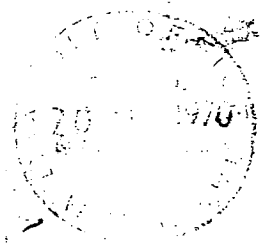


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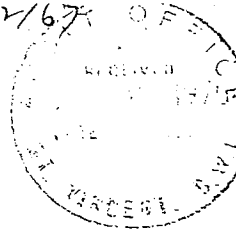
PURCHASES AND TENDERS PROCEDURE

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PURCHASES AND TENDERS PROCEDURE

1. The orders in this section provide for the constitution of Tender Boards, the obtaining of supplies, works and services required by the Government and the general policy governing the placing of orders for stores. Except with the specific or general approval of the Ministry of Finance in exceptional cases, the procurement of all supplies, works or services required by the Government shall be governed by these orders.

2. It is the general policy of the Government to purchase its stores and to obtain services required with a maximum of economy and efficiency, due regard being paid to the importance of encouraging local industries and merchants trading in St. Vincent. The Government expects not only a strict adherence to the following and other orders issued on the subject, but also a careful observance of the policy and principles underlying them.

3. All requirements of consumable stationery, printed matter, typewriters, office machinery, safes and cash boxes will be obtained through the Ministry of Finance.

4. Vehicles, mechanical plant, marine equipment, machinery and machine tools and spares therefor will be obtained through the Ministry of Communications and Works.

5. The obtaining of supplies or services which are in general demand by the Government may be by means of "running contracts", and individual consumers may place orders directly upon suppliers at agreed rates under such contracts which have been arranged by the Tenders Board. All officers likely to be concerned are notified of the existence of these contracts and controlling officers shall ensure that the fullest advantage is taken of them.

6. Officers may be surcharged with the cost of any items which are procurable under a "running contract" if they authorise their purchase from other sources contrary to these instructions.

7. A Central Supply Tenders Board shall be appointed by the Minister of Finance to pursue the general policy laid down from time to time for the procurement of Government's supplies and services and for the purpose of authorising the acceptance of tenders. The duties of the Board, and other cognate matters are described in the Appendix to these rules.

Constitution of the Board

8. The Membership of the Board shall include the following officers of Government viz:

Financial Secretary—Chairman,
 Permanent Secretary, Trade & Production
 Accountant General
 Economist, Planning Unit
 Assistant Secretary, Ministry of Finance—Secretary
 and not more than three unofficals.

9. Voting on all matters shall be by simple majority. The Chairman shall have a second and casting vote, in cases where voting is even. The Secretary shall not have a vote.

10. The Secretary shall be responsible for keeping of minutes, of all meetings of the Board, and for the performance of all duties required by the Secretary under the provisions of these orders.

Invitation of Tenders

11. The following general rules shall govern the undertaking or procurement of all works and services required by the Government:—

- (a) where the estimated value exceeds \$2,000 formal tenders shall be invited through the Central Supply Tenders Board;
- (b) where the estimated value is \$2,000 or less tenders may be dispensed with if the Ministry concerned considers that course to be more advantageous or convenient in the public interest but competitive quotations should nevertheless be obtained whenever this is practicable.

Provided that:

- (i) the estimated value shall cover or include the total value of all items which can reasonably be obtained at one time on one requisition or in one contract and not the value of any individual item;
- (ii) a supply of service shall not be sub-divided or grossly underestimated in order to bring the total value within the limits given above and;
- (iii) the discretion exercisable by Ministries under sub-paragraph (b) may be withdrawn with the special direction of the Financial Secretary, Ministry of Finance if it becomes apparent that this power is being abused or that due to laxity in control Government funds are thereby being wasted.

12. Where a Ministry considers that it would be in the public interest not to invite tenders, prior authority to vary the procedure shall be sought from the Tenders Board stating precisely the reasons for desiring that tenders be not invited.

Tender Procedures.

13. The procedure for inviting tenders, submitting them to Tenders Board for adjudication and for dealing with them thereafter is described in the Appendix to the Rules and must be closely followed by all concerned.

Local Purchases

14. As a check upon prices being paid and quantities obtained by local purchases and to ensure that the Government is not obtaining in total in this manner supplies or services in quantities that might warrant the arrangement of "running contracts", purchasing officers will send to the Secretary of the Central Supply Tenders Board for information one copy of each payment voucher passed against invoices for goods obtained by this procedure where the total amount exceeds \$500. This order is not applicable to local purchases made under a general "running contract" at the contract rate.

Overseas Purchases

15. In no circumstances shall a Ministry place an order directly upon the Crown Agents or an order to supply upon any company or person resident overseas. Ministries requiring goods or supplies which they consider may only be obtained satisfactorily overseas will submit their prepared indents to the Secretary of the Central Supply Tenders Board in accordance with the procedure prescribed in the Appendix.

Sale of Government Property

16. The procedure contained in the foregoing orders for the procurement of supply shall be applied and adapted as may be appropriate whenever it is intended to invite offers for the purchase of Government property to be disposed of in accordance with Financial Rules.

APPENDIX

RULES FOR TENDER AND PURCHASING PROCEDURES

Authority

1. The rules and procedures prescribed in this appendix are issued under the Authority of Financial Regulations and have the force of Financial Orders.

Definitions

2. In these rules unless inconsistent with the context:

“Board” means the Central Supply Tenders Board;

“tender” means a tender which shall be advertised by the Board in the *Gazette* and submitted to the Board for adjudication;

“Secretary” means the Secretary of the Central Supply Tenders Board.

3. Whenever under these rules any power is to be exercised or any duty is to be performed by a Ministry, such power or duty shall be exercised or performed by the controlling officer concerned or by an officer to whom such power or duty has been specifically delegated by the controlling officer.

Central Supply Tenders Board

1. The main function of the Board, appointed by the Minister of Finance shall be:

(a) to pursue the general policy laid down by the Government from time to time for the procurement of Government's supplies and services;

(b) to invite tenders and to authorise the acceptance of tenders, for the Government's requirements of stores, works and services;

(c) to endeavour to arrange that services and supplies common to more than one Ministry be contracted for communally with a view to limiting the number of such contracts and to obtaining the best terms for the Government;

(d) to authorise the letting of “running contracts” or to enter into “running contracts” on behalf of the Government for the supply of goods or services common to more than one Ministry;

(e) to standardise requirements as far as possible by eliminating all unnecessary articles and unnecessary grades and varieties of articles and by making provision only for such articles as are best suited to the requirements of the Government;

(f) to take such steps as may be necessary to ensure that officers do not enter into contracts for supplies or services on behalf of the Government in a form which has not received the approval of Government;

- (g) to approve in special cases variations in the method of calling for tenders laid down in these instructions or to waive them;
- (h) to authorise overseas purchases with or without inviting local tenders where this appears to be in the interest of the Government;
- (i) to exercise such powers or duties as may be conferred, imposed or implied by these orders;
- (j) to exercise such other powers as may be expressly required by the Minister of Finance or which may be sought and obtained by the Board.

5. The Board shall, with the consent of the Financial Secretary, have power to engage expert advice. Any Government officer may be required by the Board to give expert, or technical advice on any matter which is the concern of the Board, and Ministries shall supply the Board with all the information required of them in connection with the operation of these rules.

Invitation of Tenders

6. When tenders are to be invited, in accordance with Financial Rules, for any works, supply or service, Ministries shall submit full particulars of their requirements to the Secretary and in particular the following information to enable the Secretary to prepare the tender advertisement:

- (a) a concise description of the work, supply or service and an indication of its extent or magnitude;
- (b) the point of delivery of supply or the place where work is to be performed;
- (c) the designation and full postal address of the officer from whom tender documents, detailed specifications or further particulars are obtainable;
- (d) whether any deposit is payable for tender documents;
- (e) the suggested closing date for receipt of tenders by the Board;
- (f) the names of trade papers or periodicals in which it is suggested the tender invitations should be advertised.

7. With each application to the Secretary for a tender to be advertised there shall be forwarded a copy of the relative tender documents, specifications or other particulars to be issued by the Ministry.

(Note.—This order does not apply to bills of quantities, plans and other tender and contract documents prepared for building, electrical and civil engineering works.)

8. Each application for a tender invitation shall be given a separate number by the Ministry concerned, prefixed by the letters normally used to identify the Ministry's correspondence. This number will be used invariably to

identify the tender in question, and tenderers will be asked to quote it on all tender documents and to print it clearly on the cover under which formal tenders are submitted.

9. In order that sufficient time may be allowed to prospective tenderers they shall not, unless otherwise approved, be asked to submit their offers less than 21 days after the date of publication of the advertisement. A longer period shall be allowed when practicable. In the case of tenders invited from overseas, a period of seven weeks from the approval of the tender notice and six weeks from gazetting must be allowed.

10. In cases where it is desired to reduce the time allowed to tender to less than 21 days, full reasons must be submitted in writing to the Secretary when submitting the request for the tender to be advertised.

11. Where it is desired to extend the closing date advertised in the original notice inviting tenders, the Secretary must be furnished in writing with full reasons for the desired extension. Such application must reach the Secretary in time to permit of the publication of the extended date in the *Gazette* at least one week before the original closing date and closing dates shall not be extended without such publication.

12. Ministries shall ensure that proper tender documents and specifications are prepared for all supplies and services submitted to tender.

13. In particular the following points must be included in the tender documents:

- (a) that the lowest or any tender will not necessarily be accepted;
- (b) that no tender will be considered unless it is delivered to the Board by the advertised closing time for the receipt of tenders and that no responsibility whatever is accepted for the failure of a postal tender for any reason to reach the Board by the time of closing;
- (c) that tenders will not normally be considered unless they comply fully with the specifications and conditions of delivery;
- (d) that tenderers shall be at liberty to tender for one or more items only when the invitation so specifies;
- (e) that tenders invited by the Secretary shall be transmitted, each one in a separate sealed cover, to the Secretary by the tenderer with the advertised tender invitation number and the nature of the supply or service tendered for clearly printed on the outside;
- (f) that if tenderers wish to receive a formal acknowledgement of the receipt of their tenders, their names and full postal addresses should also be printed on the cover.

- (g) that in tenders for supply the country of manufacture and the name of the manufacturer of the goods must be stated;
- (h) that in the case of supply contracts for goods manufactured outside St. Vincent it should be stated whether the supply is offered from stocks which have borne import duty or from stocks which will be directly imported free of duty for the Government contract; if the latter is the case the value on which Customs Duty would fall to be calculated must be stated;
- (i) that in the case of supply contracts if import duty has been paid either on the items offered or on material imported for their manufacture, the amount of duty paid shall be stated;
- (j) that in the case of supply contracts tendered for by merchants established within St. Vincent it should be stated whether stocks are held in St. Vincent and whether any kind of after-sales service is offered.

14. The use of trade names and references to proprietary articles in tender documents should be avoided as far as is possible but if this is necessary to indicate the style, type or quality of the article required the words "or other equal and approved" should invariably be added immediately after the trade name. Specifications should not be written round a particular proprietary article in such a way as to exclude substitutes. Conversely, specifications should whenever possible be framed to accord with a recognised standard specification.

Selective Tendering

15. Special tenders may be invited for civil or electrical engineering and for building works of a specialised or unusually complex nature. If a Ministry considers that the adoption of this procedure would be in the Government's interest it may inform the Secretary of the reasons for holding this view and seek the approval of the Board to inviting tenders from a restricted list of companies, firms or persons, which shall be supplied. If the Board approves, the Secretary shall normally invite tenders from those on the list but the Ministry concerned may be authorised to invite the submission of tenders to the Board. Tenders received in response to these invitations shall be dealt with in accordance with the procedure prescribed.

16. For ordinary civil engineering, electrical and building works and for supplies, tenders shall normally be invited when the value is in excess of \$2,000 but in cases where the Board considers it advisable tenderers may be limited to a restricted list prepared as prescribed in Rule 18.

17. Before framing a list of approved tenderers the Board shall publish in the *Gazette* and in such other publications as may be considered necessary a notice inviting manufacturers, merchants and contractors to submit applications for registration either to the Board or to any other officer specified in the notice.

*18. After consultation with the Ministry concerned, with any other Ministry which may be able to offer advice and with any public or private body or person as may be considered desirable, the Board shall prepare a list of approved tenderers containing only the names of such companies or persons as it considers suitable to enter into contracts with the Government. Such lists may be subdivided into categories based either on the value of the contract to be given or on any other consideration. Applications for registration shall be informed by the Secretary whether they have been included in the lists and in which category.

*19. The Board may at any time remove from an approved list or from any category thereof the name of any company or person whom the Board considers is no longer suitable in all respects to undertake Government contracts relating to that list or category. All such deletions shall be notified by the Secretary to the person or company concerned.

*20. The Board may at any time after the approved list has been framed consider further applications for inclusion in the approved list, but the list shall in any case be reviewed every two years.

21. When the Board considers that tenderers should be limited in the case of a specific invitation to those in an approved list or category it shall authorise the Ministry concerned to decline to issue tender documents to any other applicants for them. In such cases a suitable explanation for withholding the documents shall be given to applicants.

Local Purchases

22. When local purchases are made without prior reference to the Board of articles or services exceeding \$500 in value, care shall be taken to ensure that the copy of the relevant payment voucher sent to the Board contains sufficient details of the transaction to enable the goods or services obtained to be identified precisely. Not only must the description be full and adequate but rates, numbers, dimensions, weights, gauges, etc., must invariably be clearly specified.

Overseas Purchases

23. All indents for overseas purchases shall be submitted to the Secretary for disposal.

24. If the Board agrees that it is unlikely that the supply can be arranged from any satisfactory sources within St. Vincent or the Caribbean area, the Secretary will be authorised to place the indent upon the Crown Agents for the procurement of the supply. The indent shall be scrutinised by the Secretary in consultation with the Ministries concerned and shall be despatched by him, but the initiating Ministry will normally be responsible for accepting and paying for the delivery.

25. The Secretary may at the discretion of the Board invite tenders through the Crown Agents or elsewhere overseas concurrently with inviting tenders locally and the responses to such invitations shall be considered by the Board equally with local offers.

Examination and Recommendations Upon Tenders

26. After tenders have been opened by the Board they shall be sent by the Secretary to the Ministry concerned for examination and return to the Board. Since prices tendered are normally firm for a limited period after submission, recommendations to the Board shall not be unduly delayed, but it is nevertheless important that all documents and particularly comparative schedules should be carefully checked in Ministries before return.

27. The following documents (in addition to the original tenders) and information shall be supplied by Ministries when making their recommendations to the Board:

- (a) a comparative priced schedule of the tenders received;
- (b) a summary in duplicate of recommendations in respect of tenders for supply showing items, quantities and suppliers' tendered prices;
- (c) a note in respect of any deviation which may have been made from the conditions of tender;
- (d) an opinion upon the sufficiency of any security offered.

28. In all cases the reasons for recommending the acceptance of specific tenders should be clearly stated. It should also be stated whether the prices are fair and reasonable and if the financial standing and technical ability of the tenderers are considered to be satisfactory.

29. When a tender not the lowest is recommended for acceptance the Ministry concerned shall furnish full reasons for rejecting each of the lower tenders and shall state why the recommendation made is in the best interests of the Government and will provide the best value. Where applicable, samples of the lower and of the recommended offers shall also be submitted to the Board.

30. If the rejection of a tender is recommended on the grounds that the article or service offered is not to specification, full details of the deviations from specification and the implications thereof shall be stated. Likewise full particulars will be provided when it is recommended that a tender not strictly in accordance with the specification should nevertheless be accepted.

31. Where delay is likely to occur in submitting tenders to the Board and obtaining a decision, those tenderers who obviously cannot be successful should be so informed by the Ministry concerned and a note to this effect should be made in the submission to the Board.

32. Ministries shall examine first the lowest tender received for any work or service. If any arithmetical error is disclosed the tenderer shall be told in writing of it and shall be given the option to stand by his tender amount or to withdraw. In no case shall alterations be permitted in the tender amount quoted. If the lowest tenderer wishes to withdraw his tender he shall be permitted to do so and the next higher tender shall then be examined.

33. If a lump sum tender appears in the opinion of the technical officers concerned to be unreasonably low it shall be queried in writing with the tenderer. If he is nevertheless prepared to stand by his tender amount it may be accepted, but if he wishes to withdraw he shall be permitted to do so. He shall not be permitted to amend his tender amount.

34. If a rate in the lowest tender received for a work is obviously incorrect the tenderer's attention shall be invited to it. If by mutual agreement the rate is amended the financial difference resulting from such amendment shall be treated as an error in accordance with Rule 32 and the tender amount shall not be altered.

35. Copies of all correspondence entered into with tenderers upon the subject of errors in their tenders between the time of opening tenders and the decision of the Board shall be sent to the Secretary with the Ministry's recommendations and comments thereon. Except with the express permission of the Chairman, no other communications shall take place with a tenderer upon the subject of his tender during this period.

36. No member of the public shall be furnished with the names of prospective tenderers or of persons or companies which have applied for or have taken out tender documents.

Preferences and Comparison of Tenders

37. To facilitate comparison of tenders for supply, they shall be reduced by the Ministry concerned to a common basis on the comparative schedule. Any charges to be added (*e.g.*, customs, delivery, etc.) and other items (*e.g.*, discount) shall be clearly indicated on the schedule so that a correct comparison may be made between the net totals of each tender.

Boards Decision

38. The Secretary shall convey the decision of the Board to the Ministry concerned and shall return to it all relevant documents to enable further action to be taken.

39. In the event of a Ministry concerned in the acceptance of a tender objecting to a decision of the Board, it may refer the case to the Ministry of Finance for a ruling after telling the Board of its intention.

Acceptance of Tenders

40. The Ministry concerned shall—if it does not wish to contest the decision of the Board and provided that sufficient funds to accept the tender are available, notify the successful tenderer forthwith that his tender has been accepted, and shall take the necessary steps to enter into a formal contract with him. Copies of all contracts shall be forwarded to the Accountant General and Senior Auditor. Unsuccessful tenderers who have not already been informed that they have been unsuccessful will be told the name of the successful tenderer and the amount of his tender. The Ministry concerned will arrange for notice of all accepted tenders to be published in the Gazette.

41. Ministries shall not anticipate approval of the acceptance of tenders and shall not place orders until the necessary authority has been received.

42. Particulars of all tenders received shall be filed by the Ministry concerned. The prices tendered by the successful tenderer, but not in the case of works tenders the documents mentioned in the note to Rule No. 7, shall be open to inspection for a period of 30 days after acceptance by other *bona fide* tenderers to the same invitation. No further information regarding tenders received shall be disclosed without the authority of the Board.

Variation or Re-Invitation of Tenders

43. If it is considered desirable to amend, alter or to substitute samples, specifications, prints or conditions after the date for the submission of tenders and before acceptance, fresh tenders shall normally be invited so that all tenderers may have an opportunity of re-tendering on the new basis. The Ministry concerned may, however, recommend, and the Board may approve at its discretion, an increase or decrease in the number of articles involved without inviting fresh tenders if it considers that the best interests of the Government are thus best served.

44. If it is found necessary in the interest of the Government to alter the substance of a tender after it has been accepted, the Board may, at its discretion, authorise negotiations with the contractor within the general framework of the accepted tender. Proposed variations of contracts involving either an increase or a decrease of the tendered sum must be submitted to the Board for approval except where such variation is already allowed for in the terms of the contract.

45. When no tenders are received in response to an invitation or when none can be recommended for acceptance, the Ministry concerned should inform the Board whether it recommends:

- (a) invitation of fresh tenders;
- (b) indenting on the Crown Agents;
- (c) the seeking of services or supplies by negotiation; or
- (d) postponement of further action.

The Ministry will then take action in accordance with the Board's decision.

46. If a successful tenderer fails within a reasonable period to sign the contract or to provide any necessary security and it is not practicable within the available time to invite fresh tenders, the Ministry concerned may negotiate with the next lowest tenderer and shall submit to the Board its recommendations both as regards accepting an alternative offer and the action to be taken against the defaulting tenderer.

Specifications and Samples

47. When tenders are invited for the supply of goods to a sample, drawing or prototype, adequate numbers thereof shall be made available at centres notified in the tender notice for inspection by prospective tenderers. All such samples shall be clearly stamped with the tender invitation number.

48. If it is not possible to avoid using a proprietary article as a sample, it shall be made clear that it is displayed only as an example of the type or quality of the goods required and competition shall not thereby be limited to that article only.

49. A charge may be levied by the Ministry concerned for the supply of samples, prints, specifications or tender documents. This charge may be refundable on the receipt of a firm tender and the return of the documents or, if the applicant finds that he is unable to tender upon the return of the documents unmarked within the time specified upon the tender invitation.

50. When the Ministry concerned requires samples of tendered goods they shall be furnished by tenderers at their own cost and risk. Samples of value may be retained by the Ministry at the lowest tendered price but if not retained and if the tenderer so requires they may be returned normally at the tenderer's expense and risk. Non-returnable free samples may be required in certain cases.

51. Samples made up from materials supplied by the Government will not be returned to the tenderer nor will the Government accept any liability for the cost of making them.

Contracts Securities and Deliveries

52. Contracts for building, electrical and civil engineering works shall be entered into between the Ministry or Department concerned and the contractor, in the form appropriate to each particular work.

53. Other contracts may be entered into for fixed, estimated or variable supplies or services and the delivery of the supplies or the performance of the services may extend over a period of time. In a contract for a fixed supply or service the quantity of the supply or the extent of the service shall not be varied without the approval of the Board and the consent of the contracting parties.

54. In a contract for an estimated supply or service provision shall be made for an increase or decrease of 25 per centum in the estimated quantity or extent.

55. In a contract for a variable supply or service the quantity or extent of which is not specified or guaranteed, prospective tenderers may be furnished, for their guidance only, with such details as may be available in regard to past purchases or probable future requirements.

56. If the delivery or performance of an estimated or variable supply or service extends over a specified period of time the contract will be known as a "running contract". Any Ministry may place orders under a "running contract", which has been arranged by the Board or, with the consent of the contracting parties, under one which has been arranged by another Ministry.

57. In all cases where a supply or service exceeds \$500 in value the contract shall invariably be confirmed by offer and acceptance in writing. "Running contracts" for general supplies or services affecting more than one Ministry shall normally be entered into by the Board.

58. The advice of the Attorney General must always be sought in connection with contracts involving a consideration of \$5,000 or above.

59. Where a security is to be provided by a successful tenderer it shall be preferably in the form of a guarantee by a bank or by the deposit with the Accountant General of cash or approved negotiable securities. The security shall equal 10 per centum of the value of the contract unless otherwise decided by the Board.

60. Deliveries of supplies shall be systematically inspected, sampled and tested by the receiving Department or Ministry and they shall not be accepted unless they comply with the stipulations of the contract. Contracts shall contain a clause that the supplier shall be responsible for all costs and expenses incurred by the Government as a result of rejection of his goods.