

My No: **NP/09/FRM/2007.**

14th December 2007

Provincial Treasury Circular No:PT/30/2007.

Secretaries,
Deputy Chief Secretaries,
Heads of Departments,
Local Heads,
Northern Province

PROVINCIAL PROCUREMENT PROCEDURES
AS PER NPA GUIDE LINES

The National Procurement Agency has published Government Procurement Guide Lines and the Procurement Manual with the approval of the Cabinet Ministers in order to enhance the transparency of government procurement process to minimize delays and to obtain financially the most advantages and qualitatively the best services and supplies for the Nation.

2. As it is the mandatory requirement to follow the procurement procedures Northern Provincial Council has decided to follow same and the Hon. Governor, Northern Provincial Council has approved same. Accordingly the very important items are taken into consideration for the smooth functions of the procurement in this province and the limits of authority are being fixed (Schedule I for Works and Schedule II for Goods & Services) as interim measure considering the availability of funds and it has been decided to implement the new Guild lines with effect from **01st January 2008.**

3.Authorities

**AUTHORITY OF PROCUREMENT COMMITTEES FOR CONTRACT AWARDS
RECOMMENDATION /DETERMINATION**

When open competitive bidding Procedures are followed for the International Competitive Bidding (ICB), National Competitive Bidding (NCB), Limit/Restricted International Competitive Bidding (LIB) and Limit/Restricted National Competitive Bidding (LNB) (Guideline 3.1, 3.2 or 3.3) .

As per Procurement Manual Supplement-11, clause 2.14.1 Provincial Councils are considered as equivalent to the Cabinet Ministry. The Chief Secretary's Procurement Committee (CSPC) will be considered as equivalent to Cabinet Ministry Procurement Committee and the Governor Appointed Procurement Committee (GAPC) will handle above the limit of the CSPC.

3:1. **FORCE ACCOUNT (GUIDELINE 3.7.1 AND 3.7.2)**

As per NPA Guide line and the Manual.

3:2. **EMERGENCY PROCUREMENTS (GUIDELINE 3.8.1)**

As per NPA Guide line and the Manual **subject to the delegation by the Chief Secretary at the time of Emergency.**

3:3. **COMMUNITY PARTICIPATION IN PROCUREMENT (GUIDELINE 3.9.1 AND 3.9.2)**

As per NPA Guide line and the Manual.

3:4. **AWARD OF DISTRICT/DIVISIONAL LEVEL CONSTRUCTION CONTRACT (GUIDELINE 3.9.4)**

As per NPA Guide line and the Manual.

3:5. **PROCUREMENT OF SPARE PART (GUIDELINE 9.2)**

As per NPA Guide line and the Manual.

3:6. **REPAIRS TO MOTOR VEHICLE & EQUIPMENT (GUIDELINE 9.3.1 A & B)**

As per NPA Guide line and the Manual.

(a) Repairs to motor vehicles and other equipment may be carried out through the local accredited agents of the manufacturer provided that the PE is satisfied that the quotation is reasonable, having taken into account the economy of the repair cost, the age and condition of the vehicles.

(b) However, the approval of the Chief Secretary should be obtained for repairs exceeding the cost of SLR100, 000/- (Sri Lanka Rupees One Hundred Thousand)

3:7. **PERIODICAL AND PUBLICATION (GUIDELINE 9.4.1)**

As per NPA Guide line and the Manual.

4. Committees

4:1. **TECHNICAL EVALUATION COMMITTEE (TEC)**

In addition to the procedural requirements already practiced, the following shall be specifically adhering to in the appointment of the Technical Evaluation Committee.

There shall be TEC to assist all the formal Procurement Committee for procurement of works, goods and services of all types. The TEC shall be headed by a competent person in the relevant field and consist of at least two other nominated member by the Local Head/Heal of the Department/Secretary as the case may be. Single member of the TEC could be appointed for civil work less than Rs. 2.0 Million and Goods & Supplies less than Rs. 0.5 Million

In special situations procurement of Works, Goods and Services shall be decided on the Technical feasibility and recommendation of single source technical expert.

In case of small value procurements for civil work less than Rs. 2.0 Million and Goods & Supplies less than Rs.0.5 Million a technical competent person may be added to the Procurement Committee and award may be decided without TEC.

4:2. **PROCUREMENT COMMITTEE**

Composition of Procurement Committee

4:2:1. **Governor Appointed Procurement Committee (GAPC)**

- a. Chief Secretary as Chairman
- b. Deputy Chief Secretary – Finance (Permanent Member)
- c. Relevant Secretary to the subject Ministry
- d. Secretary to the Hon. Governor
- e. Relevant Head of Department

All requests for appointment of GAPC shall be addressed to Chief Secretary through the Procurement cell.

4:2:2. **Chief Secretary Procurement Committee (CSPC) – Minor**

- a. The number of members in a CSPC (minor committee) shall be three
- b. Chief Secretary as Chairman
- c. Other two members shall be staff officers. Three suitable alternate staff officers may be appointed. Any two of these members may serve in the committee.

4:2:3. **Chief Secretary Procurement Committee (CSPC) – Major**

- a. The number of members in a CSPC (Major committee) shall be three
- b. Chief Secretary as Chairman
- c. Deputy Chief Secretary – Finance (Permanent Member)
- d. Relevant Secretary to the subject Ministry

4:2:4. **Provincial Ministry Procurement Committee (PMPC) – Minor**

- a. The number of members in a PMPC (Minor) shall be three
- b. Secretary to the Ministry as Chairman
- c. Other two members shall be staff officers. Three suitable alternate staff officers may be appointed. Any two of these members may serve in the committee.

4:2:5. **Provincial Ministry Procurement Committee (PMPC) – Major**

- a. The number of members in a PMPC (major committee) shall be three
- b. Secretary to the Implementing Agency as Chairman
- c. Head of the Implementing Agency.
- d. Representative of Provincial Treasury/Head of the Client Department

In the case Building Department is the Implementing Agency a representative from the Provincial Treasury will be a non Member on advisory capacity.

4:2:6. Department Procurement Committee (DPC)– Minor

- a. The number of members in a DPC (minor committee) shall be three
- b. Head of Department as Chairman
- c. Other two members shall be staff officers. Three suitable alternate staff officers may be appointed. Any two of these members may serve in the committee

4:2:7. Department Procurement Committee (DPC) – Major

- a. The number of members in a DPC (major committee) shall be three
- b. Head of Department as Chairman
- c. Representative from the respective Ministry
- d. Accountant of the Department/Representative of the Client Department.

In the case of Building Department representative member from the ministry shall be the Chief Accountant.

4:2:8. Regional Procurement Committee (RPC)

- a. The number of members in a RPC shall be three
- b. Local Head of Department as Chairman
- c. Representative from other Department in the relevant field
- d. One Accountant from the Department or any other Department

4:2:9. Divisional Procurement Committee (DPC)

- a. The number of members in a RPC shall be three
- b. Divisional Head as Chairman
- c. Representative from other Department in the relevant field
- d. Accountant of the respective Regional Department

5. Nomination of the Procurement Committee shall be made by

DPC – Requested by Divisional Head recommended by RHD appointed by HD

RPC – Requested by RHD appointed by HD

DPC – Requested by HD appointed by PS

PMPC – Requested by PS appointed by CS

CSPC – Requested by PS appointed by CAO

GAPC – Requested by PS recommended by CS and appointed by Governor

In case of Minor Procurement Committee if TEC is not feasible, a subject specialist may be additionally incorporated in the Procurement Committee.

6. Intimation to the Procurement Cell.

Approved Copies of constituent of all Procurement Committee and Technical Evaluation Committee to be intimated to Procurement Cell.

7. Procurement Plan

All Procurement Entities shall submit the Procurement Plan to the Procurement Cell before 31st of January each year for monitoring purposes. Any deviation to the Procurement Plan should be intimated to the Procurement Cell.

8. Payments

8:1. PAYMENT FOR THE MEMBERS OF THE PROCUREMENT COMMITTEE Rs.

SN	Value or nature of the Goods Works or Service Procurement (in Rs. Mn)	Payment for Chairman, if contract award is completed within		Payment for other Members, if contract award is completed within	
		half the original Bid validity Period	the original Bid validity Period	half of the original Bid validity Period	the original Bid validity Period
1	More than or equal to 100 and less than 250 with PQ	15,000	7,500	12,500	6,000
2	More than or equal to 100 and less than 250 without PQ	12,000	6,000	10,000	5,000
3	More than or equal to 25 and less than 100 with PQ	10,000	5,000	7,500	3,750
4	More than or equal to 25 and less than 100 without PQ	8,000	4,000	6,000	3,000
5	More than or equal to 5 and less than 25	3,000	1,500	2,000	1,000
6	More than or equal to 2 and less than 5	1,000	500	500	250

8:2. PAYMENT FOR MEMBERS OF THE TECHNICAL EVALUATION COMMITTEE (TEC) Rs.

SN	Value or nature of the Goods Works or Service Procurement (in Rs. Mn)	Payment for Chairmen, if contract award is completed within		Payment for other Members, if contract award is completed within	
		30% of the original Bid validity Period	60% of the original Bid validity Period	30% of the original Bid validity Period	60% of the original Bid validity Period
1	More than or equal to 100 and less than 250 with PQ	10,000	5,000	7,500	3,750
2	More than or equal to 100 and less than 250 without PQ	8,000	4,000	6,000	3,000
3	More than or equal to 25 and less than 100 with PQ	6,000	3,000	5,000	2,500
4	More than or equal to 25 and less than 100 without PQ	4,800	2,400	4,000	2,000
5	More than or equal to 5 and less than 25	3,000	1,500	2,000	1,000
6	More than or equal to 2 and less than 5	1,000	500	500	250

8:3. PAYMENT FOR THE STAFF OFFICERS AND MANAGEMENT ASSISTANT

Rs.

SN	GOSL Funded	Staff Officer		Clerical Officer	
		if contract award is completed within two third of the original Bid validity Period	if contract award is completed within the original Bid validity Period	if contract award is completed within two third of the original Bid validity Period	if contract award is completed within the original Bid validity Period
1	More than or equal to 100m	5,000	2,500	2,500	1,250
2	Less than 100 m and more than or equal to 25m	2,500	1,250	1,250	625
3	Less than 25 m and more than or equal to 5m	1500		750	
4	Less than 5 m and more than or equal to 2m	500		250	
<p>The officers may be paid 75 % of the fee upon final recommendation / determination by the respective PC, and the balance 25% may be paid upon the award of the contract.</p>					

For further procurement procedures you may refer Procurement Guide Line, Manual, Supplement and Circulars which is available in NPA web site www.npa.gov.lk

9. Approval, Sanctioning and Contract Agreement

9:1. Approval and Sanctioning of Estimates

- For Procurements not exceeding RS. 5 M Regional Head of Department
- For Procurement not exceeding RS. 20 M Head of Department
- For Procurement not exceeding RS. 40 M Provincial Secretary
- For Procurement above RS. 40 M Chief Secretary

9:2. Execution of Contract Agreement

Execution of Contract Agreement
<p>Following the acceptance of a bid submitted by a bidder, a formal letter of acceptance shall be issued forthwith to the bidder by the Procuring Entity. This shall be followed by the execution of a formal contract for the following:</p> <p>(a) any contract for Works exceeding SLR 250,000 (Sri Lanka Rupees Two hundred and Fifty thousand); and</p> <p>(b) any Goods or Service contract exceeding SLR 500,000.00 (Sri Lanka Rupees Five Hundred Thousand).</p>

The formal contract shall be signed by the authorities given below.		
Up to Rs. 5 Mn	Regional Head of the Department	Wherever available standard form of agreement approved by NPA shall be used; The approved forms are published in the Website of NPA
Up to Rs. 20 Mn	Head of Department	
Up to Rs. 40 Mn	Provincial Secretary	
More than Rs. 40 Mn	Chief Secretary	

S.Rangarajah
Chief Secretary

Copy to: 1. Secretary to the Hon. Governor, NP.
 2. Secretary, Finance Commission
 3. Secretary, Ministry of Provincial Council & LG
 4. Auditor General

} For your information
 please

Schedule I

Summary of Procurement Authority Chart

Type of Procurement Committees			Works					Remarks
			ICB, NCB, LCB	Shopping		Direct Procurement		
				With 5 Quotations	With 3 Quotations	With the approval of CS	With HOD supervision	
1	GAPC	Governor Appointed Procurement Committee	>100 M					
2	CSPC - major	Chief Secretary Appointed Procurement Committee- Major	<100 M					
3	CSPC- minor	Chief Secretary Appointed Procurement Committee- Minor	<10 M	<5 M	<0.5 M	< 0.25 M	<100,000/=	
4	PMPC- major	Provincial Ministry Secretary Appointed Procurement Committee- Major	<25 M					
5	PMPC- minor	Provincial Ministry Secretary Appointed Procurement Committee- Minor	<5 M	<2.50 M	<0.5 M	< 0.25 M	<50,000/=	
6	DPC- major	Departmental Procurement Committee- Major	<15M					
7	DPC- minor	Departmental Procurement Committee- Minor	<2 M	<1 M	<0.5 M	< 0.25 M	<25,000/=	
8	RPC	Regional Procurement Committee	<5 M	<0.5 M			<15,000/=	
9	Div.PC	Zonal Education	<5 M	<0.5 M			<15,000/=	
10	Div.PC	Divisional Procurement Committee (Div. Irrigation)	<2.5 M					

Summary of Procurement Authority Chart - Goods & Service

Schedule II

	Type of Procurement Committees	Goods & Service							
		ICB, NCB, LCB	Shopping			Direct Procurement			
			With 5 Quotations	With 3 Quotations	With 3 Quotations	With approval of CS	With HOD supervision	Repairs to Motor Vehicles & Equipments	
			Closing at pre-disclosed deadline and public bid opening.						
1	Governor Appointed Procurement Committee	>100 M							
2	Chief Secretary Appointed Procurement Committee- Major	<100 M							
3	Chief Secretary Appointed Procurement Committee- Minor	<10 M	<2 M	<500,000/=	<250,000/=	< 100,000/=	<50,000/=	<100,000/=	
4	Provincial Ministry Secretary Appointed Procurement Committee- Major	<20 M							
5	Provincial Ministry Secretary Appointed Procurement Committee- Minor	<2.5 M	<1 M	<500,000/=	<250,000/=	< 100,000/=	<25,000/=	<50,000/=	
6	Departmental Procurement Committee- Major	<10 M							
7	Departmental Procurement Committee- Minor		<0.5 M	<250,000/=	<100,000/=	< 100,000/=	<15,000/=	<25,000/=	
8	Regional Procurement Committee		<0.1 M		<20,000/=		<5,000/=	<5,000/= per event & maximum of 2 events per month.	
9	Divisional Procurement Committee Zonal Education		<0.1 M		<20,000/=		<5,000/=	<5,000/= per event & maximum of 2 events per month.	
10	Divisional Procurement Committee (Div. Irrigation)				<15,000/=		<3,000/=	<5,000/= per event & maximum of 1 events per month.	