



**Directorate Policy Development and Programme Implementation**

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**Procurement Policy Note #15**

**Minimum Indicative Quantities to be requested in a Bill of Quantities**

Date issued: 06.07.2015

**1 Purpose**

This Policy Note aims to correct a possible anomaly that might arise when procuring particular services/supplies which due to their nature command very small pecuniary values.

**2 Organisational Scope**

This is a Government-wide policy. It shall apply to all Ministries/Departments/Entities falling under Schedule 1 of the Public Procurement Regulations.

**3 Definitions**

Nil

**4 Policy Content and Guidelines**

Reference is being made to Procurement Policy Note #10 – *Financial Offer Value in Euro*. Prospective bidders submit their financial offer according to the minimum indicative line quantity requested in the tender document and forms. Contracting Authorities (CA) are to ensure that this minimum indicative line quantity, against which a bidder will eventually submit his/her financial offer, must be of such an amount that allows all offers to be in line with the afore mentioned policy (i.e. up to 2 decimal places) while at the same time leaving all the necessary room for a healthy competition to take place.

By way of example, if a CA is procuring a photocopying service, where the difference between the most financially competitive and the least competitive offer, for a black and white copy, might probably be smaller than €0.01, then the indicative quantity must be of such a volume

(i.e. multiple copies) in order to allow prospective bidders to submit their compliant best offer up to two decimal places. The below table depicts a classic example (*just for example purposes*):

<b>Document size and type</b>	<b>Indicative Quantity</b> <i>(or part thereof)</i>	<b>Price per sheet</b> <i>(Total including Taxes, Other Duties &amp; Discounts but exclusive of VAT)</i>	<b>Total Price per Indicative Quantity</b> <i>(Total including Taxes, Other Duties &amp; Discounts but exclusive of VAT)</i>
A4 - B & W	100,000	€0.0085	€850.00
A3 - B & W	10,000	€0.0170	€170.00
A4 - Colour	1,000	€0.0850	€85.00
A3 - Colour	100	€0.1700	€17.00

The below table depicts how a fee-based contract, financial bid breakdown would be like for the afore mentioned example (*just for example purposes*):

<b>Item</b>	<b>Description of Service</b>	<b>Total including Taxes, Other Duties &amp; Discounts but exclusive of VAT</b> <b>Amount in Euro (€)</b>
A	A4 - B & W per 100,000 copies ( <i>or part thereof</i> )	850.00
B	A3 - B & W per 10,000 copies ( <i>or part thereof</i> )	170.00
C	A4 – Colour per 1,000 copies ( <i>or part thereof</i> )	85.00
D	A3 – Colour per 100 copies ( <i>or part thereof</i> )	17.00
	<b>GRAND TOTAL</b> <b><u>CARRIED FORWARD TO FINANCIAL SECTION OF ONLINE TENDER RESPONSE</u></b>	1122.00

**5 Effective**  
Immediate

**6 Applicability**  
All CfT published departmentally or through the Department of Contracts.

**7 Legislative Compliance**

Laws of Malta, Subsidiary Legislation 174.04 – Public Procurement Regulations

**8 References**

Nil

**9 Appendices**

Nil

**10 Other related policy notes published**

Procurement Policy Note #10 – Financial Offer Value in Euro

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