THE PUBLIC PROCUREMENT AND ASSET DISPOSAL BOARD

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MEDIA RELEASE



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RE: REVIEW OF FINANCIAL THRESHOLDS FOR MINISTERIAL TENDER COMMITTEES (MTCs) AND DISTRICT ADMINISTRATION TENDER COMMITTEES (DATCs) - 2018/2019

- 1. The Public Procurement and Asset Disposal Board (PPADB) is mandated in terms of Section 65 of the Public Procurement and Asset Disposal (PPAD) Act to review and increase appropriately the financial ceilings of both the Ministerial Tender Committees (MTCs) and District Administration Tender Committees (DATCs), biennially. The objective is to improve efficiency in the procurement system by ensuring that timely decisions are made at the Ministry and District level.
- 2. PPADB has throughout the last financial year been carrying out comprehensive assessments of MTCs and DATCs to determine their capacity and performance. From the last assessments, PPADB was able to identify the performance level of each Committee, hence the appropriate margin of increase to be effected at each Committee as was the case in 2014 and 2016. The Board has opted for non-uniform financial thresholds given that the capacity, procurement requirements and performance across Ministries are not the same.
- 3. Consultations have been held with Accounting Officers at each Ministry to share with them the findings from the assessments as well as to secure their commitment to swiftly close the gaps and support MTCs and DATCs to operate at higher thresholds for their respective Ministries. Consultation on the increase of all DATC thresholds was carried out with the Accounting Officer for the Ministry of Presidential Affairs, Governance and Public Administration. The Board is committed to intensifying oversight on the Committees' work to ensure they execute their mandate as expected and will provide any necessary support.
- 4. The revised MTC and DATC thresholds are as follows:
- a) Table 1- Ministerial Tender Committees (MTCs) Thresholds:

	MTC	OLD CEILING	NEW CEILING
1.	Administration of Justice Tender Committee	P25 000 000	P50 000 000
2.	Central Medical Stores Adjudication Committee	P100 000 000	P200 000 000
3.	Ministry of Agriculture and Food Security	P120 000 000	P240 000 000
4.	Ministry of Basic Education	P80 000 000	P130 000 000
5.	Ministry of Defence, Justice and Security	P160 000 000	P320 000 000
6.	Ministry of Employment, Labour Productivity and Skills Development	P100 000 000	P160 000 000
7.	Ministry of Environment, Natural Resources Conservation and Tourism	P65 000 000	P130 000 000
8.	Ministry of Finance and Economic Development	P100 000 000	P200 000 000
9.	Ministry of Health and Wellness	P100 000 000	P200 000 000
10.	Ministry of Infrastructure and Housing Development	P135 000 000	P400 000 000
11.	Ministry of International Affairs and Cooperation	P65 000 000	P130 000 000
12.	Ministry of Investment, Trade and Industry	P150 000 000	P300 000 000
13.	Ministry of Land Management, Water and Sanitation Services	P200 000 000	P400 000 000
14.	Ministry of Local Government and Rural Development	P120 000 000	P240 000 000
15.	Ministry of Mineral Resources, Green Technology and Energy Security	P300 000 000	P600 000 000
16.	Ministry of Nationality, Immigration and Gender Affairs	P100 000 000	P200 000 000
1 <i>7</i> .	Ministry of Presidential Affairs, Governance and Public Administration	P80 000 000	P160 000 000
18.	Ministry of Tertiary Education, Research, Science and Technology	P80 000 000	P160 000 000

19.	Ministry of Transport and Communications	P160 000 000	P260 000 000
20.	Ministry of Youth Empowerment, Sport and Culture Development	P120 000 000	P360 000 000

b) Table 2- District Administration Tender Committees (DATCs) Thresholds:

	DATC	OLD CEILING	NEW CEILING
1.	Bobonong	P4 500 000	P7 000 000
2.	Charleshill	P2 000 000	P 2 000 000
3.	Francistown	P10 000 000	P20 000 000
4.	Gaborone	P8 000 000	P11 000 000
5.	Ghanzi	P7 000 000	P11 000 000
6.	Goodhope	P2 000 000	P3 000 000
7.	Hukuntsi	P3 000 000	P4 000 000
8.	Jwaneng	P4 500 000	P6 000 000
9.	Kanye	P7 000 000	P10 000 000
10.	Kasane	P8 000 000	P13 000 000
11.	Letlhakane	P4 000 000	P6 000 000
12.	Letlhakeng	P10 000 000	P16 000 000
13.	Lobatse	P4 500 000	P6 000 000
14.	Mabutsane	P3 000 000	P5 000 000
15.	Mahalapye	P3 000 000	P 4 000 000
16.	Masunga	P7 000 000	P14 500 000
1 <i>7</i> .	Maun	P4 000 000	P8 000 000
18.	Mochudi	P4 500 000	P7 000 000
19.	Mogoditshane	P2 000 000	P 3 000 000
20.	Molepolole	P9 000 000	P14 000 000
21.	Moshupa	P3 000 000	P3 000 000
22.	Palapye	P3 000 000	P4 000 000
23.	Ramotswa	P4 500 000	P4 500 000
24.	Selibe Phikwe	P4 500 000	P 7 000 000
25.	Serowe	P4 500 000	P7 000 000
26.	Tonota	P3 000 000	P4 000 000
27.	Tsabong	P4 500 000	P7 000 000
28.	Tutume	P7 000 000	P11 000 000

- 5. It is worth noting that the Board has not been able to increase financial ceiling for the Moshupa DATC where there is need for significant improvement in performance and for enhanced capacity and support of the Committee. Further, financial ceilings for Ramotswa and Charleshill DATCs have not been increased as the Committees were not assessed owing to the absence of records and Secretaries to facilitate assessments.
- 6. The Board advises that it has retained authority to approve the use of the Direct Procurement and Selective Bidding/Restricted methods for tenders exceeding P25 million as a measure of mitigating against the risk of over-reliance on non-competitive bidding methods. Procuring Entities are therefore required to seek approval for the use of the Direct Procurement and Selective Bidding methods from the Board, before progressing such procurement through their MTCs. Procuring Entities should note that the default method of procurement is open domestic bidding for transparency, competitiveness, fairness, and value for money.
- 7. The new ceilings will become effective on the 1st June 2018.

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