

Public Procurement and Disposal of Public Assets (General)
(Amendment) Regulations, 2020 (No. 1)

IT is hereby notified that the Honourable Vice President responsible for procurement, in consultation with the Minister of Finance and Economic Development, in terms of section 101 of the Public Procurement and Disposal of Public Assets Act [*Chapter 22:23*] and after consulting with the Procurement Regulatory Authority of Zimbabwe, has made the following regulations: —

1. These regulations may be cited as the Public Procurement and Disposal of Public Assets (General) (Amendment) Regulations, 2020 (No.1).

2. The Public Procurement and Disposal of Public Assets (General) Regulations, 2018, published in Statutory Instrument 5 of 2018 (hereinafter referred to as the “principal regulations”) are amended by the repeal of section 10 and substitution with the following—

“Financial thresholds

10. (1) For the purpose of section 14(1) of the Act, where the price of the procurement requirement is below—

- (a) three million five hundred thousand dollars, in the case of construction works; or
- (b) one million seven hundred and fifty dollars, in the case of goods; or
- (c) with eight hundred and seventy-five dollars, in the case of consultancy and non-consultancy services;

procuring entities shall be responsible for managing their own procurement.

(2) For the purpose of section 34 of the Act, where the price of the procurement requirement for items not covered in a framework agreement is below—

- (a) three hundred and fifty thousand dollars, in the case of construction works; or
- (b) one hundred and seventy-five thousand dollars, in the case of goods; or

- (c) eighty-seven thousand five hundred dollars, in the case of consultancy and non-consultancy services;

procuring entities may adopt the request for quotations method of procurement.

(3) Where the price of the procurement requirement is—

- (a) above three hundred and fifty thousand dollars, but does not exceed eighty-seven million five hundred thousand dollars, in the case of construction works; or
- (b) above one hundred and seventy-five thousand dollars but does not exceed five million two hundred and fifty thousand dollars in the case of goods; or
- (c) above eighty-seven thousand five hundred dollars but does not exceed seventeen million five hundred thousand dollars, in the case of consultancy and non-consultancy services;

procuring entities may invite only Zimbabwean (domestic) suppliers to bid.

(4) Where the price of the procurement requirement exceeds—

- (a) eighty-seven million five hundred thousand dollars; in the case of construction works; or
- (b) five million two hundred and fifty thousand dollars, in the case of goods; or
- (c) seventeen million five hundred thousand dollars, in the case of consultancy and non-consultancy services;

procuring entities shall invite bids in accordance with the Act from both Zimbabwean (domestic) and foreign bidders.

(5) The threshold for scrutiny of especially valuable procurement contracts by the Special Procurement Oversight Committee in terms of section 54 of the Act shall depend on whether a procuring entity falls within any of the following classifications—

- (a) Class A, that is to say procuring entities with a procurement budget of thirty-five million dollars or

more and with a low risk profile, or procuring entities that fall under lower procurement budget with lower risk profile;

- (b) Class B, that is to say procuring entities with a procurement budget above eight million seven hundred and fifty thousand dollars but less than thirty five million dollars and with a low risk profile, or procuring entities with a procurement budget under Class C but with lower risk profile, or procuring entities with a procurement budget for class A but with a high risk profile;
- (c) Class C, that is to say procuring entities with a procurement budget of less than eight million seven hundred and fifty thousand dollars and with a lower risk profile, or procuring entities with a procurement budget under Classes A and B but with a high risk profile;

and the thresholds for each of those classes shall be those set out in the Second Schedule.

(6) The risk profiles referred to in subsection (5) shall be determined in accordance with guidelines issued by the Authority from time to time.

(7) For all procurements where the estimated price exceeds the request for quotation thresholds set out in subsection (2)—

- (a) the competitive bidding method of procurement shall be used; and
- (b) an evaluation committee shall be established in accordance with section 18 of the Act; and
- (c) an individual procurement plan shall be prepared in accordance with section 23 of the Act; and
- (d) the procurement shall be advertised in accordance with the Act.

(8) The calculation of the estimated price of procurement shall be based on the total amount payable under the procurement contract, net of taxes and duties, as estimated by the procuring

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entity, including payments for any type of option and any renewals of the contract.

(9) The calculation of the estimated price of procurement shall not be made with the intention of excluding the procurement from the scope of the Act or of avoiding the adoption of a procurement method prescribed by the Act.

(10) For the procurement of consultancy services, the threshold for—

- (a) inviting expressions of interest shall be five million two hundred and fifty thousand dollars;
- (b) scrutiny by the Special Procurement Oversight Committee in terms of section 54 of the Act shall be calculated in accordance with subsection (5).”.

3. The Principal Regulations are amended by the repeal of the Second Schedule and substitution with the following—

“SECOND SCHEDULE (*Section 10(5)*)

FINANCIAL THRESHOLDS FOR PROCUREMENT CONTRACTS
LIABLE TO SCRUTINY

Financial threshold
(ZW\$)

Class A Procuring Entity:

- (a) for construction works:..... 8 750 000,00
- (b) for goods, non-consultancy and consultancy works 4 375 000,00

Class B Procuring Entity:

- (a) for construction works:..... 4 375 000,00
- (b) for goods, non-consultancy and consultancy services: 2 625 000,00

Class C Procuring Entity:

- (a) for construction works:..... 3 500 000,00
- (b) for goods, non-consultancy and consultancy services: 1 750 000,00”.

4. The principal regulations are amended by the repeal of the Third Schedule and substitution with the following—

“THIRD SCHEDULE (Sections 44 and 92)

SECURITY AND FEES FOR CHALLENGES TO PROCUREMENT
PROCEEDINGS

<i>Description</i>	<i>Fee (ZW\$)</i>
1. Application to challenge contract award below \$175 000,00:	1 750,00
2. Application to challenge contract award between \$175 000,00 and \$875 000,00:	8 750,00
3. Application to challenge contract award between \$875 000,00 and \$1 750 000,00:	13 125,00
4. Application to challenge contract award between \$1 750 000,00 and \$8 750 000,00:	17 500,00
5. Application to challenge contract award between \$8 750 000,00 and \$17.5 million:	26 250,00
6. Application to challenge contract award between \$17.5 million and \$35 million:	52 500,00
7. Application to challenge contract award between \$35 million and \$87.5 million:	175 000,00
8. Application to challenge contract award between \$87.5 million and \$262.5 million:	437 500,00
9. Application to challenge contract award between \$262.5 million and \$525 million:	875 000,00
10. Application to challenge contract award between \$525 million and \$875 million:	1 312 500,00
11. Application to challenge contract award between \$875 million and \$1.75 billion:	1 750 000,00
12. Application to challenge contract award between \$1.75 billion and \$4.375 billion:	2 625 000,00
13. Application to challenge contract award between \$4.375 billion and \$8.75 billion:	3 500 000,00
14. Application to challenge contract award above \$8.75 billion:	4 375 000,00

Foreign bidders shall pay an equivalence of their bid currency.”.

5. The principal regulations are amended by the repeal of the Fifth Schedule and substitution with the following—

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“FIFTH SCHEDULE (*Section 92*)

FEES

PART I

APPLICATION FOR EXEMPTION IN TERMS OF SECTION 3(7) OF ACT

<i>Description</i>	<i>Fee</i> (ZW\$)
1. Application and renewal of exemption of procurement of procurement of trading stock per class of items	43 750,00
2. Application for exemption of procurement of a strategic nature by procuring entities operating in competitive markets	43 750,00

PART II

APPLICATION TO CONDUCT PROCUREMENT IN TERMS OF SECTION 15 OF ACT

<i>Description</i>	<i>Fee</i> (ZW\$)
1. Application and renewal of authority to conduct procurement under Class A procuring entity:	35 000,00
2. Application and renewal of authority to conduct procurement under Class B procuring entity:	26 250,00
3. Application and renewal of authority to conduct procurement under Class C procuring entity:	17 500,00

PART III

REGISTRATION OF BIDDERS IN TERMS OF SECTION 6(1)(I) OF ACT

<i>Description</i>	<i>Fee</i> (ZW\$)
1. Registration and renewal of registration of Zimbabwean (domestic) bidders	1 750,00
2. Registration and renewal of registration of international bidders:	13 125,00

Foreign bidders shall pay an equivalent in the currency of their country of registration.

PART IV

ADMINISTRATION FEES PAYABLE BY BIDDERS FOR BIDS SUBJECT TO REVIEW IN TERMS
OF SECTION 54 OF ACT

<i>Description</i>	<i>Fee (ZW\$)</i>
1. Administration fees for domestic competitive tenders for each bid for goods, non-consultancy and consultancy services:	1 750,00
2. Administration fees for domestic competitive tenders for each bids for construction works:	3 500,00
3. Administration fees for international competitive tenders for each bid for goods, non-consultancy and consultancy services:	3 500,00
4. Administration fees for international competitive tenders for each bid for construction works:	8 750,00

Foreign bidders shall pay an equivalent in the currency of their bid.

PART V

ADMINISTRATION FEES PAYABLE BY BIDDERS FOR BID SECURITY ESTABLISHED BY THE
AUTHORITY IN TERMS OF SECTION 44 OF ACT

<i>Description</i>	<i>Fee (ZW\$)</i>
1. Administration fees for bid security below \$75 000:	3 500,00
2. Administration fees above \$75 000 and below \$175 000: . . .	6 125,00
3. Administration fees for bid security above \$175 000 and below \$350 000:	8 750,00
4. Administration fees for bid security above \$350 000 and below \$875 000:	13 125,00
5. Administration fees for bid security above \$875 000 and below \$1 750 000:	17 500,00
6. Administration fees for bid security above \$1 750 000 and below \$3 million:	26 250,00
7. Administration fees for bid security above \$3 million: . . .	35 000,00

Foreign bidders shall pay an equivalent in the currency of their bid security.

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PART VI

ADMINISTRATION FEES PAYABLE BY CONTRACTORS IN TERMS OF PART XI OF ACT

<i>Description</i>	<i>Annual Fee (ZW\$)</i>
1. Contract value above \$875 000 and below \$8.75 million: . .	1 750,00
2. Contract value above \$8.75 million and below \$13.125 million:	2 625,00
3. Contract value above \$13.125 million and below \$17.5 million:	3 500,00
4. Contract value above \$17.5 million and below \$43.75 million:	4 375,00
5. Contract value above \$43.75 million and below \$87.5 million:	8 750,00
6. Contract value above \$87.5 million and below \$131.25 million:	13 125,00
7. Contract value above \$131.25 million and below \$175 million:	17 500,00
8. Contract value above \$175 million and below \$262.5 million:	26 250,00
9. Contract value above \$262.5 million and below \$350 million:	35 000,00
10. Contract value above \$350 million and below \$525 million: .	43 750,00
11. Contract value above \$525 million and below \$700 million: .	52 500,00
12. Contract value above \$700 million and below \$875 million: .	70 000,00
13. Contract value above \$875 million and below \$1.3125 billion: .	87 500,00
14. Contract value above \$1.3125 billion and below \$1.75 billion: .	131 250,00
15. Contract value above \$1.75 billion and below \$2.625 billion:	175 000,00
16. Contract value above \$2.625 billion and below \$4.375 billion:	262 500,00
17. Contract value above \$4.375 billion and below \$8.75 billion:	352 000,00
18. Contract value above \$8.75 billion:	437 500,00

Foreign contractors shall pay an equivalent in the currency of their contract.”.