



Government of Jamaica

Procurement Policy Statement

The Government of Jamaica (GOJ), under the authority of the Cabinet, hereby promulgates public sector procurement policy in the acquisition of goods, works and services, with the objectives of:

- maximizing economy and efficiency in procurement;
- fairness, integrity and public confidence in the procurement process;
- sustainable development through minimizing negative impact on the environment; and
- fostering national growth and development.

In pursuit of these objectives, GOJ shall ensure that:

1. public sector procurement policy applies to all procurement by public sector entities including Central Government Ministries and Departments, Local Government Authorities, Statutory Bodies, Executive Agencies, public enterprises and any other Government entity in which GOJ owns majority share and/or otherwise exercises control over the operations of the entity, including an entity acting on behalf of the Government.
2. Value for Money is primary, with particular attention to efficiency, effectiveness, quality and sustainable development for the long term.
3. systems are transparent, coordinated and uniform service-wide.
4. procurement decisions reflect a commitment to minimization of the negative impact on the environment, disaster preparedness and emergency management as contained in the Government of Jamaica Environmental Guide to Green Procurement.
5. with due regard to international and/or regional obligations, public sector procurement shall as far as practicable provide opportunity for capable domestic contractors to participate in the provision of goods, services and works on a sustainable and efficient basis as an integral part of the process of national development.
6. as far as consistent with the objectives of this policy, public sector procurement activities shall be conducted fairly, allowing for equal treatment of suppliers.
7. recognizing the need for flexibility in the application of procurement modalities, although competitive tender is the primary mode, the use of limited tender (shopping) and direct contracting through negotiation or sole-source processes, with due consideration to the nature and circumstance of the procurement is permitted.

The GOJ procurement policy is governed by the following key principles:

1. Value for Money;
2. Economy;
3. Efficiency;
4. Equity;
5. Fairness;
6. Transparency/Accountability;
7. Reliability

Value for Money: Value for Money (VFM) is a measure of economy and efficiency with which the financial resources of the Government are converted. Value for Money is represented by a number of factors and not only the price paid for the goods. Typically these factors are:

- The suitability of the goods/equipment/services purchased;
- The useful life of the goods/equipment/services;
- Operating, maintenance and servicing costs;
- The administrative cost of the selected purchasing method;
- The delivery/construction period;
- Onwards transportation costs;
- Storage costs;
- The time taken to complete the procurement;
- Any other factor that is related to the procurement.

Economy: Procurement is a purchasing activity whose purpose is to give the purchaser best value for money. For complex purchases, value may imply more than just price since quality issues also need to be addressed. Moreover, lowest initial price may not equate to lowest cost over the operating life of the item procured. But the basic point is the same: the ultimate purpose of sound procurement is to obtain maximum value for money.

Efficiency: The best procurement is simple and swift, producing positive results without protracted delays. In addition, efficiency implies practicality, especially in terms of compatibility with the GOJ administrative resources and professional capabilities.

Fairness: Good procurement is impartial, consistent, and therefore reliable. It offers all interested suppliers, contractors and consultants a level playing field on which to compete and thereby, directly expands GOJ's options and opportunities.

Reliability: Good procurement establishes and then maintains rules and procedures that are accessible and unambiguous. It is not only fair, but should also be seen to be fair.

Transparency & Accountability (Ethical Standards): Good procurement holds its practitioners responsible for enforcing and obeying the rules. It makes them subject to challenge and to sanction, if appropriate, for neglecting or bending those rules. Accountability is at once a key inducement to

individual and institutional probity, a key deterrent to collusion and corruption, and a key pre-requisite for procurement credibility.

A sound procurement system is one that combines all the above elements. The desired impact is to inspire the confidence and willingness-to-compete of well-qualified vendors. This directly and concretely benefits GOJ and its constituents, responsive contractors and suppliers.