# REPUBLIC OF ALBANIA COUNCIL OF MINISTERS

#### **DECISION**

#### No 12 date 1.01.1996

#### ON THE RULES OF PUBLIC PROCUREMENT

On the basis of law no. 7971 dated 26.07.1995 "On Public Procurement", under the proposal of the Public Procurement Agency, the Council of Ministers

#### **DECIDED**

- 1. The procuring entity will use Open Tendering in conformity with article 23 of the law "On Public Procurement" when the estimated value of the contract is over 10 million leks when procuring construction works, over 5 million leks for goods and over 1 million leks for services, with the exception of designing avtivity where reference will be made to the estimated construction value of the object and not to service value.
- 2. The procuring Entity will use Restricted Tendering in conformity with article 18, item (b) and article 36 of the above mentioned law, when the estimated value of the contract does not exceed 10 million leks for construction works, 5 million leks for goods and 1 million leks for procurement of services, excluding designing activity as in item 1.

In this case the procuring entity will ask for bids from the prospective bidders through an updated list of at at least 5 candidates. In case of International procedures the candidates will be selected from at least three different states.

- 3. The Procuring Entity will use "Request for Quotations" in conformity with articles 22 and 40 of the above mentioned law if the estimated contract value is does not exceed 5 million leks for construction works, 2 million leks for goods and 200 000 leks for services.
- 4. The Procuring Entity will use direct procurement in conformity with article 19 of the above mentioned law:
- a) item 1/b and 1/c for a value less than 50% of the initial contract, when there is a need of contract addition within the testing period for construction works and within three months after the schedule of contract completion, for goods and services.
- b) item 2, for readily available goods, when the estimated value for every item does not exceed  $100\,000$  leke within a year.

5. For open tendering the period from the day of issuing the invitation to tender, to the day of submitting the bid, is not less than 30 days for construction works and services, and not less than 20 days for goods.

In restricted tendering this period is not less than 20 days for construction works and services as well as for goods.

The period from the day the request for proposal is issued till the day the proposals are submitted is not less than 10 days for quotations in construction and services and not less than 5 days for readily available goods.

For international procedures the period between the day the invitation to tender is issued till the day the bids are submitted, is not less than 45 days.

- 6. The tender security, in the form of a deposit or bank guarantee, in conformity with article 29 of the law, will be 2-5% of the calculated value of the contract (calculated beforehand by the procuring entity and given in net value in the forms of tender). The contract security will be 10% of the contract value.
- 7. The procuring entity, in conformity with article 7 of the law, before a contract is awarded or concluded, will prepare a summary report and present it for preliminary review to:
- a) the head of the central or local organs for thresholds between 5 and 200 million leks.
- b) the Public Procurement Agency for a threshold over 200 million leks.

The central or local organ or the Public Procurement Agency may request the complete documentation on procurement procedures.

The successful bidder should confirm to the procuring entity, through signing the contract form, his readiness to sign the contract within 15 days after the day of receipt of notification in the case of open and restricted tenders, and within 30 days for international open and restricted tenders.

If the successful bidder replies negatively, the procuring entity should invite for contract negotiation the second classified bidder.

In international tenders all the bidders should be notified about the results of the tender.

- 9. All the procuring entities should send the Invitation to Tender for all open tenders to the Public Procurement Agency at the Council of Ministers, not later than 10 days before tender announcement.
- 10. The procuring entity should preserve and make available to control organs the complete documentation of the procurements in conformity with the time limits determined in the law "On Archives" relevant to their official documentation of the institutions.

This decision comes into effect in January 1, 1996

## CHAIRMAN OF THE COUNCIL OF

## **MINISTERS**

## ALEKSANDER MEKSI

Ref No 155 Dated 12.1.1996

TO: Presidents'Office

Constitutional Court, Cassation Court

General Prosecutor Office

Ministries and other Central Institutions

Councils of the Districts

Municipalities