



Principles of Sri Lankan Public procurement procedures...

“Definition”

“The obtaining by Procuring Entities of Goods, Services or Works using public funds by the Most Appropriate Methods”

Public Funds means,

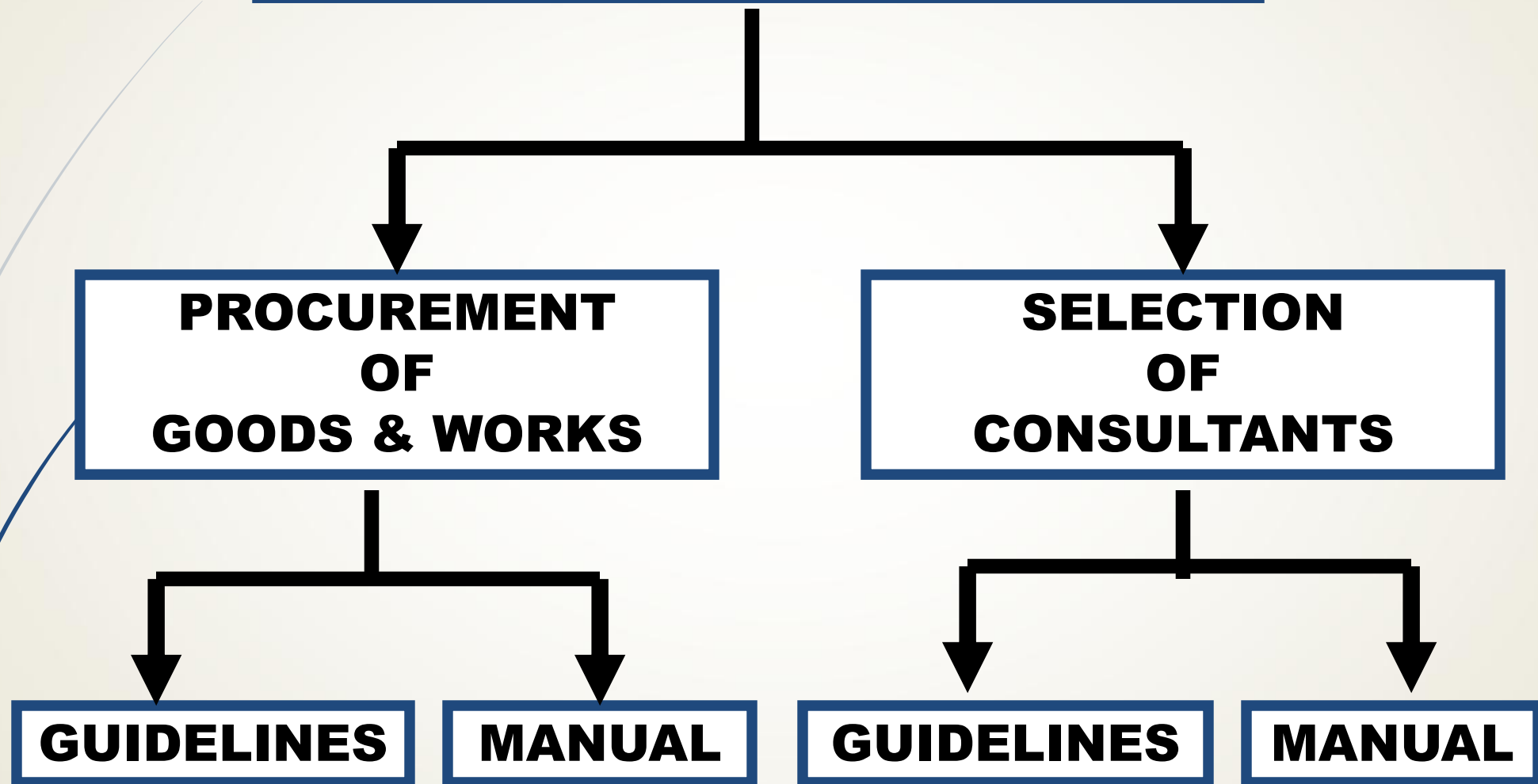
- SL State income
- Local and foreign;
 - Loans
 - Grants
 - Gift
 - Donation

“Categories of procurement and relevant guidelines”

Procurement Category	Guideline
Goods	2006 +39 supplementary
Work	2006 +39 supplementary
Non Consultancy Services	2006 +39 supplementary
Consultancy Services	2007

For foreign Funded projects, the Guidelines of Funding agencies
Should be applied.

STRUCTURE OF THE 2006 GUIDELINES

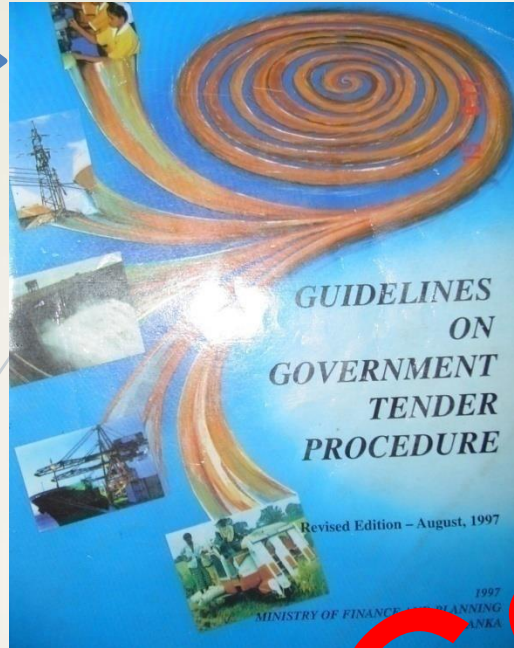


Until 1996
government
procurement
based on
financial
regulations
and circulars.

Since then
the
Government
has
published
Procurement
Guidelines

Previous Tender Guidelines in Sri Lanka

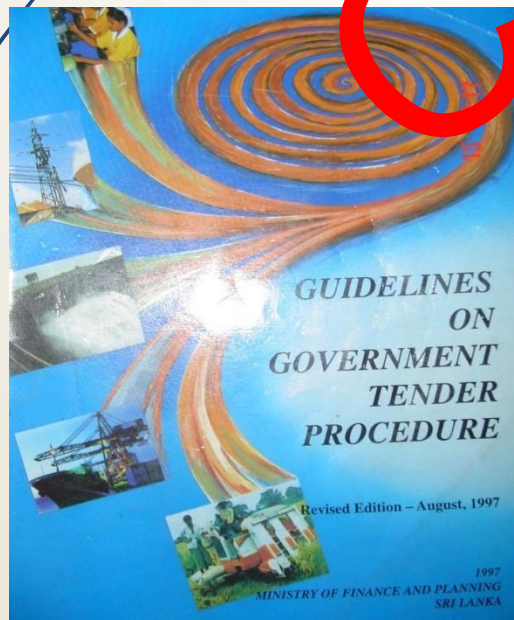
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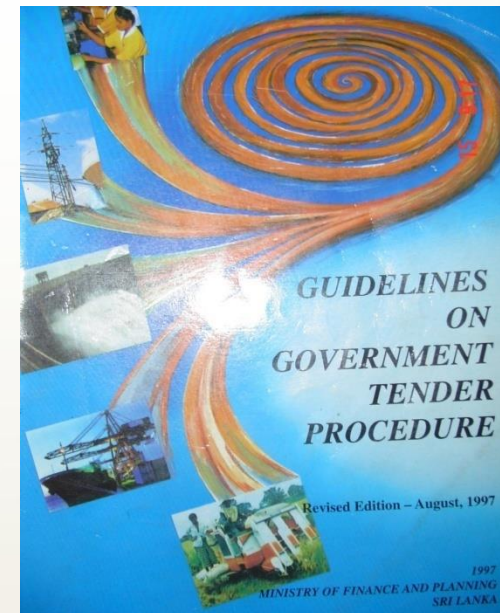
Guidelines
on
Government
Tender
Procedure



Separate
Chapter
for
Foreign
Funded
Projects
(2000)

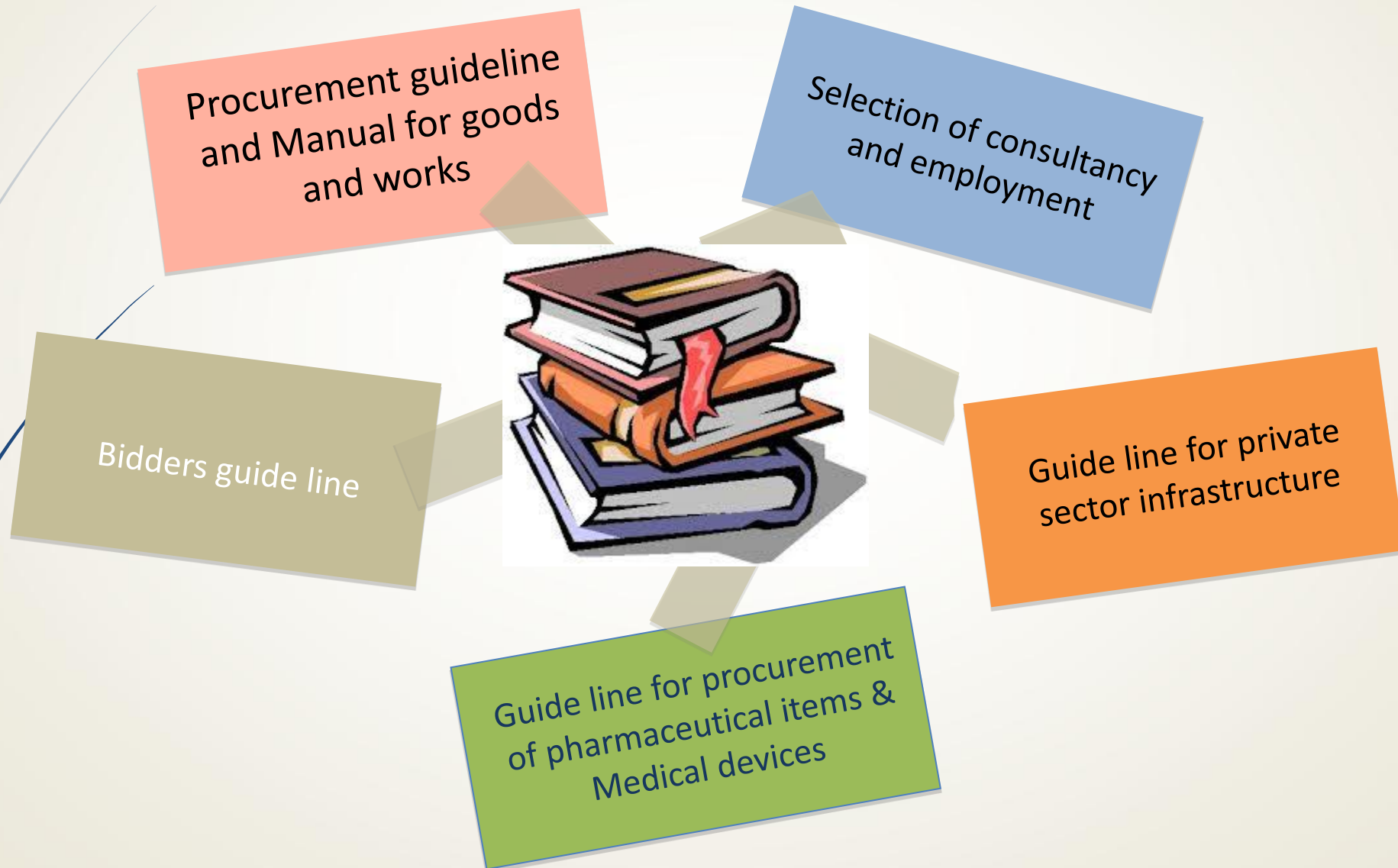


Guidelines
on
Governmen
t Tender
Procedure
(revised in
1997)



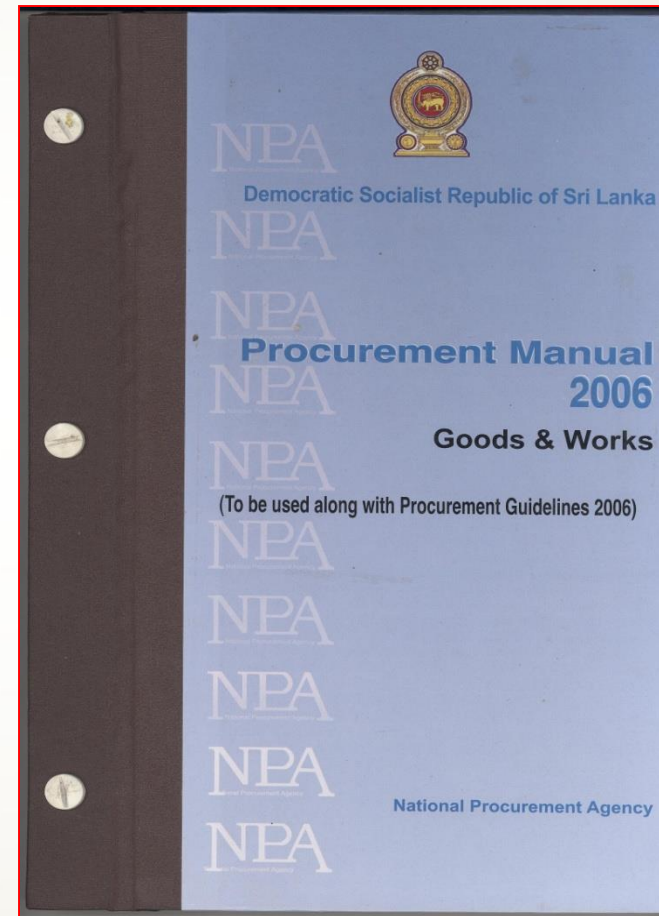
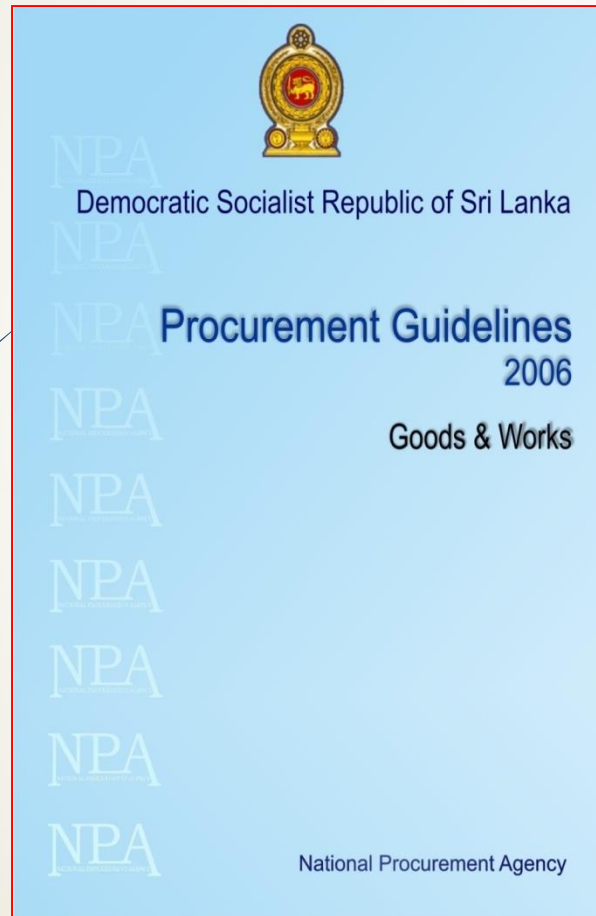
Issued a
separate
book, with
60 circulars
to the tender
procedure
1997 (2004)

Relevant publications in Public procurement

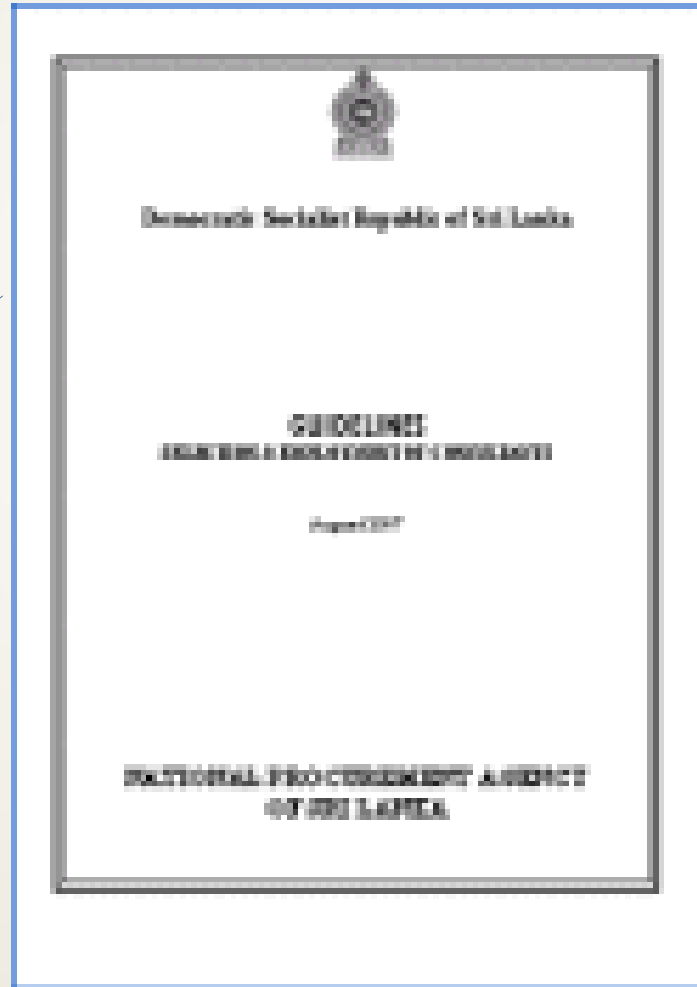


Guidelines and Manuals in Operation Today

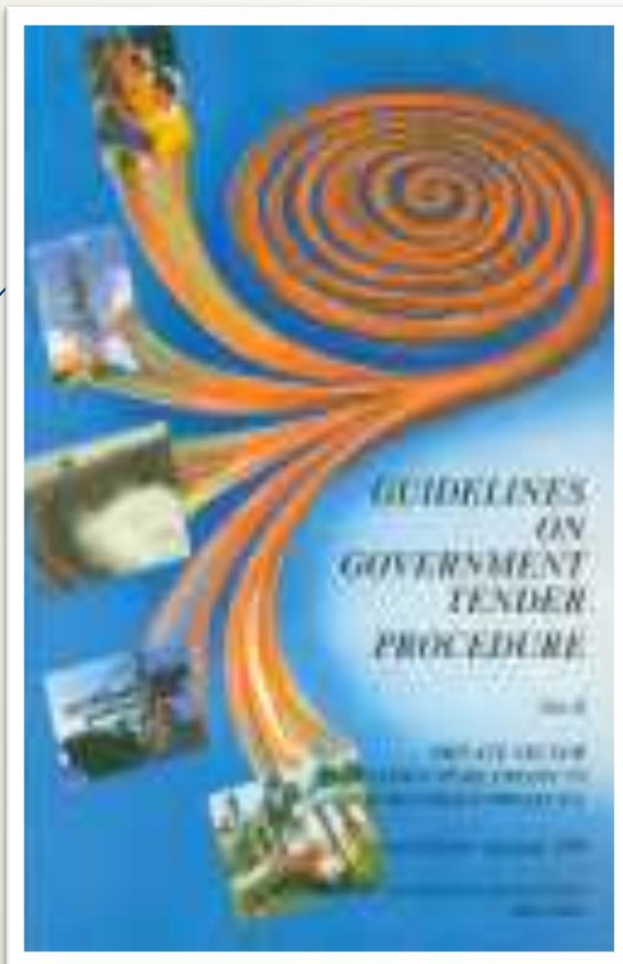
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Selection of consultancy and employment



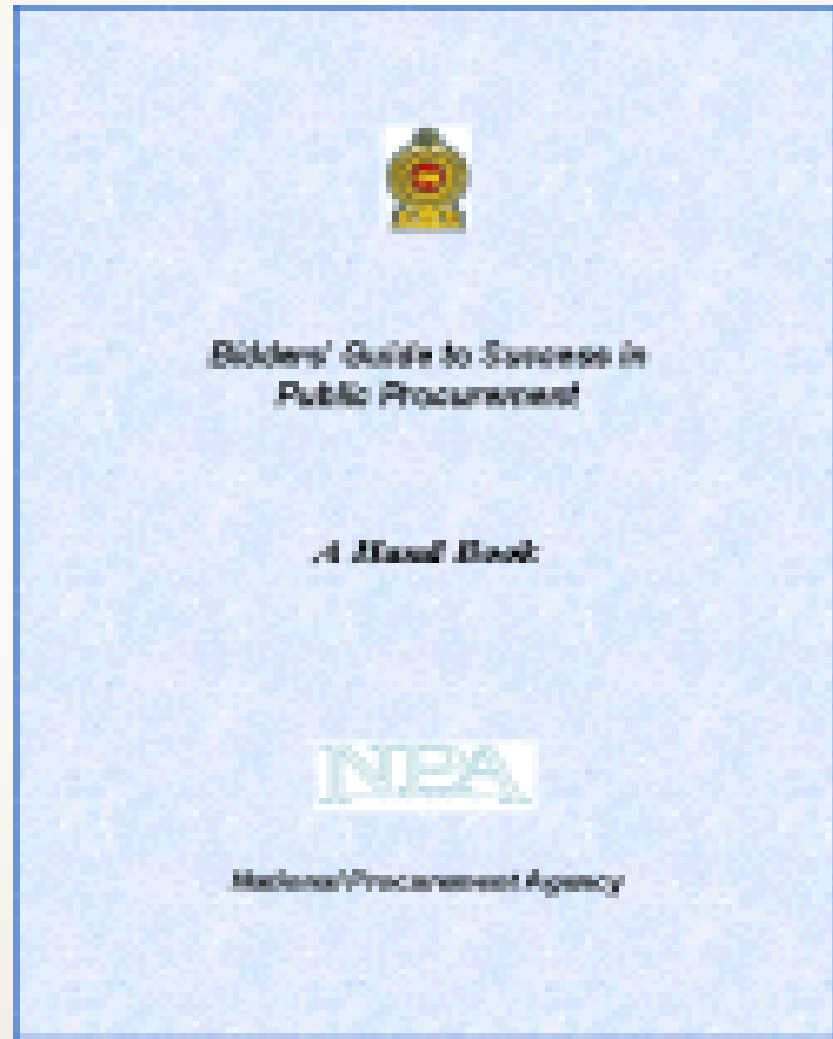
Guide line for private sector infrastructure



Guide line for procurement of pharmaceutical items & Medical devices



Bidders guide line





What is the difference between
Procurement Guideline and
Procurement Manual ?

- The guideline will address the procurement policy

- Reference is made to Procurement Manual



**What to do
and to some
extent,
when to do**

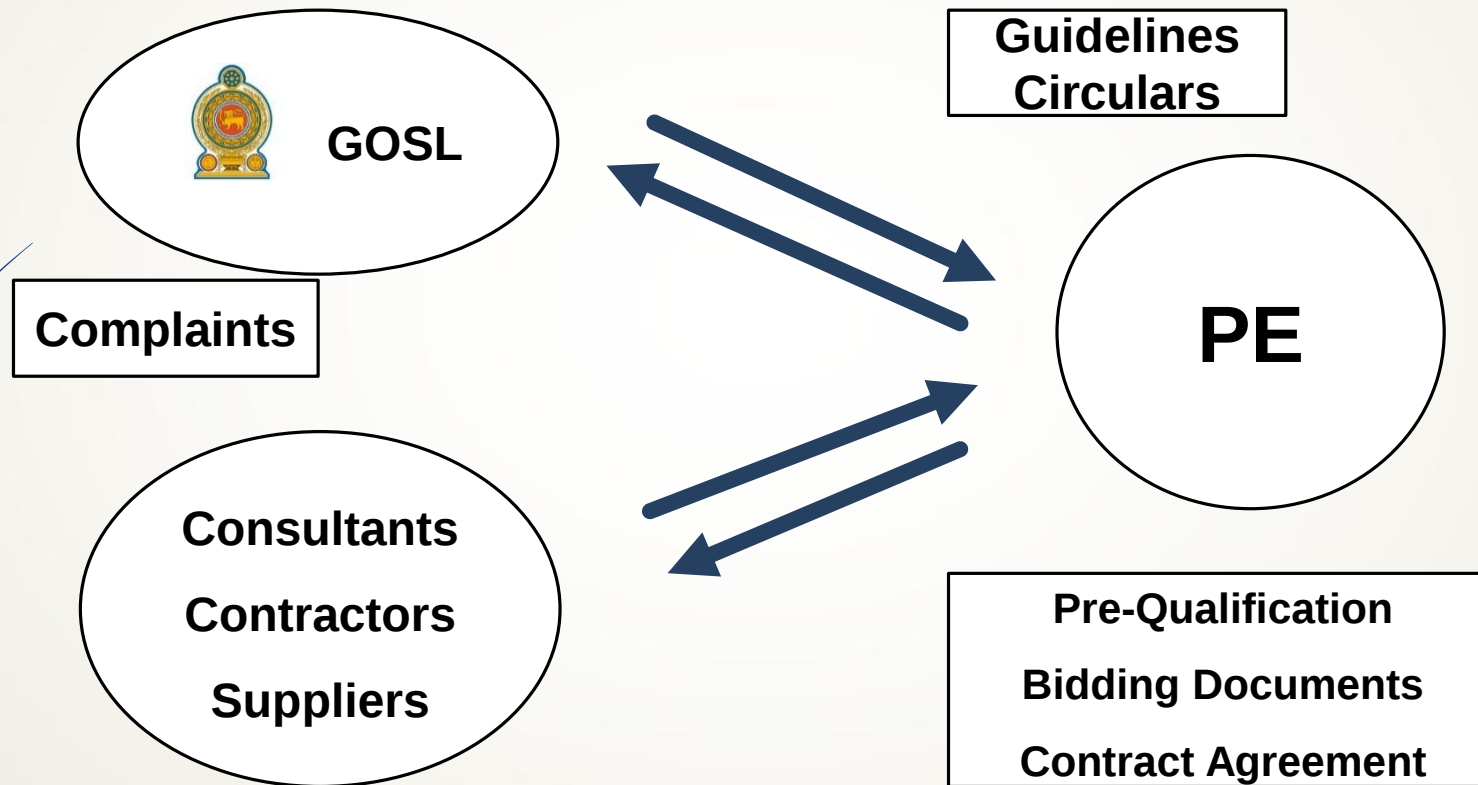


- Legal Backing
- The name “Tender Board” is given more appropriate name, “Procurement Committee”

**How to do is
given in the
Procurement
Manual**

Procurement Relationship

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DETAILS OF GOVERNMENT PROCUREMENT GUIDELINES & MANUAL -2006

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2006 GUIDELINES

2006 MANUAL

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1.2 Objectives

1.3 Scope of Application

1.3.3 Guidelines of Foreign
Funding Agencies

1.4 Ethics in Procurement

1.5 Laws applicable to
Procurement Actions

CHAPTER 2

INSTITUTIONS, PROCUREMENT COMMITTEES & THEIR FUNCTIONS

Procuring Entity (PE)

Means:

- ☐ Government Ministry
- ☐ Government Department
- ☐ Statuary Authority
- ☐ Government Cooperation
- ☐ Government owned company
- ☐ Provincial Council
- ☐ local Authority
- ☐ any other body wholly or partly owned by the Government of Sri Lanka or where the Government of Sri Lanka has effective control of such body;
that engages in procurement

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- International Competitive Bidding (ICB)
- National Competitive Bidding (NCB)
- Limited International Bidding (LIB)
- Limited National Bidding (LNB)
- Shopping
- Direct Contracting
- Force Account
- Repeat Orders
- Emergency Procurement
- Community Participating
- Two Stage Bidding
- Pre-Qualification

CHAPTER 4 – PROCUREMENT PREPARDNESS & PLANNING

- The PE shall prepare the Master Procurement Plan (MPP).
 - Procurement activities envisaged at least for a **period of three years** shall be listed in the MPP.
 - Procurement activities for the **immediately succeeding year** shall be **prepared in detail**.
 - MPP shall be **regularly updated** at intervals not exceeding six months.

CHAPTER 5 - BIDDING DOCUMENTS

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5.3 Standard Bidding Documents (SBDs)

- PEs shall use the appropriated specimen SBDs approved by NPA, with minimum changes.
- Such changes shall be introduced only through Bid or contract data sheets, or through special conditions of contract, and not by modifying the General Conditions of the contract.
- where no relevant SBDs have been issued, the PE may use other documents **with the concurrence of NPA.**
- All such documents must be **approved by the TEC**, who shall take entire responsibility for the contents of such documents.
- In case of Procurements funded by a Foreign Funding Agency, the **PEs may use the SBDs mandated by such agencies.**

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- Commodities
- Spare parts
- Repairs to motor vehicles
- Periodicals & publications
- Purchasing fuel
- Pharmaceuticals & medical equipment
- Information systems
- E-procurement

AMENDMENTS TO PROCUREMENT GUIDELINES

Supplement 7 – 2006/10/11

- Procurement Guideline Reference – 2.7.4,2.7.5,2.7.6 MPC,DPC AND PPC
- Composition of MPC,DPC and PPC for major contracts
- Composition of MPC,DPC and PPC for minor contracts
- Format for requesting the appointment of MPC,DPC and PPC

“Principles of Public procurements(Guideline references: Chapter 1.2)”

- The Procurement process should ensure:–
 - (a) maximizing economy, timeliness and quality in Procurement resulting in least cost together with the high quality (VFM);
 - (b) adhering to prescribed standards, specifications, rules, regulations and good governance;
 - (c) providing fair, equal and maximum opportunity for eligible interested parties to participate in Procurement;
 - (d) expeditious execution of Works and delivery of Goods and Services;
 - (e) compliance with local laws and regulations and international obligations;
 - (f) ensuring transparency and consistency in the evaluation and selection procedure;
 - and (g) retaining confidentiality of information provided by bidders.

- 
- ✓ Confidentiality.
 - ✓ Fraud and Corruption.
 - ✓ Conflict of Interest.
 - ✓ Integrity.
 - ✓ Gifts or Inducement.

“Parties who involved with the Public Procurement”

- ✓ Procurement Entity (PE)
- ✓ Procurement Committee (PC)
- ✓ Technical Evaluation Committee (TEC)/Bids Evaluation Committee (BEC)

“What is the procurement Entity???”

- Procuring entity means a **public entity making a procurement** on behalf of Government Institutions such as;
- Ministries,
- Government Departments,
- **Provincial Council**
- Public Corporations, Government Agencies,
- **Local Authorities,**
- Any business or other undertaking (state-owned enterprises), in which the Government, a public corporation or any local authority holds **more than fifty per cent** of the shares.

Committee	Minimum number of members In PC	Minimum number of members in TEC	Approving Authority
Cabinet Appointed (CAPC)	3	5	Cabinet/ Request from treasury
Standard Cabinet Appointed (SCAPC)	3	3	Cabinet/ Request from treasury
Ministry (MPC)	3	5	Secretory to the Line ministry
Department (DPC)	3	3-5	PC (Secretory LM) TEC (Head of Department)

Supplementary 35 Competitive Bidding

Authority	GOSL funds	Foreign Funded Projects
SCAPC	More than Rs. 500 Mn	More than Rs. 1000 Mn
CAPC	More than Rs. 500 Mn	More than Rs. 1000 Mn
MPC	Up to Rs. 500 Mn	UP to Rs. 1000 Mn
DPC/PPC	Up to Rs. 200 Mn	UP to Rs. 500 Mn
RPC	Up to Rs. 25 Mn	UP to Rs. 50 Mn

Supplementary 35 Shopping



Level of Authority	Minimum Quotation	GOSL Funded	Foreign Funded
MPC	Works – 5	Up to Rs. 20 Mn	Up to Rs. 20 Mn
	Goods & non consultancy Services - 5	Up to Rs. 12 Mn	Up to Rs. 18 Mn
	Goods & non consultancy services - 3	Up to Rs. 08 Mn	Up to Rs. 08 Mn
DPC/PPC	Works – 5	Up to Rs. 10 Mn	Up to Rs. 15 Mn
	Goods & non consultancy Services - 5	Up to Rs. 10 Mn	Up to Rs. 15 Mn
	Goods & non consultancy services - 3	Up to Rs. 5 Mn	Up to Rs. 5 Mn
	Works – 5	Up to Rs. 3.5 Mn	Up to Rs. 3.5 Mn

Supplementary 34 Direct Purchase

Level of Authority	Requirements to be fulfilled	Authority Limit
CAO/ HD/PD	Works • Satisfying the requirements given under Guideline 3.5 or 3.6	Up to Rs. 500,00
	Works • When it is uneconomical to follow competitive procedure. • CAO/HD/PD must ensure the economy of Up to Rs. procurement. HD / PD 200,000 • This authority should be used under the personnel supervision of CAO/HD/PD & should not be delegated to any person.	Up to Rs 200,000
	Goods & Services other than Consultancy Services • Satisfying the requirements given under Guideline 3.5 or 3.6	Up to Rs. 200,000



HP/PD	Goods & Services other than Consultancy Services directly from open market. • When it is uneconomical to follow competitive procedure • CAO/HD/PD must ensure the economy of procurement. • This authority should be used under the personnel supervision of CAO/HD/PD.	Up to Rs. 100,000
Regional Heads Or officers in charge of separate units who were delegated to authority by HD	Goods or Services including equipment of smaller value not exceeding per event per day • Total of such purchases during any calendar month should not exceed Rs. 60,000/-.	Up to Rs 15,000
	Repair motor vehicle to a value not exceeding delegated per month	Up to Rs 50,000

AUTHORITY LIMITS FOR DEVIATING FROM PROCUREMENT PROCEDURE

Competent Authority	Authority limits for deviating from
Head of Department	Up to Rs. 250,000
(His personal approval is required)	
Department Procurement Committee (DPC)	Up to Rs. 5 Mn
Ministry Procurement Committee (MPC)	Up to Rs. 10 Mn
Cabinet of Ministers	Above Rs. 10 Mn

Approving Authority (FR 135)

Regional Procurement Committee (RPC)	Head of the Department
Project Procurement Committee (PPC)	
Department Procurement Committee (DPC)	Chief Accounting Officer
Ministry Procurement Committee (MPC)	
Cabinet Appointed Procurement Committee	
(CAPC)	Cabinet of Ministers