely manner.

### **6.3 APPROPRIATE CONTRACTS FOR VARIOUS TYPES OF PROCUREMENT**

#### **6.3.1 WORKS CONTRACTS**

For works contracts valued at and above J\$4M the following Standard Forms of Contract are recommended:

Works of a character predominantly:

- Building - JCC Form
- Civil Engineering - FIDIC Form

Providing either of these standard forms is properly completed and amended the general requirements of Section 3 will be covered. In both cases the most recent form should be used.

#### **6.3.2 SERVICE CONTRACTS**

Sample contracts for services, including consulting services are included at Appendix 2 .

#### **6.3.3 GOODS CONTRACTS**

A sample contract for the procurement of goods is included at Appendix 2.

### **6.4 SPECIAL CONDITIONS TO BE INCLUDED**

#### **6.4.1 FLUCTUATIONS CLAUSES**

All contracts with a duration of over six months and/or of a value equal to or greater than J\$15M should normally contain a means of dealing with inflationary increases in labour, materials, taxes and other factors of cost.

GOJ encourages the use of Formula or Index methods of adjusting prices for inflation. However where the use of Formula or Index methods is not possible a mechanism whereby basic prices of the various specifically listed and priced cost factors may be employed. In this case it must be made abundantly clear to tenderers in the “Instructions to Tenderers” and in the Conditions of Contract that only items listed in the Basic Price Lists will be eligible for adjustment owing to changes in price.

## 6.5 PRE-TENDER ACTIONS

### 6.5.1 APPOINTMENT OF PROCUREMENT PLANNER

Pre-tender actions are directed towards ensuring that the maximum reasonable number of suitably qualified tenderers is invited to tender and that the pre-tender period is properly documented.

A Procurement Planner should be appointed to carry out the procedures required for obtaining tenders. It is recommended that this officer deal with all aspects of the tender to avoid any contradictory or inaccurate information being given to tenderers.

### 6.5.2 ADVERTISEMENTS

As a general rule, for procurements with an estimated value of J\$250,000.00 and above a formal invitation to tender must be advertised. Exceptions would be where limited tendering, or competitive negotiations have been approved.

#### 6.5.2.1 National Advertisement

Procuring entities should place advertisements in the largest circulation national newspaper on the Saturday and Wednesday of a week such that the day of first insertion shall precede the date on which tender documents are to be made available to tenderers.

#### 6.5.2.2 International Advertisement

International advertisement may be required as a condition of a funding agency, unavailability of qualified domestic contractors, etc. The choice of magazines or other periodicals for placement of advertisements should be made on a case-by-case basis. In cases where the funding agency requires international advertising, the particular magazine will be specified (e.g. for the IADB “Development Business”).

#### 6.5.2.3 Matters to be Covered in the Invitation to Tender

The invitation to tender or advertisement should contain, at a minimum, the following information:

- name and address of the procuring entity;
- description of the required works, goods or services;
- location of the deliverable(s)
- basic eligibility requirements, including NCC registration and tax compliance;
- date, time and location where tender or prequalification documents may be collected, and the price charged, if any;
- source of funding;
- closing date and time for tender submission;
- date, time, location and manner of tender opening; and
- tender security (if required)

### 6.5.3 TENDER DOCUMENTS

#### 6.5.3.1 Quantities Required

The quantities of documents that might be required for the tendering process and for contract documentation should be carefully estimated and a reserve of up to 50% ordered. If the supply of documents is exhausted and these cannot be reprinted in time an extension of the tender period may be necessary.

#### 6.5.3.2 Costs and Charges for Documents

A charge should normally be made to contractors to obtain the tender and/or pre-qualification documents. The person or firm responsible for compiling and reproducing the tender documents should be asked to give an estimate of the price to be charged to each contractor for the documents.

#### 6.5.3.3 Tender Period

A minimum tender period of two to four weeks should be allowed for local tendering. For international tenders a minimum period of six weeks shall be allowed.

#### 6.5.3.4 Tender Document Issue Form

A Tender Document Issue Form shall be provided to the officer who is to issue the tender documents.

## 6.6 TENDER ACTION

### 6.6.1 TENDER DOCUMENT ISSUE FORM

The Tender Document Issue Form should be used to record which contractors have picked up the documents and at what times. A sample Tender Issue Form is included at Appendix 1.

The Tender Document Issue Form should be closed at the deadline for receipt of Tenders and signed by the Officer in charge of the tender process.

### 6.6.2 TENDERERS' QUERIES

Tenderers will often have queries when they feel the documents do not describe the work required sufficiently clearly or where they feel there are errors. A clause describing the procedure to be followed should be inserted in the tender documents as stated in paragraph 6.1.9 above.

#### 6.6.2.1 Form of Queries

The Invitation to Tender should set out in detail the format (e.g. letter, telegram, fax, etc.) in which queries will be accepted by the procuring entity. The time limits for queries will also have been set out (usually at least two weeks before tender closing).

#### 6.6.2.2 Confidentiality

Tenderers, in making queries, may reveal a tendering strategy that they do not want their competitors to know. For this reason the procurement planner, in answering queries, must adopt a procedure which seeks to maintain the anonymity of the tenderer asking any specific query whilst ensuring that all tenderers receive copies of the query together with the answer.

#### 6.6.2.3 Answering Queries

Where queries are received from tenderers during the tender period the following basic rules should be followed:

- Any query made by one contractor must be answered to all contractors;
- All queries must be received more than two weeks before the tender closing date; and
- All queries must be answered at least one week before the tender closing date.



#### 6.6.2.4 Effect of Late Answers to Queries

Where the answer to a query is likely to result in tenderers having to carry out substantial additional work in compiling tenders or where the answer to a query is given late an extension of the tendering period should be granted. See Section 6.6.3 below for the procedure for extending the tender period.

#### 6.6.3 EXTENDING THE TENDER PERIOD

In the event that there is a delay to the process each tenderer shall be so advised by the procuring entity and the reasons for the delay stated. The revised dates for receipt and/or opening of tenders shall be communicated to all tenderers.

#### 6.6.4 THE COMPARABLE ESTIMATE

A comparable estimate, that is one compiled from the same tender documentation as is available to the tenderers, must be requested from the Quantity Surveyor, Engineer or other cost evaluator and must be delivered to the Sector Committee along with the tender report.

## 6.7 RECEIVING TENDERS

### 6.7.1 TENDER BOX

Tenders should be deposited into a tender box. The box should ideally have a lockable posting slot so that no tenderer or other person may post a tender or other document into the box without the document being registered by the procurement planner.

The box should also have a lockable top so that documents may only be removed by the procurement planner or designated tender officer who holds the key. The procurement planner will hold the keys and will ensure that there will (at all times when tenders may be received) be an officer to open the slot and record postings.

### 6.7.2 RECORDING

Tenders shall be received anonymously by numbering and recording the time and date of arrival of the tender on the outer envelope.

### 6.7.3 TENDER CLOSING TIME

Tenders should only be removed from the box in the presence of the Opening Committee (see below) and at the time stated in the Instructions to Tenderers.

## **6.8 OPENING TENDERS**

### **6.8.1 TENDER COMMITTEE**

On the date and at the time for opening of tenders, the Tender Opening Committee should be convened.

The Tender Opening Committee will normally consist of:

- Chairperson;
- Client's Representative;
- Representatives of the firm(s) which provided Contract Documentation;
- Recording Secretary.

Tenders should be opened immediately after the tender closing time.

### **6.8.2 TENDER RECEIVAL FORM**

A Tender Receival Form shall be prepared and copies made available to all attending the tender opening. A sample Tender Receival Form is included at Appendix 1.

### **6.8.3 COMPARABLE ESTIMATE**

The amount of the Comparable Estimate (see 6.6.4 above) should be written into the Tender Receival Form before any tenders are opened.

### **6.8.4 PROCEDURE AT OPENING**

The Tender Officer shall open the outer envelopes and shall extract the envelopes marked "Tender for..." and shall extract the Form of Tender with the Appendix attached and the Contractor's Tender Bond, Tender Guarantee or Certified Cheque, TCC or any other prescribed item.

The Tender Officer shall read out the name of the tenderer, the tender price, the contract period (if this is subject to competition) and whether there is a valid tender security and TCC.

These parameters will be recorded on a standard Tender Receival Form and will be verified by all the members of the Tender Opening Committee. The Tender Opening Form shall list the names of all those present together with their signatures. The Tender Opening Form shall be photocopied after the meeting so that each member of the Committee may have a copy.

Once all tenders have been opened and announced they should be placed in a box or other container to the inside lid of which will be fixed a copy of the Tender Opening Form. This box will then be signed over to the individual who will be preparing the Tender Report. The Tender Officer will ensure that this procedure is carried out and will sign to certify that the tender documents have been passed to the appropriate person.

## 6.9 TENDER EVALUATION

### 6.9.1 GENERAL

Evaluation of tenders should be completed as soon as is practicable after the opening of tenders to allow for the award of the contract prior to the expiry of the tender validity period.

### 6.9.2 EVALUATORS

Evaluation of tenders shall be undertaken by an officer or officers or other suitable person(s) qualified to do so. Qualifications required for the person or persons undertaking the evaluation of tenders should be commensurate with the various types and values.

### 6.9.3 ISSUES TO BE ADDRESSED

- The tender evaluation comprises a number of tasks. These tasks are listed below together with recommendations as to who should carry out each task:
- The tenders should first be scrutinized generally to check for omissions of any documents or failure to fill in forms included (e.g., Basic Price List, where applicable). Where it is permissible for such omissions to be rectified tenderers should be contacted and the omissions made good.
- An arithmetic check should be carried out in accordance with the Instructions to Tenderers. The check should be carried out by one individual and counter-checked independently by another.
- Tenderers should be informed of any errors. The procedure to be followed should be as provided for in the Instructions to Tenderers.
- A comparison should be made between each tender and the Comparable Estimate.
- Technical and/or quality considerations should be evaluated.
- The workload of the tenderer(s) should be evaluated.
- Individual rates, where they substantially affect the value of the tender should be compared with expected market rates and comments made.
- A summary comparison of all the tenders with the Comparable Estimate should be made.
- A recommendation stating which tender is recommended for acceptance or stating that none should be accepted should be made. Only one tender should be recommended for acceptance.
- The recommendation should be addressed to the procuring entity.

#### 6.9.4 RECOMMENDATION FOR AWARD

The procurement committee of the procuring entity should now either append their agreement to the recommendations of the tender evaluation or attach a report stating precisely why the tender evaluation is not accepted and stating their own recommendations. The agreement or alternative report, together with the Tender Evaluation, should be sent to the Permanent Secretary of the Ministry with portfolio responsibility for approval or rejection and for transmission to the NCC.

The points to be covered in the recommendation are listed below. Procurement committees must ensure that all the points listed are addressed adequately in the report before giving authority to accept a tender.

- A preamble stating what the procurement committee is being requested to approve (e.g., the award of a contract to a particular tenderer in a specified sum and with a stated contract period), how the contract is to be financed and a brief description of the works, goods or services.
- A brief outline of the Tender Procedure adopted.
- Details of any prequalification exercise carried out and whether, where necessary, approval of any third party (e.g., a funding agency) has been obtained.
- A list of tenders received, their values and, where this has been made the subject of tender, the contract period.
- Details of tender securities included.
- The Tender Evaluator's report.
- The procuring entity's comments.
- Any reference checks (e.g., bank references, previous clients) carried out by the procuring entity.
- The recommendation.

#### 6.9.5 REPORT TO THE NCC SECTOR COMMITTEER

Where the value of a contract is equal to or exceeds J\$4M the report on the evaluation of tenders should be sent by the procurement committee to the appropriate Sector Committee of the NCC. In order to be considered, the report to the Sector Committee must be accompanied by the following documents:

1. Fully completed NCC Transmittal Form. A sample NCC Transmittal Form is included at Appendix 1
2. A letter signed by the Permanent Secretary of the portfolio Ministry endorsing the recommendation and requesting its consideration by the Sector Committee
3. The Tender Document
4. A valid Tax Compliance Certificate

#### 6.9.6 REPORT TO PORTFOLIO MINISTRY

Where required by their internal rules or procedures, procuring entities should send the report on the evaluation of tenders to their Portfolio Ministries for approval.

#### 6.9.7 TENDER VALIDITY PERIOD

If for any reason the tender validity period may expire prior to the award of contract a letter requesting an extension of the tender validity period should be sent to all tenderers.

The letter of request should be received by the tenderer no later than one (1) week prior to the expiry date of the tender.

The letter shall state the period of extension and shall request the tenderer to stand by its tender price, despite the extension.

## 6.10 CONTRACT AWARD

### 6.10.1 AUTHORITY TO ACCEPT TENDER

The authority required before a procuring entity may accept a tender varies with the value of the Procurement. The list at 2.3 herein (which is reproduced below) gives the value ranges and the authorities required before contracts may be entered into.

Less than J\$4,000,000	Agency or Ministry shall approve subject to procedures included herein.
From J\$4,000,000.00 but less than J\$15,000,000	Minister shall approve on the recommendation of the NCC.
J\$15,000,000 and above	Cabinet, on the recommendation of the NCC <i>and Minister</i> .

### 6.10.2 LETTER OF ACCEPTANCE

The moment that authority to accept a tender has been received the procuring entity should issue an acceptance letter to the successful tenderer.

It should be noted that the sending of an acceptance letter constitutes formation of a contract.

### 6.10.3 FORMAL SIGNING OF CONTRACT

Once the successful contractor has provided his performance security and has put in place the requisite sureties and insurance the formal signing of the contract should be arranged.

The Contractor should be allowed time to peruse the contract before being asked to sign.

A copy of the signed contract agreement should be delivered to each of the following persons:

- The Contractor;
- The Director of Finance of the procuring entity;
- The Chief Procurement Officer of the procuring entity; and

A copy of the executed contract should also be retained in the record of the procurement.

### 6.10.4 RETURN OF UNSUCCESSFUL TENDERS

Once the successful tenderer has provided the performance surety and put in place required insurances the tenders of the unsuccessful tenderers should be returned to them with a covering letter thanking them for their participation. All tenderers should also be provided with a table showing the tenderers, the amounts of their tender and the successful tender.



# APPENDICES

# Appendix 1

## Forms

- PRS – 1  
For use by procuring entities when making monthly reports on procurement activities to the Ministry of Finance and Planning
- Tender Issue Form  
For use by procuring entities to record the issuance of tender documents.
- Tender Receival Form  
For use by procuring entities to record the tenders received at the time of opening.
- NCC Transmittal Form  
For use by procuring entities when making procurement submissions to Sector Committees.

# Appendix 2

## Standard Contracts

- Procurement of Goods
- Procurement of (consulting) Services
- Procurement of Services

# Appendix 3

## Miscellaneous