



பிரதம செயலாளர் செயலகம், வடக்கு மாகாணம்
 ප්‍රධාන ලේකම් කාර්යාලය, උතුරු පළාත
CHIEF SECRETARY'S SECRETARIAT, NORTHERN PROVINCE



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My No: NP/09/FRM/R2/12/CIR-REV/2020

Date: 30.04.2020

PROVINCIAL FINANCE CIRCULAR NO:PF/ 06/2015(ii)

Secretaries,

Deputy Chief Secretaries,

Heads of Department

Northern Province.

PROVINCIAL PROCUREMENT PROCEDURES
AS PER PROCUREMENT GUIDELINES

It has been decided to revise Para 8 & Annexure 1 & 2 of the Provincial Finance Circular No PF/06/2015 dated 14/07/2015 on the above subject, in the following manner.

8. APPROVAL, SANCTIONING AND CONTRACT AGREEMENT

8:1. Approval and Sanctioning of Estimates

- For Procurements not exceeding Rs.10 Mn Divisional Head of Department
- For Procurements not exceeding Rs.25 Mn Regional Head of Department
- For Procurement not exceeding Rs.100 Mn Head of Department / Project Director
- For Procurement not exceeding Rs.150 Mn Provincial Secretary
- For Procurement above Rs.150 Mn Chief Secretary

பிரதி பிரதம செயலாளர்
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DEPUTY CHIEF SECRETARY

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8:2. 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. 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> <p>The formal contract shall be signed by the authorities given below.</p>		
Up to Rs.10 Mn	Divisional Head of the Department	Wherever available standard form of agreement approved by Dept. of Public Finance shall be used, The approved forms are published in the Website of Dept. of Public Finance
Up to Rs.25 Mn	Regional Head of the Department	
Up to Rs.100Mn	Head of Department / Project Director	
Up to Rs.150Mn	Provincial Secretary	
More than Rs.150Mn	Chief Secretary	

Amended annexure 1 & 2 are annexed herewith.

This circular supersedes the previous Provincial Finance Circular No: PF/06/2015 (i) dated 15/02/2017.


A.Pathinathan
Chief Secretary

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Chief Secretary
Northern Province

Copies to

1. Secretary to the Hon. Governor, NP
2. Secretary, Finance Commission
3. Secretary, Ministry of Provincial Council & LG
4. Asst. Auditor General, NP
5. Chief Internal Auditor, NP

To inform the Hon. Governor

For your information please

PROCUREMENT GUIDELINE REFERENCE: 2.14.1

**AUTHORITY LIMITS OF PROCUREMENT COMMITTEE FOR
CONTRACT AWARD RECOMMENDATION/DETERMINATION**

When Open Competitive Bidding Procedure (Guideline 3.1, 3.2 or 3.3), Direct Contracting Procedure (Guideline 3.5) or Repeat Order Procedure (Guideline 3.6) is followed for the procurement of goods, works and services other than consultancy services.

1. The total cost estimate of each procurement shall be considered in deciding the Procurement Authority;
2. In the case of rentals and leases, the contract value for the entire rental or lease period shall be considered in deciding the procurement authority.

Authority		GOSL Funded Projects	Foreign Funded Projects
Cabinet Appointed Procurement Committee (CAPC)		More than Rs.500Mn	More than Rs.1,000Mn
Board of Ministers Appointed Procurement Committee (BMAPC)		Up to Rs.500Mn	Up to Rs.1,000Mn
In the absences of Provincial Council, Governor Appointed Procurement Committee (GAPC)			
Chief Secretary Procurement Committee - Major (CSPC - Major)		Up to Rs.250Mn	Up to Rs.500Mn
Provincial Ministry Procurement Committee - Major (PMPC - Major)		Up to Rs.150Mn	Up to Rs.300Mn
Department Procurement Committee - Major (DPC - Major)		Up to Rs.100Mn	Up to Rs.100Mn
Project Procurement Committee - Major (PPC - Major)			
Regional Procurement Committee - (RPC)		Up to Rs.25Mn	Up to Rs.25Mn
Divisional Procurement Committee - (DivPC)	Works	Up to Rs.10Mn	Up to Rs.10Mn
	Goods & Services	Up to Rs.2Mn	Up to Rs.2Mn

PROCUREMENT GUIDELINE REFERENCE: 2.14.1 (Cont ...)**When Shopping Procedure (Guideline 3.4) is followed for the procurement of goods, works and services other than consultancy services**

1. For supply & service contracts, quotations may be invited from:
 - (a) Suppliers listed in SLT rainbow pages etc., if sufficient number of reputed vendors are listed
 - (b) Suppliers registered with the Northern Provincial Council / Procuring Entity / District Secretariat: if applicable
2. For construction contracts based on their past performance with the Procuring Entity, quotations may be invited from the contractors including Community Based Organizations (CBO) registered with CIDA.
3. For each procurement of value more than Rs.100,000 under shopping procedure, prior approval has to be obtained from the authorities as detailed below for the short-listed contractors or suppliers from whom quotations are intended to be invited.

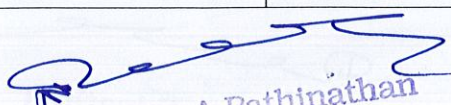
	Level of Procurement Authority	Authority granting approval for the short-listed contractors / suppliers for shopping
1.	Provincial Ministry Procurement Committee - Major	Chief Secretary
2.	Department Procurement Committee - Major Project Procurement Committee - Major	Ministry Secretary
3.	Regional Procurement Committee (RPC)	Head of the Department
4.	Divisional Procurement Committee (DivPC)	

The Procuring Entity shall use standard documents in line with the Government Procurement Guidelines, where applicable and bids shall be closed at pre-disclosed deadline and public bid opening.

For vehicle repairs exceeding Rs.50,000, Mechanical Engineer's recommendation has to be obtained prior to repair and after repair before making payment. For vehicle repairs exceeding Rs.100,000, in addition to Mechanical Engineer's recommendation, Ministry Secretary's personnel approval is required. For vehicle repairs exceeding Rs.200,000, in addition to Mechanical Engineer's recommendation, Chief Secretary's personnel approval is required.

Level of Authority	Minimum quotations to be invited	Limits of Authority	
		GOSL Funded (Rs.Mn)	Foreign Funded (Rs.Mn)
Chief Secretary Procurement Committee - Major (CSPC - Major)	Works By inviting at least five sealed quotations and receiving at least three quotations	Up to 20	Up to 20
	Goods & Services other than Consultancy Services By inviting at least five sealed quotations and receiving at least three quotations	Up to 12	Up to 18
	Goods & Services other than Consultancy Services By inviting at least three sealed quotations and receiving at least three quotations	Up to 8	Up to 8
Provincial Ministry Procurement Committee - Major (PMPC - Major)	Works By inviting at least five sealed quotations and receiving at least three quotations	Up to 10	Up to 10
	Goods & Services other than Consultancy Services By inviting at least five sealed quotations and receiving at least three quotations	Up to 10	Up to 15
	Goods & Services other than Consultancy Services By inviting at least three sealed quotations and receiving at least three quotations	Up to 5	Up to 5
Department Procurement Committee - Major (DPC - Major) Project Procurement Committee - Major (PPC - Major)	Works By inviting at least five sealed quotations and receiving at least three quotations	Up to 5	Up to 5
	Goods & Services other than Consultancy Services By inviting at least five sealed quotations and receiving at least three quotations	Up to 5	Up to 5
	Goods & Services other than Consultancy Services By inviting at least three sealed quotations and receiving at least three quotations	Up to 1	Up to 1

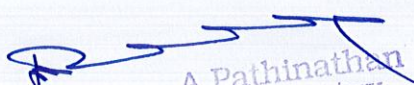
Level of Authority	Minimum quotations to be invited	Limits of Authority	
		GOSL Funded (Rs.Mn)	Foreign Funded (Rs.Mn)
Regional Procurement Committee (RPC)	Works By inviting at least five sealed quotations and receiving at least three quotations	Up to 3.5	Up to 3.5
	Goods & Services other than Consultancy Services By inviting at least five sealed quotations and receiving at least three quotations	Up to 1	Up to 1
Divisional Procurement Committee (DivPC)	Works By inviting at least five sealed quotations and receiving at least three quotations	Up to 1	Up to 1
	Goods & Services other than Consultancy Services By inviting at least five sealed quotations and receiving at least three quotations	Up to 0.5	Up to 0.5
Minor Procurement Committee at the levels of Chief Secretary / Provincial Ministry / Department.	Works By inviting at least three sealed quotations and receiving at least three quotations	Up to 1	Up to 1
	Goods & Services other than Consultancy Services By inviting at least three sealed quotations and receiving at least three quotations	Up to 0.5	Up to 0.5


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Chief Secretary
Northern Province

PROCUREMENT GUIDELINE REFERENCE: 2.14.1 (Cont ...)

Direct Purchase of smaller value repair works, goods and services (Guideline 3.5 and 3.6) (by GQSL funds or foreign funds)

Level of Authority	Requirement to be fulfilled	Authority Limit
Chief Secretary Procurement Committee - Minor (CSPC - Minor)	Works <ul style="list-style-type: none"> Satisfying the requirements given under Guideline 3.5 or 3.6 	Up to Rs.500,000
Provincial Ministry Procurement Committee - Minor (PMPC - Minor)	Works <ul style="list-style-type: none"> When it is uneconomical to follow competitive procedure. CS/MS/HD/PD must ensure the economy of procurement. 	Up to Rs.200,000
Department Procurement Committee - Minor (DPC - Minor)	<ul style="list-style-type: none"> This authority should be used under the personal supervision of CS/MS/HD/PD & should not be delegated to any person. 	
Project Procurement Committee - Minor (PPC - Minor)	Goods & Services other than Consultancy Services <ul style="list-style-type: none"> Satisfying the requirements given under Guideline 3.5 or 3.6 	Up to Rs.200,000
Chief Secretary	Goods & Services other than Consultancy Services directly from open market <ul style="list-style-type: none"> When it is uneconomical to follow competitive procedure. CS/MS/HD/PD must ensure urgency / emergency and the economy of procurement but not exceeding the stipulated limits. 	Up to Rs.75,000 per event per day and max Rs.300,000 per month
Ministry Secretary	<ul style="list-style-type: none"> Any other procurement not exceeding Rs.1,000 per event shall be directly procured from open market. 	Up to Rs.35,000 per event per day and max Rs.140,000 per month
Head of the Department / Project Director	<ul style="list-style-type: none"> This authority should be used under personal supervision of CS/MS/HD/PD. But cumulative expense of all open market procurements (including urgent / emergency) should be within the stipulated max monthly limitation. 	Up to Rs.25,000 per event per day and max Rs.100,000 per month


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<p>Chief Secretary Procurement Committee - Minor (CSPC - Minor)</p> <p>Provincial Ministry Procurement Committee - Minor (PMPC - Minor)</p> <p>Department Procurement Committee - Minor (DPC - Minor)</p> <p>Project Procurement Committee - Minor (PPC - Minor)</p>	<p>Repairs to motor vehicles and other equipment</p> <ul style="list-style-type: none"> • When it is uneconomical to follow competitive procedure. • CS/MS/HD/PD must ensure the economy of procurement. • This authority should be used under personal supervision of CS/MS/HD/PD. • For vehicle repairs exceeding Rs.30,000, Ministry Secretary / Deputy Chief Secretary's personal approval is required. • For vehicle repairs exceeding Rs.50,000, in addition to Ministry Secretary / Deputy Chief Secretary's personal approval, Mechanical Engineer's recommendation has to be obtained. • For vehicle repairs exceeding Rs.50,000, in addition to Mechanical Engineer's recommendation and Ministry Secretary / Deputy Chief Secretary's recommendation, Chief Secretary's personal approval is required. • For repairs exceeding Rs.100,000/-, appropriate other procurement procedures shall be adopted. Chief Secretary's personal approval is required. 	<p>Up to Rs.100,000</p>
<p>Regional Heads who were delegated authority by Head of Department</p>	<p>Goods or Services including equipment and repair of motor vehicle</p> <ul style="list-style-type: none"> • When it is uneconomical to follow competitive procedure. • This authority should be used under personal supervision of RH/DivH. • RH/DivH must ensure urgency / emergency and the economy of procurement but not exceeding the stipulated limits. 	<p>For Goods or Services Up to Rs.15,000 per event per day and max Rs.60,000 per month</p> <p>For repair of motor vehicle & equipment Up to Rs.50,000 per month</p>
<p>Divisional Heads or Officers in charge of separate units who were delegated authority by Head of Department.</p>	<ul style="list-style-type: none"> • For vehicle repairs exceeding Rs.30,000, respective Ministry Secretary's personal approval is required. • Any other procurement not exceeding Rs.1,000 per event shall be directly procured from open market. • But cumulative expense of all open market procurements (including urgent / emergency) should be within the stipulated max monthly limitation. 	<p>For Goods or Services Up to Rs.7,500 per event per day and max Rs.30,000 per month</p> <p>For repair of motor vehicle & equipment Up to Rs.25,000 per month</p>

PROCUREMENT GUIDELINE REFERENCE: 2.14.1 (Cont ...)**AUTHORITY LIMITS FOR DEVIATING FROM PROCUREMENT PROCEDURE**

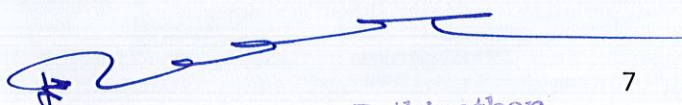
When it becomes necessary to deviate from tender procedures in very urgent and exceptional circumstances with regard to procurements under funds of the Government of Sri Lanka, the following competent authorities may authorize such deviations within the limits prescribed, provided that, the reasons are explicitly recorded in writing and a copy is forwarded to the Auditor General.

Competent Authority	Authority limits for deviating from Procurement Procedure
Department Procurement Committee - Major (DPC - Major) (Chief Secretary's Personal approval is required)	Up to Rs. 2 Mn
Provincial Ministry Procurement Committee - Major (PMPC - Major) (Chief Secretary's Personal approval is required)	Up to Rs. 5 Mn
Chief Secretary Procurement Committee - Major (CSPC - Major)	Up to Rs. 10 Mn
Cabinet of Ministers	Above Rs.10 Mn

APPROVING AUTHORITY

Before the contract is awarded approval from the following authorities (subject to the delegation of authority provided under FR 135 / PFR 105) should be obtained for the recommendation / determination by the PCs.

Regional / Divisional Procurement Committee	Head of Department
Department Procurement Committee - Major (DPC - Major)	Provincial Secretary
Provincial Ministry Procurement Committee - Major (PMPC - Major)	Chief Secretary
Project Procurement Committee - Major (PPC - Major)	
Chief Secretary Procurement Committee - Major (CSPC - Major)	
Board of Ministers Appointed Procurement Committee (BMAPC)	Board of Ministers
Governor Appointed Procurement Committee (GAPC)	Governor
Cabinet Appointed Procurement Committee (CAPC)	Cabinet of Ministers


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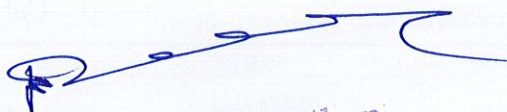
Classification of Regional / Divisional Procurement Committee

Regional Procurement Committee (RPC)

1. Office of the Chief Engineer (Building Department)
2. Office of the Chief Engineer (Road Development Department)
3. Office of the Deputy Director of Irrigation
4. Office of the Assistant Commissioner of Local Government (ACLG)
5. Municipal Council
6. Office of the Regional Director of Health Service (RDHS)
7. District General Hospitals
8. Office of the Deputy Director of Agriculture
9. Office of the Deputy Director of Animal Production and Health
10. Zonal Education

Divisional Procurement Committee (Div.P.C)

1. Irrigation Engineer's Office
2. Executive Engineer's Office (Building Department)
3. Executive Engineer's Office (Road Development Department)
4. Urban Council
5. Pradeshiya Sabha
6. District Assistant Commissioner of Co-operative Development



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