



In reply please quote:

Ref. No. FA. 234/247/01/158

21st March, 2022

To all Procuring Entities;

RE: PERFORMANCE SECURITY SUBMISSION BY TENDERERS

Reference is made to the above captioned heading.

2. PPRA has been mandated by Section 9(1) (m) of Public Procurement Act CAP 410, to administer and enforce compliance with the provisions of the Act, regulations and guidelines issued under this Act.
3. Pursuant to Reg. 233(1) of PPR 446 of 2013 as amended in 2016, without prejudice to the provisions relating to vetting of the Contract, where a Tender is accepted by the Accounting Officer, the Procuring Entity and the person whose Tender is accepted are required to enter into a formal Contract within fourteen(14) working days after all conditions prior to the signing of Contract are fulfilled.
4. PPRA has issued a Guideline on "Securities in Public Procurement", which provides guidance on all matters related to submission and administration of Tender Securities, Performance Securities and Advance Payment Guarantees. Pursuant to Paragraph 11.2 of the Guideline, Performance Security or Securing Declaration is required to be submitted prior to signing of contract. A person in a Procuring Entity who contravenes this requirement, shall be liable to a penalty in accordance with Section 104 of Public Procurement Act, 2011.
5. In this respect, all procuring entities are required to ensure that Performance Security or Performance Securing Declaration as the case may be, is submitted before any Contract is signed.

Sincerely,



Dr. Irene C. Isaka

CHIEF EXECUTIVE OFFICER