




## CIRCULAR NO. 3 OF 2013

17<sup>th</sup> April, 2013

**TO:** All Permanent Secretaries;  
All Controlling Officers;  
All Chief Executives of Parastatal and Statutory Bodies;  
All Town Clerks and Council Secretaries of Local Authorities;  
The Auditor General.

**RE: ELIGIBILITY FOR NATIONAL AND INTERNATIONAL COMPETITIVE BIDDING**

1. The Authority has observed that despite the issuance of the Public Procurement Regulations which clearly spell out the thresholds for National and International Competitive Bidding, the provisions of Section 26 to 28 of the Public Procurement Act and Regulation 8 of the Public Procurement Regulations of 2011 are not being complied with.
2. Controlling Officers and Chief Executive Officers are reminded as follows:
  - (a) Unless the goods, works and services cannot be obtained from local bidders, foreign bidders **ARE NOT** eligible to bid in National Competitive Bidding (NCB) tenders which are financed using internally generated public resources.
  - (b) Where a Procuring Entity fails to get the required goods, works or services from a local supplier, documentary evidence must be

  
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provided and kept as part of the procurement record before foreign bidders are invited. However, the foreign bidders will be required to partner with a local bidder for purposes of skills transfer. Table 1 below shows the thresholds for NCB:

**TABLE 1: NATIONAL COMPETITIVE BIDDING THRESHOLDS**

Item	Type of Procurement	Threshold	Tender Eligibility
1.	Goods and Non-consulting Services	Up to K5 billion or Kr5 million.	Citizen/Local Suppliers or bidders
2.	Works	Up to K50 billion or Kr50 million.	
3.	Consultancy Services	Up to K500 million or Kr500,000.	

3. Foreign bidders are eligible to take part in International Competitive Bidding (ICB) tenders which are financed using domestic public resources; **PROVIDED** that they partner with citizen or local bidders. Table 2 below shows the thresholds applicable for ICB:

**TABLE 2: INTERNATIONAL COMPETITIVE BIDDING THRESHOLDS**

Item	Type of Procurement	Threshold	Tender Eligibility
1.	Goods and Non-Consulting Services.	Above K5 billion or Kr5 million.	Citizen, Local and Foreign Bidders. But Foreign bidders must partner with citizen or local bidders.
2.	Works	Above K50 billion or Kr50 million.	
3.	Consultancy Services	Above K500 million or Kr500,000.	

*WAP*

4. You are therefore advised to ensure that the Invitation for Bids clearly indicate that foreign bidders are not eligible in NCB and that in ICB tenders foreign bidders MUST partner with citizen or local bidders. This qualification criterion should be evaluated at preliminary stage of tender evaluation and all bidders not meeting the requirement shall be deemed to be **NON-RESPONSIVE**.
5. Please note that the terms *citizen*, *local* and *foreign bidder* are as defined in the Public Procurement Act.
6. All addressees must adhere to the contents of this Circular and ensure that the same are fully implemented.



Danies K. Chisenda  
**DIRECTOR GENERAL**

- cc The Secretary to the Cabinet  
Cabinet Office  
**LUSAKA**
- cc The Secretary to the Treasury  
Ministry of Finance  
**LUSAKA**
- cc The Principal Private Secretary  
State House  
**LUSAKA**

