

Stand No. 11790 SUB-J, Procurement House, Off Alick Nkhata Road, Longacres,  
P.O. Box 31009, Lusaka - Zambia

OFFICE OF THE DIRECTOR GENERAL

Our Ref:

## CIRCULAR NO. 25 of 2024

4<sup>th</sup> November, 2024

To: All Permanent Secretaries  
All Chief Executives of Parastatal and Statutory Bodies  
All Town Clerks and Council Secretaries of Local Authorities

RE: **PUBLICATION OF THE FOURTH QUARTER-2024 MARKET PRICE INDEX (MPI)**

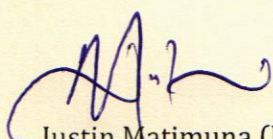
The above caption subject matter refers.

1. Pursuant to Section 12 (3) of the Public Procurement Act No. 8 of 2020 (PPA) as amended by the Public Procurement (Amendment) Act No.17 of 2023, the Zambia Public Procurement Authority (ZPPA) (hereinafter referred to as 'the Authority') is required to issue a Quarterly Market Price Index (MPI) to be used by a Controlling Officer, Chief Executive Officer and Procuring Entity for purposes of an informed price decision.
2. The Authority has issued the Fourth Quarter (Q4), 2024 MPI in accordance with Section 12 of the PPA as amended by the Public Procurement (Amendment) Act No.17 of 2023. The MPI is accessible on the Authority's website [www.zppa.org.zm](http://www.zppa.org.zm) and the electronic government procurement (e-GP) platform <https://eprocare.zppa.org.zm/epps/home.do>. The fourth quarter MPI shall be in effect until the Authority issues the next quarterly MPI.
3. Price Reasonableness Analysis (PRA) templates have been revised to incorporate the  $\pm 15\%$  tolerable range and other parameters. Procuring entities are advised to access the revised templates on the authority's website <https://www.zppa.org.zm/templates>.
4. Prices contained in the MPI are retail prices and do not include transport costs and other logistical overheads associated with the product, good or service considering each PE's different:
  - geographical location and terrain;
  - suppliers and service providers; and
  - products procured which vary in fragility, quantity, weight etc.

Therefore, transport costs cannot uniformly be applied to all MPI prices and PE's are advised to use Price Reasonableness Analysis (PRA) to ascertain the reasonableness of the transport cost.

5. PE's are furthermore advised to only use PRA method of **Comparing with other Bidders** if there are at least **three bidders** including the **Best Evaluated Bidder**, that have qualified to the financial evaluation stage. PE's should refer to ZPPA Circular No. 20 of 2022 which provides guidance on various issues relating to MPI and PRA.
  
6. PEs are hereby informed that the Quarterly Stores Reports and Quarterly MPI and PRA Reports are required by the Authority, to among other things, analyse prices in the MPI. PE's are hereby reminded of their obligation to submit Inventory and Stores Reports, and application of MPI and undertaking of PRA as guided in ZPPA Circular Numbers 22 of 2022 and 8 of 2023 respectively.

All addressees are urged to ensure that the contents of this Circular are brought to the attention of all staff under their supervision.



Justin Matimuna (Mr)

**ACTING DIRECTOR GENERAL**

cc: The Secretary to the Cabinet  
Cabinet Office  
**LUSAKA**

The Auditor General  
Office of the Auditor General  
**LUSAKA**

The Secretary to the Treasury  
Ministry of Finance and National Planning  
**LUSAKA**

The Principal Private Secretary  
State House  
**LUSAKA**