

Department of Contracts
Notre Dame Ravelin
FLORIANA

To Permanent Secretaries
Directors General
Directors
Heads of Public Sector Organisations

16 April 2018

**SUBMISSION OF A PROCUREMENT REPORT IRO DIRECT ORDERS
WHERE THE VALUE DOES NOT EXCEED FIVE HUNDRED EURO**

In line with Regulation 100 (1) of the Public Procurement Regulations (LN 352/2016), where the estimated value of supplies/works/services procurement does not exceed five thousand euro (€5,000) excluding VAT, Contracting Authorities may procure departmentally either after obtaining a minimum of three (3) quotations or after publication on the government's e-procurement platform (ePPS) or through a direct contract (ie when the Contracting Authority procures directly from one specific Economic Operator) at the discretion of the Head of the Contracting Authority or any person delegated by him in writing.

The above Delegation of Authority to a Senior Official of an Entity forming part of the Contracting Authority is permissible only for the procurement by Direct Order, where the value of supplies/works/services does not exceed five hundred euro (€500) excluding VAT. Furthermore, it is to be emphasised that the aggregate Direct Orders shall not exceed a total value of five thousand euro (€5,000) excluding VAT, during a period of one calendar year.

To this effect, Contracting Authorities are being reminded that every six (6) months, the Senior Official who receives such a delegation from the Head of the Contracting Authority, shall provide the said Head with a full list of all Direct Orders wherein the estimated value of supplies/works/services procurement does not exceed five hundred euro (€500) excluding VAT.

It is to be noted that the said list must include the date of the purchase, the name of the economic operator, the nature of the purchase, the invoice number, the payment reference, and the value of the supplies/work/services.

In order to standardise and facilitate data collection, enclosed with this circular, at Annex 1, the Department of Contracts (DoC) is providing a template for the submission of the said biannual Procurement Report, which the delegated Senior Official shall present to the respective Head of the Contracting Authority.

Further to Regulation 100 (1) and as a result of the Department's monitoring function, the Director General Contracts reserves the right to request that a Contracting Authority forwards copies of the said Procurement Report iro direct orders where the value does not exceed five hundred euro (€500) excluding VAT.

Ministries are also encouraged to submit any queries to the Department of Contracts' customer care service on info.contracts@gov.mt or +356 21220212.

Anthony Cachia

Director General (Contracts)