



ZAMBIA PUBLIC PROCUREMENT AUTHORITY

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. 1 OF 2021

ZPPA/101/14/6

3rd March, 2021

TO: The Permanent Secretary, Ministry of Local Government
All Provincial Permanent Secretaries
All Town Clerks and Council Secretaries of Local Authorities

RE: **AMENDMENT TO CIRCULAR NO. 1 OF 2013 - RESTRICTED CATEGORY FOR MUNICIPAL AND DISTRICT COUNCILS' THRESHOLD**

All addressees are drawn to the attention of Section B, No. 13 of Circular No. 1 of 2013 issued by the Zambia Public Procurement Authority (ZPPA), which guided that all Municipal and District Councils (now Town Councils) be classified in the Restricted Category of K500,000.00 for procurement of goods, works and non-consulting services and K300,000.00 for consulting services respectively.

In order to enhance efficiency in the utilization of funds and up-scale the implementation of activities, ZPPA is amending Section B, of the above mentioned circular by revising the threshold for Municipal and Town Councils to K2,000,000.00. All procurements that exceed the value of K2,000,000.00 for goods, works and services will be processed through the Provincial Administration Procurement Committees until further notice.

In view of the above, the Authority wishes to guide as follows:

1. Procurement Methods

The Municipal and Town Councils shall use the Open National Bidding, Limited Bidding and Open National Selection procurement methods where applicable, in accordance with the Public Procurement Act, No. 12 of 2008 and the Public Procurement Regulations, Statutory Instrument No. 63 of 2011.

2. Solicitation Documents

The standard solicitation documents for use under Open National Bidding, Limited Bidding and Open National Selection procurement methods can be accessed on the Authority's website: www.zppa.org.zm.

Pursuant to section 22 (1)(b) of the Public Procurement Act No. 12 of 2008 as amended by Public Procurement (Amendment) Act No. 15 of 2011, the solicitation

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documents should be approved by the relevant approvals authority prior to their issue to the bidders.

3. Capacity Building

The Authority will provide capacity building and further guidance upon request by the local authorities in order to ensure that all procurements comply with the provisions of the Public Procurement Act and Regulations.

4. Application of the Circular

The revised procurement threshold in Section B shall not apply to Municipal and Town Councils that were removed from the restricted category after assessment by the Authority.

In addition, the revised procurement threshold will apply to Municipal and Town Councils that were elevated to City Councils since the issuance of the circular in 2013 until they demonstrate capacity for placement in the unrestricted category.

All addressees are advised to ensure full compliance with the Public Procurement Act and its attendant regulations.

Lastly, all addressees are advised to ensure that the contents of this circular are brought to the attention of relevant officers and are fully implemented and adhered to.



Idah C. Chella (Mrs.)
DIRECTOR GENERAL

Cc: Secretary to the Cabinet
Office of the President
Cabinet Officer
LUSAKA

The Secretary to Treasury
Ministry of Finance
LUSAKA

The Principal Private Secretary
State House
LUSAKA

The Auditor General
Office of the Auditor General
LUSAKA