

## PROCUREMENT POLICY OFFICE

### Directive No. 60

(Issued Pursuant to Section 7 (b) of the Public Procurement Act 2006)

#### Emergency Procurement

1. This Directive is issued following amendments made to the Public Procurement Act 2006 (Act) and the Public Procurement Regulations 2008 and it supersedes Directive 41 and PPO Circular No.3 of 2018.
2. When goods, works, consultancy services or other services need be procured as a matter of extreme urgency in the public interest, the Chief Executive Officer shall evaluate the need for such extremely urgent procurement and decide in the manner to achieve value for money, with due regard to the prevailing circumstances.
3. Depending on the level of emergency and the time available, the Chief Executive Officer may, as per Regulation 5C of the Public Procurement Regulations 2008, to the selection of the procurement method in the following order of hierarchy:
  - (i) call-off from an existing framework agreement;
  - (ii) extending or modifying a contract during its term;
  - (iii) call for competition using a restricted or open advertised bidding with accelerated timescales;
  - (iv) competitive negotiations;
  - (v) direct award due to:
    - (a) absence of competition;
    - (b) protection of exclusive rights; or
    - (c) extreme urgency.

Before awarding a contract by resorting to (v) above, the Chief Executive Officer shall ensure that due negotiations with the concerned supplier have been carried out.

4. Before authorizing any procurement under section 21 (Emergency Procurement) of the Public Procurement Act 2006, the Chief Executive Officer shall ensure that:

- a. recourse to emergency procurement is to efficiently and effectively deal with situations of emergency, which would otherwise not be possible by resorting to normal procurement;
  - b. in the case of goods, the quantities being purchased are for the duration of the situation of emergency, which should not exceed the lead time for obtaining delivery through a normal procurement exercise;
  - c. the procurement contract is awarded to suppliers who have a track record of supplying such goods, works, consultancy services or other services; and
  - d. the contract price for the goods, works, consultancy services or other services is fair and reasonable.
5. For all awards made in respect of procurements under paragraph 4, the Chief Executive Officer shall:
  - a. promptly publish a notice of award in accordance with regulation 71; and
  - b. immediately thereafter submit a report to the Policy Office with details of the emergency situation, the subject matter of the procurement, the name of the supplier, consultant or contractor and the value of the contract awarded.
6. With a view to avoid recourse to Emergency Procurement, a public body may resort to a framework agreement, as stipulated in section 29A(b) of the Act, where by virtue of the nature of the subject matter of a procurement, the need for it may arise on an urgent basis during a given period of time, such as tasks or works which have to be performed after a natural disaster.
7. This Directive shall have immediate effect.

**Procurement Policy Office**

**30 November 2021**