



EDO STATE GOVERNMENT OF NIGERIA

Edo State Public Procurement Agency (EDPPA)

...Accountability, Transparency, & Value for Money

GOVERNOR'S OFFICE

PLOT 89, Dennis Osadebey Avenue, G.R.A,
PMB 1080, Benin City, Edo State, Nigeria

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ISSUED THIS DAY OF, 2020

GUIDELINES TO INCREASE THE PARTICIPATION OF SMALL AND MEDIUM SIZED ENTERPRISES (SMEs) IN THE STATE'S CONTRACT AWARDS.

PREAMBLE

In order to help administer the procurement Law and in line with the power to make regulations conferred on the Agency in Section 10 and in pursuance of the provisions of Section 3 (d) of the Edo State Public Procurement Law 2012, the Agency hereby issue this guidelines to aid Procuring Entities and other stakeholders in the increased participation of small and medium sized Enterprises (SMEs) in the State's contract awards, in response to the economic effect of the Novel Corona Virus pandemic (Covid-19) on SMEs.

For the purpose of this guideline, Small and Medium Enterprises are non-subsidary independent firms, businesses or companies with a workforce of not less than ten (10) and not more than two hundred (200) employees and a total asset base or annual turnover of not more than Two Hundred Million Naira (₦200, 000,000) excluding land and building.

SMEs represent an increasing important sector of the economy and can be key drivers of its economic growth and development. To this effect, it is necessary to encourage and facilitate their participation in Public Procurement process in line with the law, hence Procuring Entities are encouraged to patronize the Small and Medium sized Enterprises in Edo State in a manner that will ensure transparency, accountability, mutual benefit and ultimately value for money.

REGISTRATION REQUIREMENTS (SMEs ONLY)

- a) Evidence of Registration with Corporate Affairs Commission (CAC)
- b) Tax Clearance Certificate/Evidence of payment of either the company or personal income tax of at least one Director for the immediate past year
- c) Evidence of TIN Registration
- d) Evidence of Professional license/Certificate of Artisanhip
- e) Bank Statement of account for the immediate past three (3) months
- f) Sworn affidavit affirming that the company is not in receivership, subject of any form of insolvency or bankruptcy proceedings, winding up petition, that none of the directors have been convicted of any offence in relation to financial impropriety and for the correctness of all registration documents
- g) Payment of non-refundable registration fee in Bank Draft in favour of Edo State Government/Edo State Public Procurement Agency (EDSG/EDPPA) according to the desired monetary threshold of works, goods or services as indicated hereunder:

Category	Monetary Threshold of Contract/Services (N:k)	Registration Fee (N:k)	Annual Renewal Fee (N:k)
A	Above 500,000.00 - 10,000,000.00	10,000.00	2,500.00
B	Above 10,000,000.00 - 25,000,000.00	20,000.00	5,000.00
C	Above 25,000,000.00 - 50,000,000.00	30,000.00	7,500.00
D	Above 50,000,000.00 - 100,000,000.00	40,000.00	10,000.00

AGENCY PRIOR/POST PROCUREMENT REVIEW THRESHOLD

All procurement contracts valued ₦10, 000,000 (Ten Million Naira) and above shall be subject to Prior Review by the Agency before award while all procurement contracts falling below ₦10, 000,000 (Ten Million Naira) can be carried out at the respective MDAs but are still subject to the Agency's Post Review as at when necessary.

SMEs MONETARY THRESHOLDS FOR PUBLIC PROCUREMENT IMPLEMENTATION IN EDO STATE

PROCUREMENT SELECTION METHOD	WORKS	GOODS	CONSULTING SERVICES	NON CONSULTING SERVICES	APPLICABLE RULES	MANATORY PROCESS
Limited competitive Bidding/shopping/ Direct Contracting/Single Sourcing	₦0.5-10m	₦0.5-10m	₦0.5-10m	₦0.5-10m	The Procuring Entity select a minimum of three (3) bidders from the list of the state registered SMEs in the appropriate category in the use of Limited Competitive Bidding and Shopping, thereafter due procurement process must be	Approval of His Excellency must be sought prior to the use of this method. All contracts in this category shall be subjected to post review by the Agency

Limited competitive Bidding/shopping/ Direct Contracting	N10-20m	N10-20m	N10-20m	N10-20m	The Procuring Entity select a minimum of three (3) bidders from the list of the state registered SMEs in the appropriate category in the use of Limited Competitive Bidding and Shopping, thereafter due procurement process must be followed.	Approval of His Excellency must be sought prior to the use of this method. All contracts in this category shall be subjected to prior review by the Agency
Nation Wide Competitive Bidding(Open Competitive Bidding)CQ/LC/FB	N20-100M	N20-100M	N20-100M	N20-100M	Procuring Entities shall advertise the contract in the State procurement Journal OR the Procuring Entity's Website OR the Procuring Entity's Notice Board and at least one National Daily for a period not less than 2 weeks and not	Approval of His Excellency must be sought prior to the use of Open Competitive Tendering process. All contracts in this category shall be

					more than 4 weeks. Ministerial/Parastatal Tender's Board shall conduct Bid Opening and ensure Bids are evaluated and make recommendation for award.	subjected to prior review by the Agency.
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FEES CHARGEABLE BY PROCURING ENTITIES FOR SMEs BIDDING DOCUMENTS

Fee chargeable by Procuring Entities for SMEs bidding documents shall range between ₦5, 000.00 and ₦10, 000.00 and no more.

In the event of any exceptional circumstance where a fee for any bidding document is above the stated range prior approval must be sought from the Agency.

EVALUATION CRITERIA FOR SMEs PROCUREMENT CONTRACTS

A. BID EXAMINATION/ADMINISTRATIVE COMPLIANCE

- Evidence of payment of Tender Fee
- Letter of bid duly signed
- Bid security/Bid Securing Declaration provided (if needed)
- Evidence of Registration with EDPPA
- Evidence of Registration with CAC
- Tax Clearance Certificate/Evidence of payment of either the company or personal income tax of at least one Director for the immediate past year.

B. TECHNICAL CRITERIA

- Evidence of Professional License/Certificate of Artisanhip of at least one key personnel

- Evidence of similar work done in the past
- List of relevant key personnel
- Company Organizational Chart and Company Profile
- Relevant equipment with proof of ownership or lease.

C. FINANCIAL CRITERIA

- Bank statement of account of the company for the last three (3) months
- Reference letter from a reputable bank

ADVANCE PAYMENT FOR SME CONTRACTS

The percentage amount payable as advance payment by Procuring Entities for any SME contract shall be twenty-five percent (25%) of the contract sum. In the event of exceptional circumstance where there is a request for an advance payment above the stated percentage prior approval shall be sought and obtained from the Edo State Public Procurement Agency in line with the law. Advance Payment Guarantee (APG)/Advance Payment Declaration shall be submitted by the contractor before payment of advance.

BID SECURITY FOR SME CONTRACTS

- The Procuring Entity shall specify the percentage of the bid price to be posted as bid security or request for bid securing declaration from bidders in any SMEs Procurement (if required) in the advertisement for that procurement.
- All SMEs procurement valued in excess of Twenty (20) million naira shall require a bid security in an amount not more than 2% of the estimated contract or bid price, alternately a bid securing declaration.

