

<p>High cost and difficulty in obtaining financial instruments; bid security, advance payment guaranty and performance guaranty,</p>	<ul style="list-style-type: none"> <li>• PEs should waive the requirement for the submission of financial instruments for contracts below a monetary threshold of ₦25m (Twenty-five million naira) for SMEs.</li> <li>• Alternatively, PEs should accept Performance Bond Declaration in place of Bank's Performance Guarantee.</li> <li>• Allow Advance Payment Guarantee (APG) from Insurance Companies.</li> <li>• Allow Advance Payment Declaration form instead of Advance Payment Guarantee.</li> <li>• Allow for submission of Bid Securing Declaration instead of Bid Security.</li> </ul> <p><b>Note:</b> All three (3) Declarations shall be duly signed by the State High Court of Justice.</p>
<p>Insufficient cash flow to implement awarded contracts</p>	<ul style="list-style-type: none"> <li>• PEs may pay Advance Payment for these contracts awarded to SMEs on need-basis and the percentage payment will be based on the nature of Contract.</li> </ul>
<p>Uneven competition between large firms and SMEs</p>	<ul style="list-style-type: none"> <li>• All contracts involving goods, works and services below the sum of ₦25Million (Twenty-Five Million Naira) should be reserved solely for SMEs immediately. As such only SMEs are expected to bid for such jobs.</li> <li>• PEs should apply Open Competitive Bidding method for SMEs-categorized</li> </ul>