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ROYAL GOVERNMENT OF BHUTAN  
MINISTRY OF FINANCE  
TASHICHHO DZONG



MoF/DNP/GPPMD-14/2020-21/831

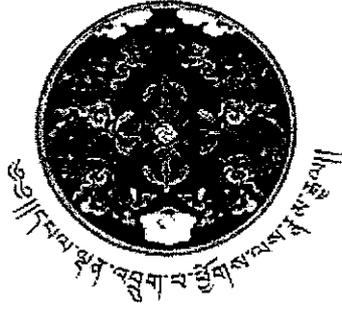
22 March 2021

**NOTIFICATION**

**Sub: Application of Limited Enquiry Method and Increase of Bid Capacity**

In order to fast-track the procurement of works, with the objectives of ensuring timeliness, cost effectiveness, efficiency, fair and equal access for award of works the Ministry of Finance would like to notify the following changes in Procurement of Works:

1. Procuring Agencies shall apply the Limited Enquiry Method (LEM) after Open Tender Method (OTM) fails or use LEM upon fulfillment of the conditions specified in PRR and SPRR as follows:
  - i. Procuring Agencies to maintain a list of contractors as per Clause 2.4.1 of the PRR and Clause V (3) (e) of SPRR for shortlisting the contractor.
  - ii. Based on the shortlisting, compare the prices solicited from at least two shortlisted bidders as per Clause 4.2.4.2 of LEM under PRR and award the contract to one of them.
  - iii. Procuring Agency to carry out the LEM for Procurement of Works (above Nu. 5 Million) offline without having to use e-GP system for the tendering process and e-tool for evaluation. However, once the contractor is selected based on the price, the details of award of work, the information of engaged HR and equipment shall be entered into the Construction Industry Information (CiNET) through Construction Development Board (CDB) immediately for record and reference.
  - iv. In case the quoted price exceeds the departmental estimate or if at least two bidders have not submitted their quotation, the Procuring Agency shall opt for direct contracting method. As per Clause 4.2.5.1 of the PRR and Clause V (A) (1) (d) the Procuring Agency can directly negotiate the prices, terms and conditions quoted by the bidder under the LEM.
- v. The above changes shall be implemented as an interim measure during the pandemic situation.



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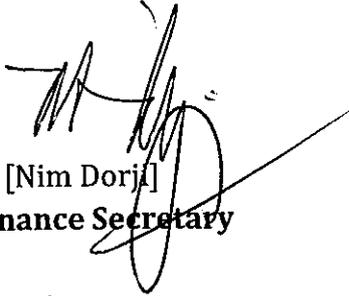
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2. Increase Bid Capacity Coefficient from 2.0 to 2.5

- i. The existing bid capacity coefficient under *Clause 3.3.1 of the Standard Bidding Documents Procurement of Works (above Nu. 5 Million) under Section IV. Evaluation and Qualification Criteria and Section 3 of the Evaluation Guidelines for Procurement of Works (above Nu. 5 Million)* has been increased from 2.0 to 2.5.
- ii. The bid capacity formula is revised as follows: **Bid Capacity = 2.5 \* A \* N – B**

This notification shall come into immediate effect from 1<sup>st</sup> April 2021. For further clarification and interpretation of the above changes, please contact at gppmd.gov.bt or call at 02-336962.



[Nim Dorji]  
Finance Secretary

Copy to:

1. Hon'ble Auditor General, RAA for kind information.
2. The Cabinet Secretary and Government Secretaries, all Ministries for kind information.
3. The Head of Agencies, All Autonomous Agencies for kind information.
4. The Dzongdags, Thrompons and Gups for kind information.
5. Director, Directorate of Services, All Ministries for kind information.