



PROCUREMENT DEFINITIONS

Bid means a formal submission in response to a competition document.

Bidder means a supplier that submits a bid.

Business case means a management tool that supports decision-making for an investment which provides, among other things –

- a) The justification for a specified procurement project;
- b) The consideration of alternative solutions;
- c) The identification of assumptions, constraints, benefits, costs and risks; and
- d) The local impact assessment or industry consultation report where required under the Procurement Law, 2016.

Capital Project means any item that will be capitalized on the balance sheet in accordance with generally accepted accounting practice, and includes the construction or purchase of physical assets and the purchase or development of computer hardware or software.

Chief Executive Officer includes Managing Director or such other title by which the head of a statutory authority or government company is called.

Competition Document means the document used to solicit bids and includes an invitation to tender, a request for proposals, a request for quotations, and a request for supplier qualifications.

Competitive Process means any of the methods of procurement recognized under the United Nations Model Law on Public Procurement (2011) or as may be prescribed, except single source procurement.

Contract Award Notice means a public notice posted on an electronic tendering service informing the supplier community that a publicly advertised procurement opportunity has been awarded. The notice must be posted within 30 days of entry into force of the contract.

Contract Splitting means splitting a requirement into a number of smaller contracts (transactions) dividing the aggregate value to avoid compliance with contracting authorities and/or legal obligations.

Direct Award means a contract award outside of a competitive process and includes single source procurement.



Emergency means a situation where -

- (a) a state of emergency is proclaimed under the Emergency Powers Law (2006 Revision);
- (b) an exceptional circumstance occurs with an immediate risk to the safety or health of an employee or a member of the public; or
- (c) there is an immediate risk of serious damage to public or private property.

Entity means any governmental body or party acting on behalf of a governmental body and includes a ministry, portfolio, statutory authority, government company, the Office of the Complaints Commissioner, the Officer of the Information Commissioner and the Audit Office.

Entity Procurement Committees means the procurement committee for an entity.

Framework Agreement means an offer from a supplier to provide goods or services under a predetermined pricing structure and on the terms and conditions outlined in the framework agreement for a specified period of time.

Intellectual Property means any information or knowledge of an industrial, scientific, technical, commercial, literary, dramatic, artistic or otherwise creative nature relating to the work, whether oral or recorded in any form or medium and whether or not subject to copyright; this includes but is not limited to any inventions, designs, methods, processes, techniques, know-how, show-how, models, prototypes, patterns, samples, schematics, experimental or test data, reports, drawings, plans, specifications, photographs, manuals and any other documents, software, and firmware.

Justification Document means a justification along with supporting documentation or certification provided to demonstrate that the decision made is fair and reasonable and is to be requested for a non-competitive procurement strategy or any procurement where justification is warranted.

Life Time Value means the discounted net present value of financing obligations calculated using a discount rate of 3.5% which is subject to periodic review to assess its appropriateness and includes the systematic consideration of all relevant costs and revenues associated with the life cycle of the goods, services or works.

Local Benefits Test means a request that suppliers, as part of the response to a government competition document, set out -



- (a) the benefit to the economy of the respective bid; and
- (b) specific commitments to benefit local business.

Local Impact Assessment means an assessment of the impact of the procurement on local suppliers prior to any approach to the market.

Local Industry Impact Statement means a statement submitted by a bidder as part of their bid submission that outlines how their supply of goods, services or works will provide a positive impact on the local industry and economy should they be awarded the contract.

Low Dollar Value means a requirement for which the aggregate value is below \$5,000.

Major Project means a project that is of a value, complexity, risk level or profile that requires that it is given a significant allocation of time and resources from the entity as well as the involvement of stakeholders, other entities, and the Central Procurement Office.

Milestone Payment means a method of making a progress payment, which relates to a measurable and/or defined item or work package for which a price is assigned in the contract.

Non-Competitive Contract also known as a direct award. A contract awarded to a supplier through a non-competitive procurement strategy. Depending on the requirement, specific obligations in terms of justification for the use of such procurement strategy must be met.

Non-responsive means that the Bidder fails to fulfill the requirements set-out in the solicitation document.

Notice of Opportunity means a notice to potential suppliers advising of an opportunity to participate in a procurement project.

Pre-qualification means a process by which the qualifications of a supplier are evaluated prior to completing a bid submission process and is usually used to select potential bidders for an individual project or scope of work, or to create a pre-qualified list of potential bidders for a defined program or timeframe.

Procurement means the process by which an entity acquires goods, services or works from an external supplier to support the delivery and maintenance of government programs, services and infrastructure, such process spanning the complete life cycle from initial concept and definition of the business need to the effective management of markets, through to the end of the useful life of an asset or end of services contract.



Procurement Project means any purchase of goods, services or works by an entity and includes major projects and direct awards.

Procurement Strategy means the way a particular good or service will be purchased. The procurement strategy will depend on the requirement and the specific legal obligations that flow from such requirement. The procurement strategy to be developed will determine how the goods or services are to be purchased.

Procurement Timeline means the schedule established by the procurement lead for conducting the procurement process.

Procurement Valuation means the estimated purchase or contract value prior to initiating a procurement project.

Public Officer includes an employee of a statutory authority, government company, the Office of the Complaints Commissioner, the Office of the Information Commissioner, the Audit Office or any other governmental body which is required to comply with this Law.

Relevant Costs and Revenues means the costs and revenues that are attributable to owning and using the goods, services or works and includes, but is not limited to, planning design, acquisition, use, maintenance and final disposition.

Request for Expression of Interest (RFEOI) means a non-binding procurement document usually released prior to a competitive process to gauge the level of market interest in the project and to highlight any potential bidder concerns.

Request for Information (RFI) means a pre-solicitation request that may be used to get feedback from suppliers to help the procurement entity in developing an achievable procurement strategy.

Sole Source Contract - See Non-Competitive Contract.

Solicitation Document – see Competition Document.

Statement of Work means a document prepared during project initiation and planning that describes what the project will deliver and outlines generally and at a high level the work required to complete the project.



Supplier means any person who has submitted a bid, offer, or arrangement or who may submit a bid, offer or arrangement or who has been awarded a contract, including subcontractors, owners, directors, officers, employees, agents, or any affiliated body or any other related parties.