

ADDENDUM

RE: STRENGTHENING PROCUREMENT FUNCTIONS DURING EMERGENCY/COVID-19 SITUATION AND ENHANCEMENT OF SMEs PARTICIPATION IN GOVERNMENT CONTRACTS.

Further to our earlier circular letter No. DSPPC/PRPI/76/9 dated 23rd September, 2020 on the above subject, and in the light of the imperatives of active participation of SMEs in Government procurement processes and contracts, approval has been granted for a number of conditions for their participation as specified in the Guidelines issued together with the said circular, to be relaxed to enable them participate more actively in the process.

2. Consequently, the conditions for the participation of SMEs in the bidding process are relaxed as follows:

- i. the annual turnover in relation to the contract sum is relaxed to 1.5 instead of twice the annual turnover. For instance, an SME with an average annual turnover of #Y (Y Naira) can bid for a contract up to (#1.5Y) in value;
- ii. evidence of past job experience by SMEs is relaxed and not required as pre-qualification document for bidding or for evaluating tenders;
- iii. Procuring Entities can grant advance payment to SMEs up to a maximum of 40% of the value of the contract.

3. While stating that all other criteria specified in the earlier circular still subsist, please give this follow-up circular letter the widest publicity for information and compliance with the adjustments in paragraph 2(i-iii) above.

4. Accept the assurance of my warmest regards, please.



Joseph Duke Okeze

Director-General