

**STRENGTHENING PROCUREMENT FUNCTION DURING
EMERGENCY/COVID-19 SITUATION AND ENHANCEMENT OF
SMEs PARTICIPATION IN GOVERNMENT CONTRACTS.**

May I refer to the above subject matter and bring to the attention of all Procuring Entities that the Delta State Public Procurement Commission has obtained approval for the under listed to be implemented with immediate effect:-

- i. All contracts below the sum of ₦25M (Twenty-Five Million Naira) scheduled to be processed for award by each MDA should be reserved solely for SMEs in the State. As such, only SMEs are expected to bid for such jobs;
 - ii. SMEs should be encouraged/allowed to participate as joint ventures and/or as subcontractors, even in other larger contracts, in order to enhance their capacity;
 - iii. All Procuring Entities should deliberately create jobs for SMEs, commence the procurement process and award the associated contracts early;
 - iv. All contracts involving goods, works and services below ₦25Million (Twenty-Five Million Naira) should be reserved for SMEs immediately;
 - v. Procuring Entities should use Open Competitive Bidding method for all SMEs-categorized jobs. This is to satisfy the principle of competitiveness and fairness in the procurement Law;
 - vi. Procuring Entities may pay Advance Payment for SMEs-based contracts on need basis and the percentage payment will be based on nature of contract to allow for lessening the burden on SMEs and the State;
 - vii. For SMEs only, PEs should accept endorsed Statement of Declaration issued by the State High Court as replacement for Advance Payment Guarantee, Performance Bond and Bid Security; and
 - viii. PEs may waive the cost of obtaining Bidding Document or charge the barest minimum to cover the cost of the preparation of the bidding document.
2. Procuring Entities (PE) may note that SMEs that are registered with the State's Contractors Registration Board were trained by the Commission on Assessment of Government Contracts and have been advised to regularly check the Notice Boards of PEs for bidding opportunities/Jobs. To this effect, PEs are expected to make use of the Delta State Public Procurement Commission's portal and their own Notice Boards to advertise available jobs. The list of the trained SMEs will be promptly transmitted to the PEs by the Commission.
3. Consequent upon paragraph 1(vii) above, PEs should request and accept the following Forms which must be endorsed by the State High Court from SMEs as at when due:
- a) Bid Security Declaration Form instead of Bid Security.
 - b) Performance Bond Declaration Form instead of Performance Bond.
 - c) Advance Payment Declaration Form instead of Advance Payment Guarantee.

Kindly find attached sample of the 3 (Three) Forms to be issued to Bidders.