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|  | **PG2: Approval of the procurement strategy**  **(Version 1: October 2020)** |
| **Proposed procurement**  **Project no:**       **Project description:**  **Reference No:**       **Title:** | |
| **Procurement Gate 2 (PG 2)**  Paragraph 6.3.2 of the National Treasury Framework for Infrastructure Delivery and Procurement Management states the following:  a) Approve procurement strategy to be adopted.  b) Minimum Requirement for PG 2:  1) Develop a procurement strategy aligned to the institutional procurement strategy:  a. Establish contracting and pricing strategy comprising of an appropriate allocation of responsibilities and risks; and the methodology for contractor payments.  b. Identify service required for works.  c. Decide on contracting strategy.  d. Decide on pricing strategy.  e. Decide on form of contract.  f. Establish opportunities for promoting preferential procurement in compliance with legislative provisions and the Construction Sector Code.  c) PG 2 is complete when a delegated person or body approves the procurement strategy that is to be adopted. | |
| **Broad scope of work** (replicate from PG1)    **Estimated financial value of procurement including VAT** (replicate from PG1)  R | |
| **Objectives**  Primary objective:    Secondary objective: | |
| **Procurement strategy** (check relevant boxes)  **Type of contract:**  supply  services  professional services  engineering and construction works  Framework contract  yes  no  **Contracting strategy:** (if applicable)   Design by employer  Design and construct  Design by employer  Management contractor  Design, supply and install    **Pricing strategy:** Priced contract:  price list / schedule  activity schedule  lump sum  bill of quantities  Cost based  time charge  cost reimbursable / cost plus  target contract  Combination  lump sum and time charge  **Form of contract** (identify contract by name):   |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | **Procurement procedure:** | | Competitive selection | | nominated  open  qualified  quotation | proposal procedure using a two envelope system  proposal procedure using the two stage tendering system | |  | | Competitive negotiations | open | restricted | | |  | | Other (attach approvals for A1 and A2, as relevant) | negotiation | confined market | |     **Target procurement procedure:**  preferencing (state specific goals)  accelerated rotations (electronic databases, only)  evaluation points in short-listing respondent (call for expressions of interest only)  financial incentives for the attainment of key performance indicators  contractual obligations to engage target groups (state obligations)  other (describe) | |
| **Brief rationale for strategy** | |
| **Procurement strategy recommended for approval by:**  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_  **(insert position or structure recommending) Signature: Date:** | |
| **Procurement strategy** (insert value limits as per delegations) **approved by:**  \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_  **(insert position or structure approving)** **Signature: Date:** | |