

# Government Procurement (Quotation and Tender Thresholds) Guideline 2003 (No 1)

Disallowable Instrument DI2003-248

## Explanatory Statement

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### Outline

The *Government Procurement Act 2001* (the Act) established the Government Procurement Board whose functions include the development, implementation and review of policies and practices for the procurement of goods, services and works by Territory entities.

Section 7 of the Act allows the Board to make procurement guidelines prescribing policies and practices that must be observed in the procurement of goods, services and works.

Subsection 7 (4) of the Act states that a procurement guideline is a disallowable instrument.

### Details of the Government Procurement (Quotation and Tender Thresholds) Guideline 2003

This instrument prescribes that a Territory entity must observe the application of the following procurement principles:

- Procurement of goods or services under \$5,000
  - at least 1 oral quotation from a local supplier
- Procurement of goods or services from \$5,000 to under \$100,000
  - at least 3 written quotations from local suppliers
- Procurement of works under \$20,000
  - at least 1 oral quotation from a local supplier
- Procurement of works from \$20,000 to under \$100,000
  - at least 3 written quotations from local suppliers

- Procurement of goods, services or works for \$100,000 or more  
- invite public tenders.

Exemption from quotation and tender requirements for an entity to undertake select procurement processes in a particular procurement rests with the responsible chief executive of a Territory entity, but only if

- Benefit of exemption outweighs the benefit of complying with this guideline and applicable provisions of the *Government Procurement (Principles) Guideline 2002*
- Exemption is made before the entity submits a procurement proposal to the relevant approved procurement unit.

This instrument applies to Territory entities except those that have applied and been exempted by the Board.

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