

PROCUREMENT POLICY OFFICE

Directive No. 63

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

Payment claims for works projects

1. The purpose of this Directive is to give effect to the measures announced in the annex to the last Budget speech with respect to delay on the part of contractors to submit payment claims.
2. Whilst the General Conditions of Contract (GCC) and the FIDIC Conditions of Contract provide for a Contractor to submit interim payment claims at monthly intervals, some contractors take unreasonably long time to submit their applications for payment.
There is also no provision in the GCC for a contractor to submit his Final Accounts within a set time frame. These are impacting negatively in the management of funds of public bodies.
3. The Particular Conditions of Contract of the GCC has now been amended to include a provision for the project manager to make his own assessment of money due to a contractor, at Final Account stage, and issue a final payment certificate, in case the latter fails to submit his final account claim.
4. Public Bodies and Project Managers are required to ensure that Contractors comply with the above provisions of the contract and to inform them that non-compliance will be reported to the Performance Review Committee for appropriate actions.
5. This Directive shall have immediate effect.

Procurement Policy Office

08 February 2022