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OSG/070-21
Date: July 6, 2021

To: Assistant Secretary General, the Secretaries and Executive Secretaries, Directors and all other Staff Members

From: Luis Almagro, Secretary General

Subject: Modification of the Procurement Contract Rules of the General Secretariat to Increase the Direct Purchase Threshold from \$3,000 to \$4,500 and Amend the Process and Threshold Governing Small Purchases

Subsections c. and d. of Section 10.2.2 of the Procurement Contract Rules of the General Secretariat (approved by Executive Order No. 00-1 Corr. 1) are hereby amended to increase the Direct Purchases threshold from \$3,000 to \$4,500 and to modify the process and threshold for small purchases.

Subsections c. and d. of Section 10.2.2 of the Procurement Contract Rules will read as follows:

c. Small Purchases (\$4,500 - \$49,999)

A small purchase is a procurement with a contract price between \$4,500 and \$49,999, inclusive. Small purchases do not require public notice and are made subject to informal competition from a minimum of three qualified sources. Informal competition can be achieved through: (1) market research to collect and evaluate prices, which can be performed using online tools or other methods, and only when there is an active marketplace for the goods and services to be procured; or, (2) when necessary, the solicitation of written quotations, which may be submitted via e-mail, fax and/or the designated online source selection tool, whichever is most convenient. The results of the market research or the quotes received should be summarized on a permanent record, which should indicate and justify the selected vendor. However, in those instances where: (1) the specifications are complicated; or (2) there are less than three vendors known to the GS/OAS, the GS/OAS shall employ the same procedures utilized for purchases greater than \$49,999.

d. Direct Purchases (Under \$4,500)

Procurements with a contract price lower than \$4,500 do not require competition. However, it is incumbent upon the buyer to select the most suitable vendor; and whenever practical seeking multiple prices from qualified and accessible sources, including online catalogs.

This Directive does not in any way reduce other requirements that all procurements up to \$49,999 should comply with the Procurement Contract Rules.

This Directive supersedes all contravening provisions and practices of the General Secretariat and shall enter into force upon the date printed above.