

Democratic Socialist Republic of Sri Lanka

Supplement 34

To the

PROCUREMENT MANUAL

Issue Date: 09.07.2018

Effective Date: 09.07.2018

**To be used along with the Government Procurement Guidelines - 2006
(Goods and Works)**

This supplement supersedes the Supplement 33 to the Procurement Manual

Guideline Reference: 2.14.1

**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**

DEPARTMENT OF PUBLIC FINANCE

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 |
|--|-----------------------------|--------------------------------|
| Standing Cabinet Appointed Procurement Committee (SCAPC) | More than Rs. 250 Mn | More than Rs.600 Mn. |
| Cabinet Appointed Procurement Committee (CAPC) | | |
| Ministry Procurement Committee (MPC) | Up to Rs.250 Mn. | Up to Rs.600 Mn. |
| Department Procurement Committee (DPC)/Project Procurement Committee (PPC) | Up to Rs.100 Mn. | Up to Rs.300 Mn. |
| Regional Procurement Committee (RPC) | Up to Rs.10 Mn. | Up to Rs.10 Mn. |

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 Procuring Entity: if applicable
2. For construction contracts, quotations may be invited from registered contractors including Community Based Organizations (CBO)

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.

| 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 five sealed quotations | Up to 20 | Up to 20 |
| | Goods & Services other than Consultancy Services By inviting at least five sealed quotations | Up to 12 | Up to 18 |
| | Goods & Services other than Consultancy Services By inviting at least three sealed quotations | Up to 8 | Up to 8 |
| DPC / PPC | Works By inviting at least five sealed quotations | Up to 10 | Up to 15 |
| | Goods & Services other than Consultancy Services By inviting at least five sealed quotations | Up to 10 | Up to 15 |
| | Goods & Services other than Consultancy Services By inviting at least three sealed quotations | Up to 5 | Up to 5 |
| RPC | Works By inviting at least five sealed quotations | Up to 3.5 | Up to 3.5 |
| | Goods & Services other than Consultancy Services By inviting at least five sealed quotations | Up to 1 | Up to 1 |
| HD / PD/ CAO | Works By inviting at least three sealed quotations | Up to 1 | |
| | Goods & Services other than Consultancy Services By inviting at least three sealed quotations | Up to Rs. 500,000 | |

| PROCUREMENT GUIDELINE REFERENCE: 2.14.1 (Cont ...) | | |
|--|--|-------------------|
| Direct Purchase of smaller value repair works, goods and services (Guideline 3.5 and 3.6) (by GOSL funds or foreign funds) | | |
| Level of Authority | Requirements to be fulfilled | Authority Limit |
| CAO / HD / PD | Works <ul style="list-style-type: none"> Satisfying the requirements given under Guideline 3.5 or 3.6 | Up to Rs. 500,000 |
| | Works <ul style="list-style-type: none"> 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 & should not be delegated to any person. | Up to Rs. 200,000 |
| | 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 |
| CAO / HD / PD | Goods & Services other than Consultancy Services directly from open market <ul style="list-style-type: none"> 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 |
| HD / PD | Repairs to motor vehicles and other equipments <ul style="list-style-type: none"> When it is uneconomical to follow competitive procedure. HD/PD must ensure the economy of procurement. This authority should be used under the personnel supervision of HD/PD. For repairs exceeding Rs. 200,000/- CAO's personnel approval should be obtained. | Up to Rs. 200,000 |
| Regional Heads or Officers in charge of separate units who were delegated authority by HD | Goods or Services including equipment of smaller value not exceeding Rs. 15,000/- per event per day <ul style="list-style-type: none"> 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 Rs. 50,000/- per month | Up to Rs. 50,000 |

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 |
|---|--|
| Head of Department (His personal approval is required) | Up to Rs. 250,000 |
| 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

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

| | |
|---|--------------------------|
| 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 take action on 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.