



# Central Tenders Committee (CTC)



**26 November 2012**

## **Use of the single source procurement method**

Normally tender processes undertaken by the Cayman Islands Government include open competition in accordance with the principles of procurement. However; carrying out single-source procurement may be unavoidable in certain exceptional circumstances.

A Prescribed Entity, Statutory Authority or Government Company (the Procuring Entity) may engage in single-source procurement in accordance with the provisions of Section 37 (2) of Financial Regulations (issued under the Public Management and Finance Law) in the following exceptional circumstances:

- a) The subject matter of the procurement is available only from a particular supplier or contractor, or a particular supplier or contractor has exclusive rights in respect of the subject matter of the procurement, such that no reasonable alternative or substitute exists, and the use of any other procurement method would therefore not be possible;
- b) Owing to a catastrophic event, there is an extremely urgent need for the subject matter of the procurement, and engaging in any other method of procurement would be impractical because of the time involved in using those methods;
- c) The Procuring Entity, having procured goods, equipment, technology or services from a supplier or contractor, determines that additional supplies must be procured from that supplier or contractor for reasons of standardization or because of the need for compatibility with existing goods, equipment, technology or services, taking into account the effectiveness of the original procurement in meeting the needs of the Procuring Entity, the limited size of the proposed procurement in relation to the original procurement, the reasonableness of the price and the unsuitability of alternatives to the goods or services in question.

Where the Procuring Agency wants to rely on this provision and undertake Single-Source

Procurement, it should carefully consider the proposal in light of the principles of procurement. If satisfied that Single-Source Procurement is justified and the contract value is likely to exceed CI\$250,000 the Procuring Entity should provide to the Central Tenders Committee sufficient evidence to demonstrate the exceptional nature of the circumstance and the justification for selecting the particular supplier before committing to any contractual arrangements.