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 நிதி, பொருளாதாரம் மற்றும் கொள்கை அபிவிருத்தி அமைச்சு  
 MINISTRY OF FINANCE, ECONOMY AND POLICY DEVELOPMENT

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මගේ අංකය } PFD/PMD/149/000/2020-02  
 எனது இல }  
 My No }

ඔබේ අංකය }  
 உமது இல }  
 Your No }

දිනය } 07.04.2020  
 திகதி }  
 Date }

- Secretary,  
 Ministry of Healthcare and Indigenous Medical Services
- Secretary,  
 Ministry of Defence,
- Secretary,  
 Ministry of Public Administration, Home Affairs, Provincial Councils & Local Government
- Secretary,  
 Ministry of Mahaweli, Agriculture, Irrigation and Rural Development
- Secretary,  
 Ministry of Internal Trade, Food Security and Consumer Welfare
- Secretary,  
 Ministry of Urban Development, Water Supply and Housing Facilities
- Secretary,  
 Ministry of Higher Education, Technology and Innovation
- Secretary,  
 Ministry of Industries and Supply Chain Management

**Further relaxation of provisions under the Supplement 35 issued to the Procurement Manual - 2006 (Goods and Works) to facilitate expeditious handling of COVID-19 related Emergency Procurements**

In terms of the directive issued by the Cabinet of Ministers, vide decision No 20/0694/201/016 dated 01.04.2020 to further relaxation of the provisions stipulated under the Supplement 35 to the Procurement Manual - 2006 (Goods and Works) facilitating expeditious handling of urgent procurements related to **COVID-19 emergency situation**, it has been decided to issue following Procurement Guidelines with the concurrence of the National Procurement Commission (NPC) exclusively to the entities which are carrying out **COVID-19 related procurements** under the purview of your Ministry.

02. Whilst these revised guidelines will be applicable for a temporary period, respective Procurement Committees and Procuring Entities must ensure that relaxation of any of the Procurement Guidelines to be undertaken in a transparent and responsible manner deriving maximum value for money to the procuring entity. Accordingly, if it deems necessary, relaxation of existing procurement guidelines should be considered only for the urgent procurements which are **directly related to the COVID -19 emergency situation**. The duration of applicability of said provisions will be determined by the General Treasury. The Ministries and Institutions that are implementing procurements under the provisions of this circular letter shall report all procurements conducted by them to the General Treasury (Department of Public Finance) and to the National Procurement Commission.

03. **Revised Procurement Guidelines directly related to the COVID -19 emergency situation**

Authority limits of Procurement Committees for Contract Award Recommendation/Determination under Open Competitive Bidding Procedure (Guideline 3.1, 3.2 or 3.3), Shopping Procedure (Guideline 3.4), Direct Contracting (Guideline 3.5) or Repeat Orders (Guideline 3.6) for procurement of Works, Goods and Services other than Consultancy Services.

**Table 1**

<b>PROCUREMENT GUIDELINE REFERENCE: 2.14.1</b>			
<b>AUTHORITY LIMITS OF PROCUREMENT COMMITTEE FOR CONTRACT AWARD RECOMMENDATION/DETERMINATION</b>			
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 limit;			
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 limit			
3. Authority Limits			
	<b>Authority</b>	<b>GOSL Funded Projects</b>	<b>Foreign Funded Projects</b>
	Standing Cabinet Appointed Procurement Committee (SCAPC)	More than Rs.500 Mn.	More than Rs.1,000 Mn.
	Cabinet Appointed Procurement Committee (CAPC)		
	Ministry Procurement Committee (MPC)	Up to Rs.500 Mn.	Up to Rs.1,000 Mn.
	Department Procurement Committee (DPC)/Project Procurement Committee (PPC)	Up to Rs.200 Mn.	Up to Rs.500 Mn.
	Regional Procurement Committee (RPC)	Up to Rs.25 Mn.	Up to Rs.50 Mn.

4. The Procuring Entity may use standard bidding documents. However, when the respective procurement falls under the provision of Guideline 3.8, "Emergency Procurement", relevant Procurement Committee (PC) in consultation with Procurement Entity (PE) may decide the use of the following guidelines appropriately with necessary changes, strictly subjected to the recording of justifications for such relaxation by the PC and PE. Also, PC and PE shall make every effort to implement Fair, Justifiable, Transparent, Competitive and Cost Effective Procurement process while servicing for urgent procurement requirements with the relaxation of the below mentioned guidelines in the COVID -19 emergency situation.
- I. Guidelines 3.6.1 - Repeat Orders - "Percentage limit of original contract value", "Period to be initiate repeat order from original date of awarded"
  - II. Guidelines 3.8.2 - "Value limit for Works"
  - III. Guidelines 3.8.2(d) - "period of bidding" Subjected to Providing Minimum 3 days
  - IV. Guidelines 5.3.4, 5.3.5 & 5.3.7 - "Eligibility of Bidders" - **whilst blacklisted bidders should not be considered, priority should be given to tri forces, police, state owned construction entities and other state owned institutions as appropriate**
  - V. Guidelines 5.3.10 - "Bid Validity Period"
  - VI. Guidelines 5.3.11 & 5.3.13 - "Bid Security" from "0" % to percentages given in the Section
  - VII. Guidelines 5.4.4/ 5.4.5 "Advance Payment"
  - VIII. Guidelines 5.4.8. - "Performance Security" Works
  - IX. Guidelines 5.4.10. - "Performance Security" Goods
  - X. Guidelines 5.3.19 - "Evaluation Criteria"
  - XI. Guidelines 6.2 & 6.2.2 - "Biding Period" "Minimum period of bidding"
  - XII. Guidelines 6.3 - "Submission of Bid" "6.3.1 (a) (i), (ii), (ii), (b), (c) may be change appropriately by PC in consultation with PE (e.g. Acceptance of Electronic bids to a Software System, fax message or as an email). **In the event of acceptance of electronically received bids, all the necessary precautionary measures must be in place to ensure the strict confidentiality of such bids, until formal opening of the same.**
  - XIII. Guidelines 6.3.2 & 6.3.3 - "Rejection of Late Bids" and "Public Bid Opening"
  - XIV. Guidelines 7.8.3 & 7.8.4 - Definition of "Minor and Major Deviations"
  - XV. Guidelines 7.9.7 - "Clarification from Bidders" 7.9.7 (a) PC may permit any substantive changes to the initial price quoted by any bidder. However, the PC shall handle such negotiations process entirely and shall extend equal opportunity for all the bidders participated in the respective bidding process.
  - XVI. Guidelines 4.2- "Master Procurement Plan" will be suspended temporally under these Guidelines for emergency procurements
  - XVII. Guidelines 8.3, 8.4 & 8.5 - "Procurement Appeal Process" will be suspended temporally under these Guidelines f for emergency procurements. **Temporary suspension of the Procurement Appeal Process nevertheless means denying the right of an aggrieved party seeking redress under the civil law. Therefore, the PC and the PE must exercise utmost due diligence in the evaluation process.**

4. The Procuring Entity may use standard bidding documents. However, when the respective procurement falls under the provision of Guideline 3.8, "Emergency Procurement", relevant Procurement Committee (PC) in consultation with Procurement Entity (PE) may decide the use of the following guidelines appropriately with necessary changes, strictly subjected to the recording of justifications for such relaxation by the PC and PE. Also, PC and PE shall make every effort to implement Fair, Justifiable, Transparent, Competitive and Cost Effective Procurement process while servicing for urgent procurement requirements with the relaxation of the below mentioned guidelines in the COVID -19 emergency situation.
- I. Guidelines 3.6.1 - Repeat Orders - "Percentage limit of original contract value", "~~Period to be initial contract order from original date of award~~"
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  - III. Guidelines 3.8.2(d) - "period of bidding" Subjected to Providing Minimum 3 days
  - IV. Guidelines 5.3.4, 5.3.5 & 5.3.7 - "Eligibility of Bidders" **whilst blacklisted bidders should not be considered, priority should be given to tri forces, police, state owned construction entities and other state owned institutions as appropriate**
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Table 2

**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:
  - i. (a) Suppliers identified from the locality/area,
  - ii. (b) Suppliers listed in SLT rainbow pages etc., if sufficient number of reputed vendors are listed,
  - iii. (c) Suppliers registered with the Procuring Entity: if applicable
2. For construction contracts, quotations may be invited from registered contractors including Community Based Organizations (CBO)

The Procuring Entity may use standard documents in line with the Government Procurement Guidelines, where applicable and bids may be closed at pre-disclosed deadline (Minimum duration given in the item number (iii) of section 4 of the Table 1 is not applicable).

Applicability of the authorities given under the section 4 of the Table 1 to the Procurement Committees and Procurement Entities should be decided by the relevant procurement Authorities.

Level of Authority	Minimum quotations to be invited	Limits of Authority	
		GOSL funded (Rs. Mn.)	Foreign Funded (Rs. Mn.)
MPC	Works By inviting at least three quotations	Up to 50	Up to 50
	Goods & Services other than Consultancy Services By inviting at least three quotations	Up to 50	Up to 50
DPC/PPC	Works By inviting at least three quotations	Up to 35	Up to 35
	Goods & Services other than Consultancy Services By inviting at least three quotations	Up to 35	Up to 35
RPC	Works By inviting at least three quotations	Up to 20	Up to 20
	Goods & Services other than Consultancy Services By inviting at least three quotations	Up to 20	Up to 20

CAO	Works By inviting at least three quotations	Up to 10
	Goods & Services other than Consultancy Services By inviting at least three quotations	Up to 10
IID/ PD	Works By inviting at least three quotations	Up to 5
	Goods & Services other than Consultancy Services By inviting at least three quotations	Up to 5

Table 3

PROCUREMENT GUIDELINE REFERENCE: 2.14.1 (Cont.)		
Direct Purchase of smaller value repair works, goods and services (Guideline 3.5 and 3.6) (by GOSI funds or foreign funds)		
Level of Authority	Requirements to be fulfilled	Authority Limit
CAO/ HD/PD	Works <ul style="list-style-type: none"> <li>Satisfying the requirements given under Guideline 3.5 or 3.6</li> </ul>	Up to Rs. 1,000,000
	Works <ul style="list-style-type: none"> <li>When it is uneconomical to follow competitive procedure.</li> <li>CAO/HD/PD must ensure the economy of procurement.</li> <li>This authority should be used under the personnel supervision of CAO/HD/PD &amp; should not be delegated to any person.</li> </ul>	Up to Rs. 500,000
	Goods & Services other than Consultancy Services <ul style="list-style-type: none"> <li>Satisfying the requirements given under Guideline 3.5 or 3.6</li> </ul>	Up to Rs. 500,000
CAO/ HD/PD	Goods & Services other than Consultancy Services directly from open market <ul style="list-style-type: none"> <li>When it is uneconomical to follow competitive Procedure.</li> <li>CAO/HD/PD must ensure the economy of procurement.</li> <li>This authority should be used under the personnel supervision of CAO/HD/PD.</li> </ul>	Up to Rs. 300,000

HD/ PD	<b>Repairs to motor vehicles and other equipment</b> <ul style="list-style-type: none"> <li>• When it is uneconomical to follow competitive procedure.</li> <li>• HD/PD must ensure the economy of procurement.</li> <li>• This authority should be used under the personnel supervision of HD/PD</li> <li>• For repairs exceeding Rs.200,000/-CAO's approval should be obtained at the first available opportunity.</li> </ul>	Up to Rs. 300,000
Regional Heads or Officers in charge of separate units who were delegated authority by HD	<b>Goods or Services including equipment of smaller value not exceeding Rs.100,000/- per event</b> <ul style="list-style-type: none"> <li>• Total of such purchases during any calendar month should not exceed Rs.1,000,000/-.</li> </ul>	Up to Rs. 100,000
	Repair motor vehicle to a value not exceeding Rs.100,000/- per month	Up to Rs. 100,000

Table 4

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

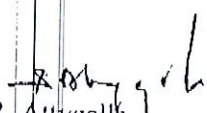
When it becomes necessary to deviate from tender procedures in very urgent and exceptional circumstances about procurements under funds of the Government of Sri Lanka, the following competent authorities may authorize such deviations within the limits prescribed, provided that, the reasons are explicitly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

Applicability of the authorities given under the section 4 of the Table 1 to the Procurement Committees and Procurement Entities should be decided by the relevant procurement Authority together with Procurement Entities.

Competent Authority	Authority limits for deviating from Procurement Procedure
Head of Department (HD)/ Project Director(PD) {His personal approval is required}	Up to Rs. 1 Mn.
Chief Accounting Officer (CAO) {His personal approval is required}	Up to Rs. 5 Mn.
Regional Procurement Committee (RPC)	Up to Rs. 10 Mn.
Department Procurement Committee (DPC)	Up to Rs. 15 Mn.
Ministry Procurement Committee (MPC)	Up to Rs. 25 Mn.
Cabinet of Ministers	Above Rs. 25 Mn. (The respective Standing Cabinet Appointed Procurement Committee (SCAPC) should handle these urgent procurements. However in the absence of such SCAPC, a suitable committee may be appointed with the respective Secretary as the Chairman and two other suitable Secretaries as members decided by the respective Secretary)

Table 5

APPROVING AUTHORITY	
Approval from the following authorities (subject to the delegation of authority provided under PR 135) should be obtained for the recommendation / determination by the PD/HD/CAO/PCs at the first available opportunity.	
PD/HD/CAO	Chief Accounting Officer
Regional Procurement Committee (RPC)	Head of the Department
Project Procurement Committee (PPC)	Chief Accounting Officer
Department Procurement Committee (DPC)	
Ministry Procurement Committee (MPC)	
Cabinet Appointed Procurement Committee (CAPC)	Cabinet of Ministers
The Chief Accounting Officer (CAO) may appoint a minor committee (s) to act on the smaller value procurements within the authority limits of the MPC/DPC/PPC. Accordingly, CAO may consider changing the composition given under the Procurement Manual 2.7.4, 2.7.5 and 2.7.6.	

  
S.R. Attygalle  
Secretary to the Treasury

- Copies :
1. Secretary to the President
  2. Secretary to the Prime Minister
  3. Secretary to the Cabinet of Ministers
  4. Auditor General, National Audit Office
  5. Chairman, National Procurement Commission

For information  
please