

DIPARTIMENT TAL-KUNTRATTI

Notre Dame Ravelin

Floriana FRN 1600 – MALTA



DEPARTMENT OF CONTRACTS

Notre Dame Ravelin

Floriana FRN 1600 – MALTA

Telephone: (+356) 2122 0212

(+356) 2122 0313

Fax: (+356) 2124 7681

e-Mail: [info.contracts@gov.mt](mailto:info.contracts@gov.mt)

## Policy Development and Programme Implementation Directorate

---

### Procurement Policy Note # 03

#### Bid Bond (Tender Guarantee) Values

Date issued: 02.12.2013

Revised: 02.06.2016

#### 1 Purpose

To standardise the procedure related to bid bond (tender guarantee) amounts, also in tenders divided into lots. To reduce the administrative burden on the SMEs related to bid bonds.

#### 2 Organisational Scope

This is a Government-wide policy. It applies to all CfTs issue by Ministries/Departments/Entities falling under Schedule 2 of the Public Procurement Regulations together with all Local Councils.

#### 3 Definitions

NIL

#### 4 Policy Content and Guidelines

- (i) The bid bond (tender guarantee) is to be requested only for tenders which are not divided into lots and whose estimated value is over €500,000 excluding VAT.
- (ii) When a tender is divided into lots the following procedure shall apply:
  - No bid bond is to be requested for **individual** lots estimated less than €500,000 excluding VAT.

- If the tender allows submission for one lot, any lot or all of the lots, the tenderer may add up the values of the individual lots that shall be tendered for and submit one whole bid bond covering the total amount.

*Example:* Tender is divided into five (5) lots.

*Lot 1* – no bid bond requested

*Lot 2* - €6,000

*Lot 3* - €3,000

*Lot 4* – No bid bond requested

*Lot 5* - €8,000

The tenderer opts to submit an offer for lots 2 and 5 only. Therefore one bid bond amounting to €14,000 covering both lots is acceptable.

In such cases, Contracting Authorities using the Electronic Public Procurement System (ePPS) are to ensure that the bid bond criterion is created for uploading with each lot. The tenderer would then be able to upload the same bid bond document for the individual lots that shall be tendered for, if he/she opts to cover the lots by one bid bond document.

If the submission for all of the lots is compulsory, one whole bid bond covering all of the lots is to be requested as per (i) above.

This applies to both Single and Three Package tenders.

## **5 Effective**

Immediate

## **6 Legislative Compliance**

NIL

## **7 References**

NIL

## **8 Appendices**

NIL

## **9 Other related policy notes published**

Policy Note #1 dated 02.12.2013