

Translation of the Governing Contracts Concluded by Public Entities Law No. 182 of 2018

ترجمة قانون تنظيم التعاقدات
التي تبرمها الجهات العامة رقم
٢٠١٨ لسنة ٢٠٢٢

25 January 2026

**Law No. 182 of 2018 Concerning the Issuance of the Law Governing
Contracts Concluded by Public Entities**

In the name of the people: President of the republic

Preamble

The House of Representatives has enacted the following Law, which We hereby promulgate:

Promulgation Articles

Article (1):

The provisions of the annexed Law regulating contracts concluded by public entities shall apply.

Its provisions shall apply to entities included in the State's General Budget, units of the State's administrative apparatus including ministries, departments, and agencies having special budgets, local administration units, public service and economic authorities, as well as affiliated special-nature units and special funds, except for social welfare funds established therein and primarily financed through members' financial contributions, and projects funded from special accounts.

This shall be without prejudice to the provisions of international agreements, and in all matters for which no special provision is stipulated in the laws or decisions governing their establishment or organization, or in the regulations issued pursuant thereto.

Article (2):

The provisions of the annexed Law shall not prejudice the Law Regulating Private Sector Participation in Infrastructure, Public Utilities, and Public Services Projects promulgated by Law No. 67 of 2010, nor other sector-specific public utility concession laws.

Nor shall its provisions prejudice Law No. 5 of 2015 concerning the preference of Egyptian products in government contracts, insofar as no special provision is stipulated.



Likewise, its provisions shall not prejudice the Investment Law promulgated by Law No. 72 of 2017.

Article (3):

Law No. 89 of 1998 promulgating the Law Regulating Tenders and Auctions is hereby repealed.

By way of exception to the foregoing paragraph, procedures that were already announced or contracts already concluded prior to the effective date of this Law shall remain subject to the provisions of the repealed Law until completion of contract performance.

Article (4):

The Minister of Finance shall issue the Executive Regulations of the annexed Law within six months from the date this Law enters into force. Such Regulations shall include the rules, procedures, and other controls necessary for the implementation of its provisions.

Until the issuance of such Regulations, the regulations and decisions in force as of the effective date of this Law shall remain applicable insofar as they do not conflict with the provisions of the annexed Law.

Article (5):

This Law shall be published in the Official Gazette and shall enter into force thirty days following the date of its publication.

This Law shall be sealed with the State Seal and enforced as one of its laws.



The Law Governing Contracts Concluded by Public Entities

Part One: General Provisions

Chapter One: Definitions

Article (1):

For the purposes of applying the provisions of this Law, the following words and expressions shall have the meanings assigned to each of them:

Administrative Entity: Any public entity, authority, or unit stipulated in Article (1) of the Promulgation Articles of this Law, and any affiliated special funds or accounts, as specified therein.

Competent Authority: The minister or whoever is vested with his powers, the governor, the chairman of the board of a public authority or fund, or their equivalents within the entities stipulated in Article (1) of the Promulgation Articles of this Law, each within the scope of their respective competence.

Public Procurement Portal: The electronic website designated on the international information network (Internet) for publishing data and information related to public contracts conducted by administrative entities subject to this Law, and the procedures related thereto, within the limits prescribed by this Law and its Executive Regulations.

Expression of Interest Request: A procedure undertaken and announced by an administrative entity in operations that require prior knowledge of parties engaged in a specific activity and assessment of their capabilities, with the aim of reaching a short list thereof or identifying the extent of their interest in participating in the proposed operation.

Prequalification: A procedure undertaken and announced by an administrative entity to verify the availability of technical capabilities and financial, administrative, human, and other capacities of suppliers, contractors, service providers, or consultants to efficiently perform a contract before inviting them to submit bids, in accordance with the requirements and evaluation criteria specified in the prequalification documents.



Works Contracting: All activities included within the classification issued by the Egyptian Federation for Construction and Building Contractors, approved by the Minister of Housing, Utilities, and Urban Communities, and notified to the General Authority for Government Services for publication on the Public Procurement Portal.

Services: Contracts based on the performance of a describable physical activity, including, but not limited to: maintenance, security, cleaning, cartography, satellite imaging, software development, and transportation services.

Consultancy Studies: Activities predominantly intellectual or advisory in nature, including engineering, professional, economic, financial, administrative, or legal studies, including tasks related to preparation, design, supervision of execution, evaluation, or acceptance.

Artistic Works: Works characterized by artistic creativity based on personal expression, including drawing, photography, authorship of books, and research.

Points-Based Evaluation System: A method for evaluating bids whereby technical quality and price criteria is jointly applied through defining evaluation bases and elements, relative weighting of the technical or technical-financial aspects according to the nature of the operation, and minimum acceptance thresholds, resulting in overall scores or percentages for each bid to determine ranking priority.

Collusion: An arrangement between two or more parties before or after bid submission to achieve an unlawful purpose or undermine the principles of equal opportunity and free competition, including direct or indirect influence on another party's actions, with the aim of allocating contracts among bidders or fixing bid prices in a non-competitive manner.

Fraud: Any act or omission that misleads another party with the intent of obtaining a financial or in-kind benefit or any other advantage, influencing the tendering process, or evading contractual obligations.

Corruption: Any offer, giving, receipt, or solicitation of anything of value, or inducement to commit improper acts, whether directly or indirectly, to unlawfully influence another party's performance in the tendering process or in contract execution.



Part One: General Provisions

Chapter One: Objectives of the Law

Article (2):

The application of this Law aims to:

- Regulate procedures for planning and executing public contracts and monitoring contract performance.
- Achieve efficiency and effectiveness in public expenditure.
- Enhance governance principles and apply standards of publicity, transparency, integrity, free competition, equality, and equal opportunity, while avoiding conflicts of interest.
- Apply modern management methods and progressively transition to the use of information technology in procedures.
- Develop procurement and disposal methods and contracting models to keep pace with economic developments and effectively meet the needs of administrative entities.
- Ensure fair treatment of the business community in dealings with administrative entities, while preventing collusion, fraud, corruption, and monopolistic practices.
- Encourage entities subject to this Law to adopt innovative solutions, advanced technologies, and sustainable procurement policies when contracting to meet their needs.
- Create a favorable environment for medium, small, and micro enterprises to compete in tendered operations.



Part One: General Provisions

Chapter Two: Institutional Organization of Public Procurement

The Public Procurement Administration and Its Assigned Functions

Article (3):

A Public Procurement Administration shall be established within the administrative entity, regardless of its functional level within the organizational structure. It shall be composed of an adequate number of qualified and trained personnel and shall assume the following functions:

- Planning the annual needs of the administrative entity and taking the necessary measures to contract for such needs.
- Monitoring the performance of contracts concluded, receiving and dispatching the required notices, and taking the actions mandated in accordance with the provisions of this Law, its Executive Regulations, and the terms of the contracts concluded.
- Coordinating with the relevant departments and entities, and preparing and submitting all data and reports required in relation to public procurement.
- Performing all other duties stipulated in this Law and its Executive Regulations.



Chapter Two: Institutional Organization of Public Procurement

The Committee on Economic Indicators and Changes

Article (4):

A Committee for Economic Indicators and Changes shall be established, comprising the ministers concerned with economic affairs. The Committee shall be competent to study projects and transactions, and to forecast, monitor, analyze, and examine economic indicators and changes that affect the provision of the requirements of administrative entities, in a manner that supports their efforts to deliver the services entrusted to them within their respective mandates at the required quality level, to improve such services, and to continuously enhance their efficiency, thereby contributing to the State's efforts in the fields of economic development.

The Committee shall prepare a report on the results of its work and its recommendations, which shall be submitted to the Cabinet for approval and for taking the necessary measures to implement its contents.

A decision issued by the Prime Minister shall regulate the formation of the Committee, as well as the rules and procedures governing its work.



Part One: General Provisions

Chapter Two: Institutional Organization of Public Procurement

The Public Procurement Complaints Office

Article (5):

The Public Procurement Complaints Office, affiliated with the Minister of Finance, shall receive complaints related to any violation of the provisions of this Law and its Executive Regulations, examine such complaints, and issue decisions thereon free of charge, unless their examination requires specialized technical expertise enabling the Office to adjudicate them.

The decisions of the Office shall be binding on both parties to the complaint, and the administrative entity shall be required to implement the decision within a period not exceeding seven days from the date of its receipt, without prejudice to the complainant's right to have recourse to the judiciary.

A decision issued by the Prime Minister shall regulate the operation of the Office, its other competencies, the time limits for receiving and deciding upon complaints, and the mechanisms for seeking technical expertise.

Any concerned party may submit a written complaint to the administrative entity regarding any procurement procedure, and shall, at the same time, notify the Public Procurement Complaints Office by providing it with a copy thereof. If the administrative entity does not decide on the complaint, the complainant shall have the right to submit the complaint to the Office prior to resorting to the courts.

The Office may suspend the procedures of the procurement process that is the subject of the complaint for a period determined by a decision of the Prime Minister in order to decide thereon, where necessary, except in urgent or emergency cases as assessed based on the considerations presented by the administrative entity. The Office shall be obligated to publish the outcome of its examination of complaints on the Public Procurement Portal.



Part Two: Principles and Methods of Contracting

Governing Principles of Contracting

Article (6):

The contracting methods and procedures stipulated in this Law shall be subject to the principles of transparency, free competition, equality, and equal opportunity.

Part Two: Principles and Methods of Contracting

General Rule and Exceptions in Contracting Methods

Article (7):

Contracting in accordance with the provisions of this Law shall be conducted in the following cases and by the following methods:

- Contracting for the purchase or lease of movables or immovables, works contracting, receipt of services, or artistic works shall be conducted through public tender. By way of exception, and pursuant to a reasoned decision issued by the competent authority based on a submission from the procurement department, such contracting may be conducted by one of the following methods:
 - General practice
 - Limited practice
 - Limited tender
 - Two-stage tender
 - Local tender
 - Direct agreement



- Contracting for the sale or lease of movables or immovables, projects lacking legal personality, or granting licenses for usufruct or exploitation of immovables and projects, including tourist establishments and cafeterias, shall be conducted through a public open auction or a sealed-bid auction. By way of exception, and pursuant to a reasoned decision issued by the competent authority based on a submission from the procurement department, such contracting may be conducted by one of the following methods:
 - Limited auction
 - Local auction
 - Direct agreement

The administrative entity may contract for its needs using any of the contracting methods set forth in the first paragraph of this Article in order to conclude a framework agreement in accordance with Article (65) of this Law.

Under no circumstances may any of the contracting methods stipulated in this Article be converted into another contracting method.

In all cases, contracting shall be conducted within the limits and in accordance with the conditions, rules, and procedures stipulated in this Law and its Executive Regulations.



Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Sustainable Contracting

Article (8):

Entities subject to the provisions of this Law shall, in their contracting activities, take into account the economic, social, and environmental policies adopted by the Cabinet, as well as quality and cost considerations, and shall achieve the best value for public funds based on the full life-cycle cost of the tendered subject matter.

Requirements for sustainable contracting shall be incorporated into qualification and evaluation conditions and criteria, performance indicators, and other relevant elements.

Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Needs Planning

Article (9):

The administrative entity shall prepare an annual plan for its needs concurrently with submitting its draft budget to the Ministry of Finance. The plan shall include the operations expected to be carried out during the forthcoming fiscal year, in accordance with the templates prepared for this purpose by the General Authority for Government Services.

Such plan shall be approved exclusively by the competent authority and shall be published on the Public Procurement Portal for the purpose of informing counterparties, without giving rise to any obligations on the part of the administrative entity.



The administrative entity shall amend its needs plan in light of the financial appropriations allocated and approved for it, and such amendment shall be approved exclusively by the competent authority. The amended plan shall be published on the Public Procurement Portal at the beginning of the fiscal year.

Cases where national security considerations require non-publication shall be exempted, as determined by the competent authority.

Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Prohibition on the Fragmentation of the Subject Matter of the Contract

Article (10):

It shall be prohibited to resort to the splitting of contracts subject to the provisions of this Law for the purpose of circumventing the conditions, rules, procedures, or other controls and guarantees stipulated therein.

Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Requirement for the Availability of Financial Appropriations

Article (11):

The administrative entity shall, prior to commencing tendering procedures, verify the availability of the financial appropriations allocated to it for the execution of the subject matter of the contract, and the tender conditions shall indicate such availability. Contracting shall be limited to actual and necessary needs.



Supply contracts and periodic service contracts may be concluded for a period exceeding one fiscal year, provided that this does not result in an increase in obligations in any subsequent fiscal year beyond those determined for the year in which the contract is concluded.

With respect to investment projects included in the approved plan, contracting shall be conducted within the limits of the total approved costs, provided that disbursement is made within the limits of the allocated financial appropriations.

It shall be prohibited to contract for the purpose of exhausting financial appropriations. Contracting during the final month of the fiscal year shall also be prohibited, except in exceptional cases necessitated by operational requirements and subject to the approval of the competent authority.

Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Request for Information

Article (12):

The administrative entity may issue a request to obtain information, proposals, specifications, or other data for the purpose of completing market studies, accurately determining its needs in light of market developments, or preparing its annual needs plan.

Such request shall be announced in a widely circulated daily newspaper or addressed by invitation to entities engaged in the relevant activity, in addition to publication on the Public Procurement Portal.



Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Request for Expression of Interest

Article (13):

Where an administrative entity wishes to identify potential participants or interested parties in a specific operation it intends to offer through any contracting method, it may issue an expression of interest request prior to commencing the tendering process.

Such request shall be announced in a widely circulated daily newspaper and published on the Public Procurement Portal. Under no circumstances shall an expression of interest request limit the number of participants at the tendering stage, nor shall it confer any right upon those who respond thereto.

Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Preparation of Technical Specifications

Article (14):

Tendering shall be conducted on the basis of precise and detailed technical specifications and drawings, or on the basis of general and sufficient performance criteria prepared by a specialized technical committee.

The subject matter of the tender shall be described in an objective and general manner, specifying the relevant technical and qualitative characteristics, performance and quality requirements, and inspection and testing requirements. Egyptian or international standard specifications shall be observed.



Reference to a specific trademark, trade name, patent, design, type, product, country of origin, supplier list number, or specifications applicable to specific or distinctive models shall be avoided, as shall the inclusion of any indication thereof. An exception shall apply to items that cannot be adequately described, provided that the phrase "or equivalent," "or similar," or "equivalent in performance" is added.

Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Market Study and Determination of the Estimated Value

Article (15):

By a decision of the competent authority, a committee shall be formed comprising the necessary relevant expertise and specializations. The committee shall prepare the estimated value or the base price of the procurement transaction subject to contracting by conducting a market study and reviewing the administrative entity's previous contracts, or the contracts of other administrative entities, if any, taking into account specifications suitable for its needs, prior to commencing the tendering procedures.

In cases of sale, lease, granting a usufruct license, or exploitation, the committee shall likewise determine the price or base value of the subject matter of the contract.

In all cases, the estimated value or base price shall be approved by the competent authority and shall be confidential, except for the case provided for in Article (71) of this Law.

Members of the committee that determined the estimated value or base price may not participate in any of the other committees provided for in this Law in respect of the same transaction.



Article (15) (bis):

By way of exception to the provisions of this Law, administrative entities may, with the approval of the competent minister or governor, in cases that achieve the entity's economic or development objectives, or where economic or social circumstances require rapid completion within a specific time, or where linked to the State's economic, social, or environmental policies adopted by the Cabinet, and in other cases as determined by the competent minister or governor, value real estate assets owned by them through three real estate valuers who are registered with the Financial Regulatory Authority or accredited by the Central Bank.

The average of the three valuations shall constitute the weighted value of such assets.

If the administrative entity finds that the variance between the lowest and highest valuation exceeds (20%), it shall assign the valuation of the same assets to a fourth valuer within two weeks from the date the administrative entity receives the valuers' reports.

In such case, the average of the four valuations shall be taken as the weighted value, unless the fourth valuation is lower than the average of the first three valuations. The approval of the weighted valuation value shall be made exclusively by the competent minister or governor.

The real estate valuers shall be bound to maintain the confidentiality of the valuation process and the results reached.

In all cases, the valuation referred to shall be prepared in accordance with the considerations, determinants, and governing conditions for valuation established in advance by the administrative entity, provided that they do not conflict with the Egyptian real estate valuation standards issued by the Financial Regulatory Authority.

The Executive Regulations of this Law shall set out the rules and procedures for selecting the real estate valuers referred to in the first paragraph of this Article to carry out the valuation process.



Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Bid Bond (Provisional Security)

Article (16):

The competent authority shall determine the amount of the provisional guarantee within the tender conditions. It shall be assessed without exaggeration and shall not exceed the percentage specified for the following transactions:

- For the purchase or lease of movables, works contracting, receipt of services, artistic works, and consultancy studies: (1.5%) of the estimated value, in a manner consistent with the nature and size of the transaction. Where the tender is offered in homogeneous lots, the provisional guarantee for each lot shall be calculated at the same percentage.
- For the purchase or lease of immovables: (0.5%) of the estimated value of the tendered transaction.
- For the sale or lease of movables and immovables and projects, and for licensing usufruct or exploitation of immovables and projects: the amount of the provisional guarantee shall be determined according to the nature and importance of the auction.

In all cases, the provisional guarantee shall remain valid for thirty days after the expiry of the bid validity period, or after the expiry of any extension thereof.



Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Procedures and Tender Memorandum

Article (17):

The procurement department shall prepare one or more memoranda to be submitted to the competent authority for approval to commence the tendering and contracting procedures and other procedures.

Such memorandum shall, in particular, include a statement of the subject matter of the tender, the contracting method, the bid validity period, and such other information as may be specified by the Executive Regulations of this Law.

Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Forms and Conditions of the Bid Bond (Provisional Security)

Article (18):

The Executive Regulations of this Law shall determine the forms, conditions, and specific arrangements relating to the provisional guarantee, the method of payment, refund, and substitution thereof, and the procedures required in this regard.



Part Three: General Rules Governing Tendering and Contracting

Chapter One: Pre-Tender Stage

Tender Documents, Technical Specifications, Standard Contract Forms, and Guidance Manuals

Article (19):

Prior to announcing or inviting participation in all contracting methods provided for in this Law, and contracting by direct agreement where the nature of the transaction so requires, the administrative entity shall prepare tender documents (terms and specifications) that incorporate by reference all rules, provisions, procedures, and conditions stipulated in this Law and its Executive Regulations.

The tender documents shall, in particular, include: the contracting method; the specifications and technical frameworks of the subject matter of the contract; the place of performance; the expected timetable for procedures; the dates and venue of sessions; the general and specific tender conditions; guarantees; method of payment; time limits for submitting complaints; evaluation method; conditions for termination of the contract; penalties and fines; a copy of the draft contract to be concluded including the rights and obligations of both contracting parties; and any other information depending on the nature of the transaction.

The administrative entity may introduce amendments to the tender documents where required by the public interest or based on the clarification session, provided that such amendments are approved by the competent authority and that purchasers of the tender documents are notified thereof within a maximum of three days from the date of the amendments or the clarification session.

In all cases, the period between notifying such amendments and the scheduled date for opening the technical envelopes may not be less than seven days. The administrative entity shall respond in writing to those submitting inquiries and to purchasers of the tender documents by a letter sent via express mail through the National Postal Authority, and shall simultaneously support such response by email or fax, as the case may be, in addition to publishing it on the Public Procurement Portal. No amendment to the tender documents may be made after the scheduled date for opening the technical envelopes.



The administrative entity shall:

- Adhere to the templates for tender documents, standard contract forms, guidance manuals, and other documents issued by the General Authority for Government Services, which are prepared by the ministries and competent entities according to their mandates and the nature of their work; provided that the administrative entity shall take the necessary measures to include in the standard tender documents the technical specifications and sufficient technical description of the subject matter of the contract, and any additional requirements it deems appropriate, as well as the contract template in a manner commensurate with the nature of the tendered transaction.
- Determine the price for purchasing the tender documents in accordance with the brackets specified by the Executive Regulations of this Law. The tender documents, schedules, specifications, and technical descriptions shall be translated, as the case may be, where the tender is offered abroad, with a statement that the Arabic text shall prevail in the event of conflict or ambiguity in their content.
- Publish a complete and identical copy of the tender documents on the Public Procurement Portal, except for transactions where national security considerations require non-publication, as determined by the competent authority.

Entities subject to this Law shall notify the Committee for the Preference of Egyptian Industrial Products with a copy of the tender terms and specifications, or contracts, whose estimated value exceeds one million Egyptian Pounds and does not exceed ten million Egyptian Pounds, at least five days prior to taking the procedures for announcing or inviting thereto.

They shall also provide it with a copy of such terms and specifications where the estimated value exceeds ten million Egyptian Pounds, at least fifteen days prior to taking the procedures for announcing or inviting thereto, or awarding by direct agreement.

The Committee shall provide those entities with its comments, if any, within fifteen days from the date it receives the tender terms and specifications, and such entities may not contract during this period.



Part Three: General Rules Governing Tendering and Contracting

Chapter Two: Tendering Stage

Tendering Procedures: Announcement or Invitation

Article (20):

All transactions offered through any of the contracting methods stipulated in Article (7) of this Law shall be published on the Public Procurement Portal, except for transactions where national security considerations require non-publication, as determined by the competent authority. Such publication shall include the contracting method and its conditions, the reasons justifying the use of that method, the technical and financial evaluation methodology, and such other information as may be specified by the Executive Regulations of this Law.

Where contracting is conducted by public tender, domestic general practice, public open auction, or sealed-bid auction, an announcement shall be published once in a widely circulated daily newspaper. In the case of public tender and external general practice, the announcement shall be published once in a widely circulated daily newspaper and in an international newspaper, and shall be publicized through embassies and consulates.

Where contracting is conducted by limited tender, local tender, limited practice, limited auction, or local auction, invitations shall be addressed to the largest possible number of registered specialized or qualified parties engaged in the activity that is the subject of the tender.

If the administrative entity decides to postpone the date for opening envelopes or holding the auction, the new date shall be announced by the same method.

In all cases of announcement or invitation to contract as provided for in this Law, the approval of the competent authority shall be obtained. With such approval, announcement may be made in more than one Egyptian or international newspaper, according to the importance and nature of the contract where so required.



Part Three: General Rules Governing Tendering and Contracting

Chapter Two: Tendering Stage Prequalification

Article (21):

The administrative entity may issue a request for prequalification to verify the availability of technical capabilities and financial, administrative, human, and other capacities of applicants for prequalification to execute a contract with the required efficiency prior to inviting them to submit bids upon tendering, in accordance with the requirements and evaluation criteria specified in the prequalification request documents.

Prequalification shall be announced in a widely circulated daily newspaper in addition to publication on the Public Procurement Portal.

Part Three: General Rules Governing Tendering and Contracting

Chapter Two: Tendering Stage

Submission and Refund of the Bid Bond (Provisional Security)

Article (22):

In cases other than contracting by direct agreement where a provisional guarantee is required, a provisional guarantee shall be submitted with each bid to ensure its seriousness, and any bidder or auction participant who fails to pay the prescribed guarantee amount shall be excluded.

If a bidder withdraws from the process before the date specified for the technical envelopes opening session, the submitted provisional guarantee shall become the property of the administrative entity without the need for notice, recourse to the courts, or taking any procedures, and without the need to prove that any damage occurred, or to set it off against any amounts due or that may become due from the administrative entity or any other administrative entity to the said bidder.



The provisional guarantee shall be refunded to bidders whose bids are not technically accepted, without requiring a request from them, immediately upon completion of all procedures of the technical evaluation stage. The provisional guarantee shall also be refunded immediately, without requiring a request, to auction participants who are not awarded the auction.

In all cases of delay by the administrative entity in refunding the provisional guarantee, the administrative entity shall pay to the submitter the bank charges for renewing the letter of guarantee, and the financing cost or interest due for the period of delay in refund, in accordance with the credit and discount rate announced by the Central Bank. The person responsible shall be referred for investigation and charged with such amounts.

Part Three: General Rules Governing Tendering and Contracting

Chapter Two: Tendering Stage

Method of Submission of Bids

Article (23):

Bids shall be submitted in two sealed envelopes, one for the technical offer and the other for the financial offer. The administrative entity shall obtain an undertaking from the bidder, to be included in the technical envelope, confirming the bidder's commitment to ensure labor in accordance with applicable social insurance laws, where the nature of the transaction so requires.

Bid envelopes shall be opened at the time and place specified in the tender documents in a public session attended by any bidders who wish to attend. Bidders may authorize representatives to attend the envelope-opening session, provided that a written authorization evidencing such representation is submitted.

Financial envelopes shall be opened only for bids that are technically accepted.



Part Three: General Rules Governing Tendering and Contracting

Chapter Two: Tendering Stage

Death of the Bidder

Article (24):

In the event of the death of the bidder where the bidder is a natural person, or the owner of a single-person company, or a partner holding a controlling share enabling him to influence the making of a decision related to the bid prior to award, the administrative entity may exclude the bid submitted by him and refund the provisional guarantee, or permit the heirs to continue the procedures provided that they appoint a representative pursuant to a power of attorney with signatures duly authenticated, subject to the approval of the competent authority.

Part Three: General Rules Governing Tendering and Contracting

Chapter Two: Tendering Stage

Subcontracting

Article (25):

A bidder may subcontract certain items of the transaction subject to contracting to third parties, provided that the bid includes their particulars and experience, and the items to be awarded to them, in accordance with the limits and any other requirements set by the administrative entity in the tender documents.

The contractor may not replace any of them without the approval of the contracting administrative entity.

In all cases, the contractor alone shall remain liable to the contracting administrative entity for the performance of the contract.



Part Three: General Rules Governing Tendering and Contracting

Chapter Two: Tendering Stage

Categories Prohibited from Submitting Bids

Article (26):

Without prejudice to the provisions of Law No. 106 of 2013 concerning the prohibition of conflicts of interest of State officials, as well as the rules governing functional and professional conduct, employees and workers of entities subject to this Law are prohibited from submitting, directly or indirectly, bids or offers to such entities. Nor may items be purchased from them or works assigned to them.

This shall not apply to the purchase of books authored by them, or to assigning to them artistic works, or purchasing such works from them, where related to the entity's functions, provided that they do not participate in any manner in the procedures or decision relating to the purchase or assignment, and provided that each is carried out within the limits and in accordance with the rules and procedures set out in the Executive Regulations of this Law.

Employees and workers referred to in the first paragraph of this Article are also prohibited from participating, directly or indirectly, in auctions of any kind, unless the items purchased are for their personal use and are offered for sale by administrative entities other than their employing entity and are not subject to the supervision of that entity.



Part Three: General Rules Governing Tendering and Contracting

Chapter Two: Tendering Stage

Validity Period of Bids

Article (27):

The tender memorandum shall specify the bid validity period, provided that such period shall not be less than forty-five (45) days and shall not exceed ninety (90) days, depending on the nature of the transaction.

By way of exception, the maximum period may be exceeded in cases where the nature of the transaction so requires. In all cases, the approved bid validity period as endorsed by the competent authority shall be included in the tender documents. The bid validity period shall be calculated from the date specified for opening the technical envelopes.

In all cases, the award decision and notification thereof shall be completed before the expiry of the bid validity period.

If this is not feasible, the procurement department shall submit to the competent authority the reasons for the delay and propose the period required to complete the award procedures. Upon approval by the competent authority, bidders shall be notified in writing to extend the validity of their bids for such period and to extend the validity of the provisional guarantee accordingly, provided that all such actions are taken no later than fifteen (15) days prior to the expiry of the bid validity period.

Any bid whose bidder does not agree in writing to extend the validity period shall be excluded, and its provisional guarantee shall be refunded immediately upon expiry of the bid validity period.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section One: Committees

Formation of Committees

Article (28):

The procedures for all contracting methods stipulated in Article (7) of this Law shall be conducted by committees formed by a decision of the competent authority, comprising technical, financial, and legal members in accordance with the importance and nature of the contract. The decision forming such committees shall specify the date by which they are to complete their work.

These committees shall perform their functions in the manner prescribed by the Executive Regulations of this Law.

The adjudication of tenders of all types shall be carried out by two committees, one responsible for opening envelopes and the other responsible for adjudication. However, for tenders whose value does not exceed three hundred thousand Egyptian Pounds, both envelope opening and adjudication may be conducted by a single committee.

No person may combine the chairmanship of any of the committees stipulated in this Law with the authority to approve their work.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section One: Committees

Attendance and Participation in Committee Proceedings

Article (29):

A representative of the Ministry of Finance shall participate as a member in envelope-opening committees, tender adjudication committees, and practice committees where the estimated value exceeds one million Egyptian Pounds. A member from the competent Fatwa Department of the State Council shall participate where the estimated value exceeds two million Egyptian Pounds.

A representative of the Ministry of Finance shall participate as a member in committees for sale, lease, or granting licenses for usufruct or exploitation where the base price reaches one million Egyptian Pounds, and a member from the competent Fatwa Department of the State Council where the base price reaches two million Egyptian Pounds.

In cases of purchase, lease, sale, or lease of real estate conducted abroad, a representative of the Ministry of Finance and a member of the competent Fatwa Department of the State Council shall participate where the estimated value or base price exceeds eight million Egyptian Pounds.

A representative of the Ministry of Housing shall participate in the committees referred to above in cases involving the purchase or lease of real estate.

In all cases, committee meetings shall not be deemed valid unless attended by a representative of the Ministry of Finance and a member of the competent Fatwa Department of the State Council, as applicable, and by a representative of the Ministry of Housing in cases where such participation is required.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section One: Committees

Direct Agreement Committee

Article (30):

In cases of contracting by direct agreement for the purchase or lease of movables or immovables, works contracting, receipt of services, artistic works, or consultancy studies, the procedures shall be conducted by a committee formed by a decision of the competent authority and composed of experts, including technical, financial, and legal members, in accordance with the importance and nature of the contract.

Such committee shall be responsible for verifying the technical conformity of the subject matter of the contract and the appropriateness of prices compared to prevailing market prices at the time of contracting, or for determining the lowest-priced offer that meets all conditions and requirements specified by the administrative entity in its request, based on the price quotations received, as well as the grounds for selecting the contractor.

The results of the committee's work shall be subject to approval by the competent authority.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section One: Committees

Specialized Committees

Article (31):

Without prejudice to the formation of committees stipulated in this Law, specialized committees may be formed by a decision of the competent authority, according to the nature of the transaction, to undertake the procedures set forth in this Law and its Executive Regulations.

Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Verification of Competence and Financial Solvency Requirements

Article (32):

The administrative entity shall verify the availability of technical competence, financial solvency, good reputation, and other objective criteria specified by the administrative entity within the tender conditions, in accordance with the provisions of this Law and its Executive Regulations.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Prohibition on Submitting More Than One Bid

Article (33):

Bidders are prohibited from submitting, whether individually or in partnership with others, more than one bid for the same transaction, unless the bidder's partnership share does not allow him to influence decision-making related to the bid.

If the administrative entity detects a violation of the prohibition set forth in the first paragraph of this Article, it shall exclude the offending bids and forfeit the provisional guarantee to the administrative entity. If the violation is discovered after contracting, the administrative entity may terminate the contract or execute it at the contractor's expense, forfeit the final guarantee, and charge the contractor for any losses incurred.

Administrative entities shall notify the Competition Protection and Anti-Monopoly Authority of any violation of the provisions of this Law that is related to the provisions of the Competition Protection and Anti-Monopoly Law promulgated by Law No. 3 of 2005.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Evaluation of Bids

Article (34):

The adjudication committee shall examine the submitted bids in accordance with the provisions of this Law, its Executive Regulations, and the announced terms and specifications.

The adjudication committee may delegate subcommittees formed from among its members to examine the technical and financial aspects of the submitted bids and their compliance with the conditions. The committee shall verify the availability of technical competence, financial solvency, and good reputation of the bidders, all in accordance with the terms and specifications set forth in the tender documents.

The adjudication committee may include in the membership of any subcommittee such experts as it deems appropriate to seek their opinion.

Subcommittees shall submit reports on the results of their work and their recommendations to the adjudication committee.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Method and Mechanism of Award

Article (35):

Bids that do not comply with the conditions and specifications in accordance with the provisions of this Law, its Executive Regulations, and the requirements set forth in the tender documents shall be excluded.

The tender or practice shall be awarded to the bidder offering the best terms and the lowest price, or to the bidder ranked highest in accordance with the points-based evaluation system whose elements and bases are specified in the tender conditions, after unifying the bases of comparison among bids from all technical and financial aspects, taking into account the elements affecting the comparative value of bids depending on the circumstances and nature of the contract.

No modification to these conditions shall be permitted after the date specified for opening the technical envelopes.

If the adjudication committee determines that the lowest-priced bid is abnormally low compared to other bids and the estimated value, it shall request written details of the submitted bid. If, after reviewing the submitted details and information, the committee concludes that the bid remains questionable and cannot be feasibly executed, it shall recommend its exclusion. The committee shall document all procedures leading to such conclusion in accordance with the Executive Regulations of this Law.

The committee shall submit its minutes, including its decisions and recommendations, to the competent authority for approval or for taking such action as it deems appropriate.

Decisions of exclusion or award shall include the reasons on which they are based.



Subject to the provisions of Article (4) of Law No. 5 of 2015 concerning the preference of Egyptian products in government contracts, a supply product meeting the required percentage of Egyptian industrial content shall be deemed the lowest-priced bid if the price increase does not exceed fifteen percent (15%) of the value of the lowest non-compliant bid.

A bid for services or artistic works provided by Egyptian entities shall be deemed the lowest-priced bid if the price increase does not exceed fifteen percent (15%) of the value of the lowest foreign bid, except for bids submitted for project contracts referred to in Article (3) of the aforementioned Law No. 5 of 2015 and the services or artistic works included therein or required therefor.

In all cases, the successful bidder shall be notified of the acceptance of its bid by a letter sent via express mail through the National Postal Authority, and simultaneously supported by email or fax, as applicable. Other bidders shall also be notified in writing of the decisions reached by the administrative entity, and bidders shall be given the opportunity, upon request, to be informed of the reasons for non-acceptance of their bids.

Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Award of the Auction

Article (36):

An auction shall be awarded to the bidder offering the highest price that satisfies the conditions, provided that the offered price is not less than the base price or base value.

The committee shall submit its minutes, including its recommendations, to the competent authority for approval or for taking such action as it deems appropriate. The award decision shall include the reasons on which it is based.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Cancellation of the Tender or Limited Tender

Article (37):

A tender or practice, of whatever type, shall be cancelled prior to award by a reasoned decision of the competent authority if it has been finally dispensed with, if the public interest so requires, or in the case provided for in the first paragraph of Article (12) of Law No. 5 of 2015 referred to above.

Cancellation shall be affected by a reasoned decision of the competent authority, whether on its own initiative or upon the recommendation of the adjudication committee or the practice committee, if collusion among bidders, or practices of fraud, corruption, or monopoly are found, or if any deficiency or error is found in the tender documents (terms and specifications).

Cancellation may also be affected in any of the following cases:

- If only one bid is submitted, or if only one bid remains after excluding non-compliant bids, unless operational needs do not permit re-tendering and no benefit is expected from re-tendering, provided that the bid is compliant with the conditions and appropriate to the estimated value.
- If all, or most, bids are accompanied by reservations.
- If the value of the lowest bid exceeds the estimated value, unless the adjudication committee's or practice committee's study demonstrates that re-tendering is impracticable and identifies the consequences arising therefrom.

In the cases set forth in the third paragraph of this Article, cancellation shall be by a decision of the competent authority based on the recommendation of the adjudication committee or the practice committee. The decision shall state the reasons on which it is based, and bidders shall be notified thereof by letter sent via express mail through the National Postal Authority, and simultaneously supported by email or fax, as the case may be.



In all cases of cancellation, the price paid for the tender documents and the provisional guarantee shall be refunded to bidders, except for bidders in respect of whom collusion, fraud, corruption, or monopoly practices have been established.

Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Cases of Cancellation of the Auction

Article (38):

An auction shall be cancelled prior to award if it has been finally dispensed with, if the public interest so requires, if its outcome does not reach the base price or base value, or if the administrative entity establishes collusion among auction participants or practices of fraud, corruption, or monopoly. It may also be cancelled if only one compliant offer is submitted.

The auction committee shall submit minutes including its decisions and recommendations to the competent authority for approval or for taking such action as it deems appropriate. The decision cancelling the auction shall state the reasons on which it is based.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Announcement of Results and Reasons for Decisions

Article (39):

The procurement department shall notify bidders of the outcomes of committee decisions of acceptance, exclusion, or cancellation immediately upon their approval by the competent authority, by letters sent via express mail through the National Postal Authority, and simultaneously supported by email or fax, as applicable, in accordance with the addresses and particulars stated in the bid. Bidders shall have the right to submit a written complaint within seven (7) days starting from the day following notification of the decision.

The successful bidder shall be notified of acceptance of its bid within a period not exceeding two (2) days after the expiry of the seven-day period referred to in the first paragraph, and the remaining bidders shall likewise be notified.

Immediately upon dispatch of the notification letters, the results of the committee decisions, as well as the award result, shall be posted on the notice board designated for this purpose and located in a place visible to the public, and shall also be published on the Public Procurement Portal. Such publication shall include the following:

- The outcomes of the decisions and their reasons, including acceptance, exclusion, cancellation, award, and, where applicable, exclusion of the Egyptian industrial product.
- The final value of the project, and the value of the Egyptian industrial component contracted for, if any.
- The place and country of manufacture of the products included in contracts concluded for the purchase of industrial products.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Performance Bond (Final Security)

Article (40):

The successful bidder shall provide the final guarantee at the rates and within the periods specified for the following cases:

- Transactions for the purchase or lease of movables, works contracting, receipt of services, artistic works, and consultancy studies: within ten (10) working days at a rate of five percent (5%) of the contract value, starting from the day following notification of acceptance of its bid. For contracts concluded with a contractor abroad, payment shall be made within twenty (20) working days. Notification shall be made by letter sent via express mail through the National Postal Authority, and simultaneously supported by email or fax, as applicable. With the approval of the competent authority, an additional grace period not exceeding ten (10) working days may be granted.

In cases of contracting by direct agreement which, by their nature, require the contractor to guarantee the soundness of the subject matter of the contract, an amount equivalent to five percent (5%) of the contractor's dues shall be retained.

No final guarantee shall be collected from the successful bidder if all items awarded for supply are delivered and finally accepted by the administrative entity within the period specified for providing the final guarantee, where such items are not subject to a warranty period. Where the nature of the contract requires the contractor to guarantee the soundness of the subject matter, five percent (5%) shall be deducted from the contractor's dues.

- Real estate purchase transactions: three percent (3%) of the price shall be retained and returned to the seller upon registration or after one year from the date of delivery of the property to the administrative entity, whichever is later, to cover the repair of any defects that may appear during that period.



- In the case of sale of movables: the successful auction bidder shall pay thirty percent (30%) of the value awarded to it immediately upon award.
- In the case of sale of real estate and projects: the successful auction bidder shall pay ten percent (10%) of the value awarded to it immediately upon award.
- In the case of leasing movables, immovables, and projects, or granting licenses for usufruct or exploitation of immovables and projects: the successful bidder in contracts not exceeding three (3) years shall provide a final guarantee equivalent to ten percent (10%) of the total value awarded for the entire contract term, immediately upon award, and the guarantee shall remain valid throughout the contract term. If the contract term exceeds three (3) years, the required final guarantee shall be calculated at ten percent (10%) of the contract value for the first three years, and shall be renewed before the commencement of the following three years or the remaining period of the contract, whichever is shorter, taking into account the annual increase in contract value stipulated in the contract.

The final guarantee shall secure performance of the contract and shall be refunded, or any remaining balance thereof, without request, within ten (10) working days following the expiry of the warranty period specified in the contract, unless the contract term is amended. Failing such refund, the administrative entity shall pay the contractor the bank charges for renewing the letter of guarantee and the financing cost or interest due for the period of delay in refund, in accordance with the credit and discount rate announced by the Central Bank. The person responsible shall be referred for investigation and charged with such amounts.

If the provisional guarantee exceeds the final guarantee, the excess shall be refunded immediately without request.

In all cases of non-payment, the provisional guarantee shall be forfeited to the administrative entity.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Effect of Failure to Provide the Performance Bond (Final Security)

Article (41):

If the successful bidder fails to provide the final guarantee within the specified period, the administrative entity may, by notice sent to it by letter via express mail through the National Postal Authority and simultaneously supported by email or fax, as applicable, and without the need to take any further action, cancel the contract or have it performed by one of the next-ranked bidders according to their order of priority.

In all cases, the provisional guarantee shall be forfeited to the administrative entity. The administrative entity may also deduct the value of any loss incurred, where it is found that the successful bidder caused such loss, from any amounts due or that may become due to the successful bidder from the administrative entity. If such amounts are insufficient, it may deduct the same from the bidder's dues with any other administrative entity, regardless of the basis of entitlement—without prejudice to its right to pursue judicial remedies for any amounts it was unable to recover through administrative set-off.



Part Three: General Rules Governing Tendering and Contracting

Chapter Three: Award and Contracting Stage

Section Two: Provisions Governing Award and Contracting

Forms and Conditions of the Performance Bond (Final Security)

Article (42):

The Executive Regulations of this Law shall determine the forms, conditions, and specific arrangements relating to the final guarantee, the method of its provision, refund, and substitution, and the procedures required in this regard.

Part Three: General Rules Governing Tendering and Contracting

Chapter Four: Contract Execution Stage

General Rule Governing Contract Performance

Article (43):

Contracts shall be performed in accordance with their terms, in a manner consistent with the requirements of good faith, and within the limits and in accordance with the conditions, rules, and procedures set forth in this Law and its Executive Regulations.



Part Three: General Rules Governing Tendering and Contracting

Chapter Four: Contract Execution Stage

Forms of the Advance Payment

Article (44):

With the approval of the competent authority, the contracting administrative entity may disburse an advance payment from the contract value against an approved bank guarantee letter, unconditional and without any restriction, in the same value and currency, provided that the tender documents (terms and specifications) specify the percentage of the advance payment and request that the purposes of its disbursement be identified.

The value of the advance payment shall be deducted from the amounts paid to the contractor, in consideration of a proportional reduction of the value of the advance payment guarantee letter by the same percentage.

The Executive Regulations of this Law shall determine the percentages and procedures governing the disbursement of the advance payment to the contractor. Such percentages may be exceeded with the approval of the Minister of Finance.

Part Three: General Rules Governing Tendering and Contracting

Chapter Four: Contract Execution Stage

Payment and Disbursement of Progress Payments (Payments on Account)

Article (45):

Subject to the contract terms, the price of supplied items or performed services shall be paid as soon as possible and in any event within a period not exceeding thirty (30) days calculated from the date of inspection, acceptance, and approval.



In works contracts, the administrative entity shall make interim payments on account according to progress of work within sixty (60) days calculated from the date the payment certificate is submitted to it, supported by the documents specified in the contract terms, and after acceptance of such documents by the administrative entity. During this period, the administrative entity shall be obligated to review the certificate and pay the approved amount.

Where the administrative entity refuses to receive a payment certificate that satisfies the contract requirements, the contractor may send it, together with all documents specified in the contract terms, by letter via express mail through the National Postal Authority. The date the administrative entity receives the certificate by mail shall be deemed the start date for the period required to commence disbursement procedures.

In all cases, if the amounts due to the contractor are not paid within the specified deadlines, the administrative entity shall pay the contractor an amount equivalent to the financing cost of the claim value or the approved payment certificate for the period of delay, calculated in accordance with the credit and discount rate announced by the Central Bank at the time of settlement, provided that official documents evidencing the claimed amount are submitted. The person responsible shall be referred for investigation and charged with such amounts.

Part Three: General Rules Governing Tendering and Contracting

Chapter Four: Contract Execution Stage

Adjustment of the Contract Scope

Article (46):

If developments arise after conclusion of the contract that require adjustment of the contract scope, the administrative entity may vary its contracts by increase or decrease, provided that such variation does not exceed twenty-five percent (25%) of the quantity of each item in works contracts, and does not exceed fifteen percent (15%) of the quantity of each item in other contracts, under the same terms, specifications, and prices, provided that the tender documents include such provision.



Any contract variation shall require the approval of the competent authority or the Cabinet, as the case may be, the availability of the necessary financial appropriation, issuance of the variation within the term of the contract, and that it does not affect the contractor's priority in the ranking of its bid. The original contract term shall be adjusted, where necessary, to the extent commensurate with the increase or decrease.

Part Three: General Rules Governing Tendering and Contracting

Chapter Four: Contract Execution Stage

Adjustment of the Value of Construction Contracts

Article (47):

In works contracts with an execution period of six (6) months or more, the administrative entity shall, at the end of each three contractual months from the date specified for opening the technical envelopes, or from the contracting date based on a direct-award instruction (as applicable), adjust the contract value in accordance with the increase or decrease in the costs of contract items occurring after the date specified for opening the technical envelopes, or after the contracting date based on the direct-award instruction, taking into account the execution schedule, by reference to the Producer Price Index bulletins issued by the Central Agency for Public Mobilization and Statistics.

Such adjustment shall be binding on both contracting parties, and the contract shall include a provision to that effect.

The administrative entity shall specify the variable items or their components in the tender documents in accordance with the list issued by the Ministry of Housing, and the contractor shall state their coefficients in the technical envelope. Any agreement to the contrary shall be null and void.

The Executive Regulations of this Law shall set out the controls and procedures applicable in this regard, as well as the price-variation formula and the conditions for its application.



Part Three: General Rules Governing Tendering and Contracting

Chapter Four: Contract Execution Stage

Delay in Contract Performance

Article (48):

If the contractor delays performance beyond the date specified in the schedule or the execution period specified in the contract, the competent authority may, for reasons of public interest, grant the contractor an extension to complete performance without charging delay damages where the delay is due to a cause beyond the contractor's control.

If performance is not completed due to a cause attributable to the contractor, delay damages shall be levied, calculated from the start of the extension period, without the need for notice, warning, or any other procedure, as follows:

- **Works contracts:** the total delay damages shall not exceed ten percent (10%) of the contract value if the delay period does not exceed ten percent (10%) of the total project duration; the total shall increase to fifteen percent (15%) if the delay exceeds that threshold.

Delay damages shall be calculated on the value of the delayed works only if the administrative entity determines that the delayed part does not prevent full beneficial use—directly or indirectly—of what has been executed within the specified time. If the administrative entity determines that the delayed part prevents such beneficial use, delay damages shall be calculated on the total final value of the project.

The price-variation formula shall be applied to quantities executed during the extension period, provided that the delay is due to reasons beyond the contractor's control. The schedule shall be adjusted as agreed by both parties where necessary, in a manner proportionate to the delay period.

- **Other contracts:** the total delay damages shall not exceed three percent (3%) of the contract value if the delay period does not exceed ten percent (10%) of the total contract duration; the total shall increase to five percent (5%) if the delay exceeds that threshold.



Delay damages shall be calculated on the value of the delayed part only if the administrative entity determines that the delayed part does not prevent full beneficial use—directly or indirectly—of what has been supplied or performed within the specified time. If the administrative entity determines that the delayed part prevents such beneficial use, delay damages shall be calculated on the total contract value.

In all cases where delay damages are imposed, exemption therefrom shall be by a decision of the competent authority if it is established that the delay is due to reasons beyond the contractor's control. In other cases, the competent authority may partially or wholly exempt the contractor from delay damages if no damage resulted from the delay. The competent authority may, if it deems appropriate, seek the opinion of the competent Fatwa Department of the State Council.

The imposition of delay damages shall not prejudice the administrative entity's right to claim full compensation from the contractor for any damages suffered due to the delay.

Part Three: General Rules Governing Tendering and Contracting

Chapter Four: Contract Execution Stage

Failure or Refusal to Take Delivery

Article (49):

The administrative entity shall receive the subject matter of the contract within the time limits specified in the contract where it conforms to the specifications and conditions agreed therein.

If the contracting entity fails to accept delivery, the contractor may submit a request to the competent authority for the formation of a neutral committee to examine the reasons for such failure, and shall provide a copy of the request to the Public Procurement Complaints Office for follow-up.

Within seven (7) days from receipt of the request, the competent authority shall form a specialized tripartite committee drawn from neutral entities, with the contracting entity as a party thereto. The committee shall commence its work immediately upon issuance of the formation decision and upon payment by the contractor of the fees of the external participating entities.



The committee shall submit its report within a maximum period of thirty (30) days, unless the nature and scale of the transaction require a longer period. The report shall be binding on both parties. If it is established that the contracting entity failed to accept delivery, the committee fees shall be refunded to the contractor, and the person responsible shall be referred for investigation and charged with such fees.

The competent authority shall issue a decision to complete the acceptance procedures within a period not exceeding the inspection and acceptance period previously agreed in the tender and contracting terms.

Part Three: General Rules Governing Tendering and Contracting

Chapter Four: Contract Execution Stage

Mandatory Automatic Termination of the Contract and Removal of the Contractor from the Register of Contractors

Article (50):

The contract shall be terminated in the following cases:

- If it is established that the contractor has used, whether personally or through others, fraud or manipulation in its dealings with the contracting administrative entity or in obtaining the contract.
- If collusion or practices of fraud, corruption, or monopoly are established.
- If the contractor is declared bankrupt or insolvent.

Termination in the cases referred to above shall occur automatically. The contractor's name shall be struck off the register of contractors in the cases set forth in items (1) and (2), after obtaining the opinion of the competent Fatwa Department of the State Council. The General Authority for Government Services shall be notified to publish the delisting decision through official bulletins and on the Public Procurement Portal.



A contractor whose name has been delisted may be reinstated in the register upon its request if the reason for delisting ceases due to a decision by the Public Prosecution that there is no ground to institute criminal proceedings against it, or that the matter is administratively filed, or upon the issuance of a final judgment acquitting it of the allegations. The General Authority for Government Services shall be notified of the reinstatement decision for publication through official bulletins and on the Public Procurement Portal.

Part Three: General Rules Governing Tendering and Contracting

Chapter Four: Contract Execution Stage

Discretionary Termination of the Contract or Execution at the Contractor's Expense

Article (51):

The administrative entity may terminate the contract or have it performed at the contractor's expense if the contractor breaches any material term thereof.

Termination or performance at the contractor's expense shall be affected by a reasoned decision of the competent authority. The contractor shall be notified thereof by a letter sent via express mail through the National Postal Authority, and simultaneously supported by email or fax, as applicable, to the address stated in the contract.

The administrative entity may not combine both measures referred to in the preceding paragraph for any reason.

In all cases of termination or performance at the contractor's expense, the final guarantee shall be forfeited to the administrative entity. The administrative entity shall also be entitled to deduct any delay damages due and the value of any loss incurred by it from any amounts due or that may become due to the contractor from the administrative entity. If such amounts are insufficient, the administrative entity may deduct the same from the contractor's dues with any other administrative entity, regardless of the basis of entitlement, without the need to take judicial proceedings—without prejudice to its right to pursue the contractor judicially for any amounts it was unable to recover through administrative set-off.



Part Three: General Rules Governing Tendering and Contracting

Chapter Four: Contract Execution Stage

Death of the Contractor

Article (52):

If the contractor dies during performance, the administrative entity shall be entitled to terminate the contract and refund the final guarantee to the heirs, unless it has claims against the contractor, or to permit the heirs to continue performance of the contract.

If the contract is concluded with more than one contractor and one of them dies, the administrative entity may terminate the contract and refund the final guarantee, unless it has claims, or permit the remaining contractors to continue performance.

Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies

Scope of Application of the Provisions of this Part

Article (53):

The provisions of this Book shall apply to transactions for the purchase or lease of movables and immovables, works contracting, receipt of services, artistic works, and consultancy studies.



Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies Public Limited Tender

Article (54):

Contracting by general practice shall be used in cases where the following conditions are satisfied:

- The administrative entity is able to prepare a specific and precise description of the subject matter of the contract.
- The subject matter of the contract has quantitatively measurable criteria on the basis of which the extent of technical responsiveness of offers is determined.
- The administrative entity is aware that a sufficient number of suppliers, contractors, or service providers exist to participate in the transaction so as to ensure effective competition.

Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies Limited Tender

Article (55):

Subject to items (1) and (2) of Article (54) of this Law, contracting by limited practice shall be confined to any of the following cases:

- Items that are manufactured, imported, or supplied only by specific persons or entities, or items whose nature or purpose requires that selection or purchase be made from their places of production.
- Contracts connected to national security considerations.



- Items, works, or services that must be compatible with what is currently in place due to the absence of alternatives, and that are available from more than one source.

**Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies
Tendering Mechanism**

Article (56):

In both types of practice, only bidders whose technical offers have been accepted shall participate in the practice session scheduled for that purpose, through one or more rounds, until selection of the bid offering the best contractual terms and the lowest price, unless evaluation is conducted under the points-based system.

The dedicated electronic system shall be used for such purpose once completed and operating regularly, with respect to procedures that are automated and made available.

**Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies
Limited Tender (Restricted Tender)**

Article (57):

Contracting by limited tender shall be used in any of the following cases:

- Transactions whose nature requires restricting participation to specific suppliers, contractors, technicians, consultants, or experts, whether in Egypt or abroad.
- Transactions for which the administrative entity has conducted prequalification procedures, in which case only those prequalified shall be invited to participate.
- Contracts connected to national security considerations.



- Provision of medical preparations, medical devices, medicines, and other supplies related to preserving life and health.
- Where the time or cost required to tender by public tender is disproportionate to the contract value.
- Where bidders have refrained from participating in public tenders offered one or more times and the administrative entity concludes that changing the tendering method is appropriate.

**Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies
Two-Stage Tender**

Article (58):

Contracting under the provisions of this Book may be conducted by two-stage tender, enabling the administrative entity to determine technical and/or contractual aspects in an integrated manner in order to obtain competitive bids, in any of the following cases:

- Contracts involving complex technical specifications.
- Where the administrative entity wishes to consider different technical or contractual solutions and the comparative advantages of such solutions before deciding on the final technical specifications and contractual terms.
- Where detailed technical specification particulars or characteristics of the subject matter of the contract are not available at the commencement of tendering procedures.



The two-stage tender shall be announced in a widely circulated daily newspaper, or by invitation to registered or qualified parties engaged in the relevant activity. The tender documents for the first stage shall include: the purpose of the contract, the expected performance, the main outlines of the technical specifications and the features and specifications sought by the administrative entity, and the qualifications required to execute the contract. Bidders shall be requested to submit initial technical offers without prices, together with their comments on the proposed contract terms and any other terms.

The administrative entity may enter into technical discussions during the first stage with any offerors whose submissions meet the minimum essential requirements stated in the tender documents, in order to reach a refined scope of work and refined technical and contractual requirements that satisfy the administrative entity's needs and maximize competition. Offerors shall be notified of the outcome of the first stage.

In the second stage, the administrative entity shall notify accepted offerors to submit their bids, including the technical and financial offers, in accordance with the refined terms and specifications.

Except for the first-stage procedures, the rules and procedures governing tendering by tender shall apply to the two-stage tender, as the case may be.

The administrative entity may conduct prequalification prior to tendering if it deems it appropriate.

Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies Local Tender

Article (59):

Contracting by local tender shall be used where the value does not exceed four million Egyptian Pounds, and participation shall be restricted to local suppliers, contractors, service providers, artistic works providers, and consultants whose activity is within the governorate in which the subject matter of the contract is to be performed, including medium, small, and micro enterprises.



Where the value does not exceed two million Egyptian Pounds, contracting by local tender may be restricted to medium, small, and micro enterprises whose activity is within the governorate in which performance will occur. In such case only, and by a decision of the competent authority, it may be sufficient to submit an undertaking in lieu of the provisional guarantee for the tendered transaction confirming commitment to proceed with the procedures. The competent authority may also disburse an advance payment as approved by it, provided that the tender conditions so state.

If none of such enterprises submits a bid, the administrative entity may, upon re-tendering, address invitations to them and to others; in such case, no exemption from the provisional guarantee requirement shall apply.

Prior to tendering, administrative entities shall notify the Micro, Small and Medium Enterprise Development Agency to inform MSME owners in the governorate of performance, to encourage them to register and update their data on the Public Procurement Portal.

Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies **Applicability of the Provisions Governing Public Tenders to Certain Types of Other Tenders and Practices**

Article (60):

The provisions governing public tenders shall apply to limited tenders, two-stage tenders, local tenders, and both types of practice, insofar as no special provision is stipulated in this Law or its Executive Regulations.



Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies
Provisions Governing the Purchase or Leasing of Immovable Property

Article (61):

The provisions governing the purchase or lease of movables shall apply to the purchase or lease of real estate, insofar as they do not conflict with the nature of real estate.

Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies
Cases Permitting Contracting by Direct Agreement

Article (62):

Contracting by direct agreement may be permitted in any of the following cases:

- Emergency cases arising from sudden circumstances that could not have been foreseen or anticipated, or that require immediate intervention and do not permit the application of tender or practice procedures in either of their forms.
- Where only one source possesses the technical capability or the capacity to meet the contract requirements, or holds an exclusive or monopolistic right in respect of the subject matter of the contract.
- Where achieving integration with existing systems or works is required and only one source is available.
- Where the subject matter of the contract is not covered by an existing contract and technical necessity requires execution by the current contractor.
- Urgent cases where contracting must be completed within a time frame that does not allow for tender or practice procedures, in order to ensure the continuity and proper functioning of administrative entities, provided that such urgency is not the result of poor planning or delay in taking action.



- Where standardization with existing items or systems is required.
- Cases involving the reinforcement of social or economic policies adopted by the State.

Price quotations shall be obtained when contracting by direct agreement in the cases referred to in items (5), (6), and (7).

Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies Authority to Contract by Direct Agreement

Article (63):

Contracting by direct agreement pursuant to Article (62) of this Law shall require authorization from:

- The head of the authority, the head of the department or whoever exercises his powers in other administrative entities, or the head of the fund, for contracts not exceeding one million Egyptian Pounds for the purchase or lease of movables or receipt of services, artistic works, or consultancy studies, and five million Egyptian Pounds for works contracts.
- The minister or whoever exercises his powers, or the governor, for contracts not exceeding ten million Egyptian Pounds for the purchase or lease of movables or receipt of services, artistic works, or consultancy studies, and twenty million Egyptian Pounds for works contracts.

In cases of extreme necessity, the Cabinet may authorize contracting by direct agreement for amounts exceeding the limits specified in item (2).

With the approval of the competent authority, contracting by direct agreement may also be used for the purchase or lease of movables, works, or receipt of low-value services not exceeding twenty thousand Egyptian Pounds per transaction and not exceeding one hundred thousand Egyptian Pounds during the fiscal year. The procedures applicable thereto shall be as set out in the Executive Regulations of this Law, and delegation of authority shall be permitted in this case only.



The Minister of Health, with respect to sera, vaccines, strategic medical drugs, and infant formula, in accordance with the controls and conditions specified in the Executive Regulations of this Law.

None of the authorities referred to in this Article may delegate the powers granted to them to contract by this method.

Contracts may be exempted from submission to the Committee for the Preference of Egyptian Industrial Products in Government Contracts, where required by the public interest, by a decision of the Prime Minister based on a proposal from the Minister concerned with trade and industry.

The procurement department shall document the justifications for resorting to direct agreement in accordance with the procedures set out in the Executive Regulations of this Law.

**Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies
Direct Agreement for the Purchase or Leasing of Immovable Property**

Article (64):

In emergency cases, urgent cases, or for reasons of public interest, contracting for the purchase or lease of real estate may be conducted by direct agreement, subject to authorization from:

- The head of the authority, the head of the department or whoever exercises his powers in other administrative entities, or the head of the fund, for contracts not exceeding five hundred thousand Egyptian Pounds for leasing, and one million Egyptian Pounds for purchase, during the fiscal year.
- The minister or whoever exercises his powers, or the governor, for contracts not exceeding five million Egyptian Pounds for leasing, and ten million Egyptian Pounds for purchase, during the fiscal year.

None of the authorities referred to in this Article may delegate the powers granted to them to contract by this method.



In cases of extreme necessity, the Cabinet may authorize contracting by direct agreement for amounts exceeding the limits specified in item (2).

The procurement department shall document the justifications for resorting to direct agreement in accordance with the procedures set out in the Executive Regulations of this Law.

Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies Framework Agreement

Article (65):

An administrative entity may offer its needs, or the needs of one or more other administrative entities, through public tender, practice in either of its forms, or direct agreement, in a manner consistent with the nature of the transaction, and conclude a framework agreement with the selected party setting out the rules and conditions governing the issuance of supply or assignment orders, in any of the following cases:

- Where there is a need for repeated contracting for items, execution of works or services, or provision of consultancy studies that are of a general or commonly used nature.
- Where the administrative entity reasonably anticipates, due to the nature of the required items, works, services, or consultancy studies, that future urgent needs will arise, without precise knowledge of the timing, quantities, or execution details.
- Other cases where the administrative entity considers it appropriate to adopt this contracting model, including targeting the development of certain industries, standardization of needs, and other similar cases.

The tender conditions shall include technical specifications, statistical data on demand rates, historical consumption rates, and indicative future projections relating to the subject matter of the tender and contract, or the scope of works, services, or consultancy studies, as applicable.



Framework agreements shall be concluded in accordance with the rules and procedures issued by a decision of the minister competent for the administrative entity, or by a decision of the Cabinet in the case of multiple administrative entities, after the approval of the Ministers of Finance and Planning.

The Executive Regulations of this Law shall specify the rules and procedures for concluding or terminating framework agreements, their various forms, duration, issuance of supply or assignment orders, and the provision of guarantees thereunder.

Part Four: Procurement or Leasing of Movable and Immovable Property, Contracting for Works, and the Procurement of Services, Technical Works, and Consultancy Studies Design Contest / Competition

Article (66):

Without prejudice to the provisions of the Law on the Protection of Intellectual Property Rights promulgated by Law No. 82 of 2002, an administrative entity may, without being bound by the contracting methods stipulated in this Law, announce a competition to obtain an innovative work to be selected by a specialized and impartial judging committee formed by a decision of the competent authority for this purpose, in accordance with the announced evaluation elements and criteria for determining the winning work.

The competition conditions shall specify the manner of awarding prizes, rewards, or privileges, as well as the manner of dealing with ownership of the works submitted by competitors.

The competition shall be announced in a widely circulated daily newspaper, in addition to publication on the Public Procurement Portal.



Part Five: Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Immovable Property and Projects

Scope of Application of the Provisions of this Part

Article (67):

The provisions of this Book shall apply to transactions involving the sale and lease of movables and immovables, projects lacking legal personality, and the licensing of usufruct or exploitation of immovables and projects.

Part Five: Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Immovable Property and Projects

Limited Auction

Article (68):

Contracting by limited auction shall be permitted in any of the following cases:

- Items that are liable to deterioration if kept in storage.
- Items whose nature requires restricting their sale to persons licensed to deal therein.
- Urgent cases that do not permit the application of public open auction or sealed-bid auction procedures.
- Cases that have previously been offered through public open auction or sealed-bid auction more than once, where no offers were submitted or where the offered price did not reach the base price, and the administrative entity has determined that changing the offering method is appropriate.



Part Five: Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Immovable Property and Projects

Local Auction

Article (69):

Contracting by local auction shall be used where the base price does not exceed six hundred thousand Egyptian Pounds, and participation shall be restricted to local bidders whose activity is located within the governorate in which the subject matter of the contract is to be carried out.

Part Five: Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Immovable Property and Projects

Applicability of the Provisions Governing Purchase to Sale

Article (70):

The rules and procedures governing the purchase or lease of movables shall apply to the sale and lease of movables and immovables, projects lacking legal personality, and the licensing of usufruct or exploitation of immovables and projects, including tourist establishments and cafeterias, insofar as no special provision is stipulated, and provided that this does not conflict with the nature of sale, lease, licensing, or exploitation.



Part Five: Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Immovable Property and Projects

Direct Agreement in the Sale and Lease of Movable and Immovable Property and Projects, and the Grant of Licenses for Use or Exploitation of Immovable Property and Projects

Article (71):

In emergency or urgent cases that do not permit the application of auction procedures of any type, contracting for the sale or lease of movables, immovables, or projects lacking legal personality, or for licensing of usufruct or exploitation of immovables and projects, including tourist establishments and cafeterias, may be conducted by direct agreement through a committee formed for this purpose, pursuant to authorization from:

- The head of the authority, the head of the department or whoever exercises his powers in other administrative entities, or the head of the fund, for contracts not exceeding five hundred thousand Egyptian Pounds.
- The minister, whoever exercises his powers, or the governor, for contracts not exceeding one million Egyptian Pounds.

By way of exception to the foregoing paragraph, and with the approval of the minister competent for the administrative entity, in cases previously offered through public open auction or sealed-bid auction more than once where no offers were submitted or the offered price did not reach the base price, sale, lease, or licensing of usufruct or exploitation may be conducted by direct agreement as follows:

- Immovables whose value does not exceed two million Egyptian Pounds, provided that the base price is announced and that the sale, lease, or licensing price is not less than such base price.
- Sale or lease of movables or projects lacking legal personality, or licensing of usufruct or exploitation of projects, including tourist establishments and cafeterias, as applicable, whose value does not exceed one million Egyptian Pounds, provided that the sale, lease, or licensing price is not less than the base price or base value.



In all cases, contracting shall be made with the offeror providing the best terms and the highest price.

None of the authorities referred to in this Article may delegate the powers granted to them to contract by this method.

The procurement department shall document the justifications for resorting to direct agreement in accordance with the procedures set out in the Executive Regulations of this Law.

Part Five: Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Immovable Property and Projects

Purchase, Leasing, Sale, and Rental Abroad

Article (72):

The provisions of this Law and its Executive Regulations shall apply to the purchase, lease, sale, or leasing of immovables and projects lacking legal personality, and to the licensing of usufruct or exploitation of immovables and projects abroad, insofar as they do not conflict with the procedures in force in the state where contracting takes place. Where this is not feasible, approval of the Cabinet shall be obtained for contracting in accordance with the terms and rules it approves based on a proposal from the minister competent for the administrative entity.



Part Six: Contracts Subject to Special Provisions

Contracting for Consultancy Studies

Article (73):

Contracting for consultancy studies shall be conducted by limited tender, two-stage tender, or local tender, and bids shall be evaluated using the points-based system. The tender conditions shall include the evaluation elements and criteria, the minimum acceptance threshold, and the method of evaluation to identify the bid offering the best terms and price.

By way of exception, in transactions of a routine, simple, standardized, or repetitive nature, or those with fixed technical frameworks, contracting may be conducted by public tender, local tender, or direct agreement, where the administrative entity determines that any of these methods is most appropriate given the nature of the transaction. In such cases, award shall be made to the lowest-priced bid among those technically accepted, provided that the tender conditions specify the technical requirements, qualifications, experience, and other requirements to be met.

The administrative entity may also contract by limited tender, local tender, or direct agreement with a specific consultant where it determines that the required tasks depend entirely on that consultant's expertise and qualifications.

A reasoned decision shall be issued by the competent authority to adopt any of these methods, in accordance with the circumstances and nature of the contract and without prejudice to the laws governing liberal professions.

The administrative entity may conduct prequalification prior to tendering if it deems it appropriate.



Part Six: Contracts Subject to Special Provisions

Contracting with Essential Service Providers

Article (74):

Subject to the provisions of Article (63) of this Law, and with the approval of the competent authority, contracting by direct agreement may be concluded with any provider of essential services in which the State holds a controlling interest enabling it to appoint the majority of the members of its board of directors, or to otherwise control the decisions issued by its board of directors or its general assembly, for the provision of essential services, including electricity, water, gas, and other essential services necessary for the operation of public utilities of a similar nature whose prices are determined by the State.

In such case, providers of essential services shall be exempt from submitting an advance payment guarantee letter and from providing both types of guarantees, and it shall suffice to accept such undertakings or guarantees as approved by the competent authority.

The competent authority may delegate any of the powers stipulated in this Article.

Part Six: Contracts Subject to Special Provisions

Contracting with Medium, Small, and Micro Enterprises

Article (75):

The administrative entity shall take into consideration the capacities of medium, small, and micro enterprises when opening registration for persons engaged in various activities, or when preparing prequalification conditions, tender documents, evaluation criteria, and the like, in a manner that enables such enterprises to participate in the tendered transactions, without prejudice to equal opportunity or to compliance with quality and performance standards in execution.



The administrative entity shall also allocate a percentage of not less than twenty percent (20%) of the value of its annual needs for contracting with such enterprises, based on what is included and approved in its annual plan referred to in Article (9) of this Law.

Representatives of the Ministry of Finance who are members of the committees stipulated in this Law, as well as those working in the accounting units of administrative entities, shall verify compliance by such entities with the foregoing requirement.

Part Six: Contracts Subject to Special Provisions

Contracts of Entities of a Special Nature and Contracts Based on Private Sector Initiatives

Article (76):

In cases of necessity, the Cabinet may authorize a specific administrative entity, for considerations it deems appropriate related to the nature of that entity's work or activity or to the nature of the transaction, to contract by any of the contracting methods stipulated in Article (7) of this Law, in accordance with the conditions and rules it determines.

The Cabinet may also authorize a specific administrative entity to contract by direct agreement with a natural or juridical person, Egyptian or foreign, who submits an integrated investment project inclusive of financing, where such project achieves the economic and developmental objectives of the State for the contracting administrative entity. Such authorization shall be based on a submission by the competent minister setting out the results of the technical, economic, and social feasibility studies of the project and the analytical study of its technical and financial structure, and shall be subject to the approval of the Ministers of Finance and Planning, unless contracting is otherwise regulated by other laws.

Where the submitted project does not involve exclusive intellectual property rights in favor of its proponent and the administrative entity wishes to implement it, the entity shall be entitled, based on its study, to offer the project for competitive bidding. Contracting shall then be carried out in accordance with the general frameworks, procedures, conditions, and controls governing its conclusion, as approved by the committee referred to in Article (4) of this Law, adopted by the Cabinet, and issued in the form of a procedural guide regulating such contracts.



Part Six: Contracts Subject to Special Provisions

Contracts Related to National Security

Article (77):

The Ministries of Defense, Military Production, and Interior, and their respective bodies, may, in cases of necessity dictated by national security considerations, contract by limited tender, two-stage tender, local tender, limited practice, or direct agreement, subject to the application of the provisions of Law No. 204 of 1957 concerning the exemption of armament contracts from taxes, fees, and financial rules.

The competent authority may delegate any of the powers prescribed in this regard.

Part Six: Contracts Subject to Special Provisions

Contracts Between Entities Subject to the Provisions of the Law

Article (78):

Entities subject to the provisions of this Law may contract with one another by direct agreement, with the approval of the competent authority of each entity, without being bound by the procedures and financial limits set forth in this Law. Any such entity may also act on behalf of another in conducting contracting procedures for a specific task, in accordance with the rules applied by the requesting administrative entity.

Assignment of such contracts to parties other than these entities shall be prohibited.

The provisions of this Article shall apply to the Arab Organization for Industrialization, the National Authority for Military Production, and the General Intelligence Service. Any of these entities may directly assign contracts concluded pursuant to this Article to any of its affiliated units.



Part Six: Contracts Subject to Special Provisions

Contracts for Transactions and Composite, Interrelated, and Multi-Party Projects

Article (79):

By way of exception to the provisions of this Law, an administrative entity may contract for transactions that, by their nature, require rapid contracting decisions, due to price and quantity volatility, or that extend over a future time horizon, or transactions related to dealings executed in international financial markets, financial derivatives contracts, forward and futures purchases, and related transactions, all in accordance with applicable international commercial practices determined by the competent authority of the administrative entity, approved by the committee referred to in Article (4) of this Law, and adopted by the Cabinet.

The administrative entity may also, by way of exception to the provisions of this Law, conclude contracts of a complex, interrelated, or multi-party nature, or contracts requiring a financing structure—such as Build-Own-Operate-Transfer (BOOT), Build-Own-Operate (BOO), Engineering, Procurement and Construction plus Finance (EPC+Finance), and similar arrangements—where such contracts achieve the urgent economic and developmental objectives of the contracting administrative entity, or where economic or social circumstances necessitate their expedited completion within a specific timeframe.

Such contracts shall be concluded in accordance with the general frameworks, procedures, conditions, and controls governing their conclusion, as approved by the committee referred to in Article (4) of this Law, adopted by the Cabinet, and issued in the form of a procedural guide regulating them. The competent minister shall establish project-specific rules in coordination with the Ministers of Finance and Planning, and such rules shall be approved by the Cabinet upon submission by the competent minister.

The Executive Regulations of this Law shall specify the controls and conditions governing the conclusion of such contracts.



Part Six: Contracts Subject to Special Provisions

Disposition of Immovable Property to Serve Considerations of the Public Interest

Article (80):

Contracting by direct agreement for the sale, lease, licensing of usufruct, or exploitation of real estate may be undertaken in cases of necessity to achieve social or economic considerations required by the public interest. Such contracting shall be effected by agreement between the Minister of Finance and the minister competent for the administrative entity or the competent governor, based on justifications submitted by the ministry or governorate requesting authorization, together with a proposed consideration and payment method.

The Supreme Valuation Committee at the General Authority for Government Services shall verify the appropriateness of such consideration, and the Minister of Finance shall submit the committee's conclusions to the Cabinet for approval.

All of the foregoing shall be in accordance with the rules, controls, and conditions issued by a decision of the Cabinet upon the proposal of the Minister of Finance.

Part Seven: Final and Miscellaneous Provisions

Delegation of Powers

Article (81):

Subject to the cases in which delegation is prohibited under this Law, the competent authority may delegate any of its powers stipulated herein to holders of senior leadership positions only, in accordance with the controls and procedures set forth in the Executive Regulations of this Law.



Part Seven: Final and Miscellaneous Provisions

Retention and Confidentiality of Documents

Article (82):

The procurement department of the administrative entity shall open a file for each transaction in which all documents and data relating to the procedures are preserved, including all internal correspondence and communications sent since the commencement of the transaction procedures, while safeguarding the contents of such file.

Disclosure of, or access to, any such documents or data by parties or individuals not concerned therewith shall be prohibited, except for inspection, audit, and review bodies, in accordance with the laws and decisions regulating such matters.

Part Seven: Final and Miscellaneous Provisions

Accessibility and Publication of Public Procurement Legislation and the Rules Governing It

Article (83):

The General Authority for Government Services shall publish this Law, its Executive Regulations, and any amendments thereto, as well as general circulars, periodical bulletins, and decisions relating to their application upon issuance, including decisions of delisting or reinstatement and the like, on the Public Procurement Portal, in addition to the prescribed publication methods.



Part Seven: Final and Miscellaneous Provisions

Electronic Contracting

Article (84):

Entities subject to the provisions of this Law shall undertake contracting procedures electronically in accordance with the procedures that have been automated, through a unified, regular, and electronically secure system, and shall apply automated procedures upon their completion and regular operation.

The Executive Regulations of this Law shall specify the content of the electronic system, its method of operation, and the related controls and procedures.

Part Seven: Final and Miscellaneous Provisions

Establishment of a Register for the Enrollment of Contractors and Suppliers

Article (85):

Each administrative entity shall maintain a register recording the names and sufficient data of persons wishing to contract with it, including their classification according to technical and financial capacities, commercial reputation, previous experience, activity licenses, and bank account numbers, together with other documents required under applicable laws, through which contracting shall be conducted. The administrative entity shall verify the updating of such data on an annual basis, at least one month prior to the beginning of the fiscal year.

An administrative entity shall not contract with persons registered in its own registers or otherwise unless they have registered or updated their data on the Public Procurement Portal, and the administrative entity shall verify and approve such data against the database. Such data shall include, as applicable, commercial, industrial, professional, or practice registration numbers, tax card numbers, and any other required information.



The General Authority for Government Services shall maintain a register of persons prohibited from contracting with any of the administrative entities referred to herein, whether such prohibition arises by operation of law, by administrative decision, or by virtue of a final judgment rendered against them for any of the crimes stipulated in Article (93) of this Law. Contracting with persons listed in such register shall be prohibited unless the prohibition is lifted due to the cessation of its cause.

Any contract or agreement concluded in violation of the preceding paragraph shall be null and void.

Part Seven: Final and Miscellaneous Provisions

Evaluation of Contractors' Performance

Article (86):

The administrative entity shall conduct an evaluation of the performance of its contractors at the end of each fiscal year or upon completion of the contract, in accordance with the forms prepared and the criteria determined by the General Authority for Government Services. Such evaluations shall be published on the Public Procurement Portal and shall include the names of contractors who have breached contract conditions and the penalties imposed upon them.

Transactions that require confidentiality due to national security considerations, as determined by the competent authority, shall be excluded from publication, while being retained in the transaction file. Contractors' performance shall be documented on an ongoing basis in a manner that contributes to the completion of State projects at the required quality and within the specified timeframes.

At the end of each fiscal year, the administrative entity shall also conduct a survey of its contractors to identify positive aspects, assess negative procedures encountered in their dealings, take necessary corrective actions, and evaluate the performance of procurement department staff.



Part Seven: Final and Miscellaneous Provisions

Real Estate Database

Article (87):

Each administrative entity shall prepare a database for all real estate properties owned by it, including those disposed of, the method of disposal, the consideration/value thereof, and sufficient particulars regarding the transferees/disposees.

The General Authority for Government Services shall be periodically notified of all data established by such entities for recording in the central database maintained by it.

Part Seven: Final and Miscellaneous Provisions

Required Qualification for Performing Procurement Functions

Article (88):

As a condition for appointment to, or continued occupancy of, procurement positions in entities subject to the provisions of this Law, the required training shall be successfully completed.

The Minister of Finance shall determine the commencement and phases of implementation. The Ministry of Finance (the General Authority for Government Services) shall establish the training programs and curricula for training service providers and training centers. It may also participate in initiatives aimed at enhancing the capacity of those dealing with administrative entities.

The Executive Regulations of this Law shall specify the level of the required training programs, application procedures, the mechanism for accreditation, and other related matters.



Part Seven: Final and Miscellaneous Provisions

Accountability

Article (89):

Without prejudice to the right of concerned parties to bring civil or criminal proceedings, any person who violates the provisions of this Law, its Executive Regulations, or the code of professional conduct for procurement staff—issued by a decision of the Minister of Finance—shall be subject to disciplinary liability.

Part Seven: Final and Miscellaneous Provisions

Review of Contracts

Article (90):

The competent Fatwa Department of the State Council shall review draft contracts to which the administrative entity is a party, templates of tender documents, standard contract forms, guidance manuals, and other matters stipulated in Article (19) of this Law.



Part Seven: Final and Miscellaneous Provisions

Settlement of Disputes and Differences Between the Parties to the Contract

Article (91):

Where a dispute arises between the contracting parties during performance, and prior to resorting to the courts or arbitration as applicable, the parties may agree to settle it by conciliation or mediation, provided that the tender conditions or the contract permit such settlement and subject to the approval of the competent authority, with each party remaining obligated to continue performing its contractual obligations.

The contractor may also have recourse to the courts to claim compensation for damages suffered as a result of the administrative entity's breach of its contractual obligations due to its fault, unless the minister competent for the administrative entity approves resort to arbitration, the contract conditions so provide, and the parties agree thereto in accordance with the rules and procedures set out in the Arbitration in Civil and Commercial Matters Law promulgated by Law No. 27 of 1994.

Part Seven: Final and Miscellaneous Provisions

Assignment of the Contract

Article (92):

The contractor may not assign the contract, nor assign all or part of the amounts due to it.

By way of exception, the contractor may assign such amounts to a bank or a non-banking financial company licensed to carry out such activity in the Arab Republic of Egypt. In such case, certification by the bank or company shall suffice, without prejudice to the contractor's responsibility for performance of the contract. Acceptance of the assignment of amounts due shall not prejudice any rights the administrative entity may have against the contractor.



Categories Prohibited from Dealing

Article (93):

The competent authorities shall notify the General Authority for Government Services of any person against whom a final judgment has been rendered for any of the crimes provided for in Chapter Four of Book Two of the Penal Code, or for crimes of tax evasion or customs evasion.

The administrative entity may not contract with any person against whom a final judgment has been rendered for any of the crimes referred to in the first paragraph of this Article, whether in his personal capacity or in his capacity as the legal representative of any juridical person seeking to contract with the administrative entity, unless such person has been rehabilitated (i.e., has had his status restored).



Translation of the Executive Regulations of the Governing Contracts Concluded by Public Entities Law No. No. 692 of 2019

ترجمة اللائحة الداخلية لقانون تنظيم
التعاقدات التي تبرمها الجهات العامة
رقم ٦٩٢ لسنة ٢٠١٩

25 January 2026

Minister of Finance Decree No. 692 of 2019

Concerning the issuance of the Executive Regulations of the Law Regulating Public Contracts concluded by Public Entities, promulgated by Law No. 182 of 2018.

Preamble

Having reviewed the Constitution;

The Penal Code promulgated by Law No. 58 of 1937;

The Civil Code promulgated by Law No. 131 of 1948;

The Criminal Procedures Code promulgated by Law No. 150 of 1950;

Law No. 204 of 1957 concerning the exemption of armament contracts from taxes, fees, and financial rules;

The Law on Public Authorities promulgated by Law No. 61 of 1963;

Law No. 42 of 1967 concerning delegation of powers;

Law No. 53 of 1973 concerning the State General Budget;

The Local Administration System Law promulgated by Law No. 43 of 1979;

Law No. 127 of 1981 concerning Government Accounting;

The Arbitration Law in Civil and Commercial Matters promulgated by Law No. 27 of 1994;

The Intellectual Property Protection Law promulgated by Law No. 82 of 2002;

The Law Regulating Electronic Signature and Establishing the Information Technology Industry Development Authority promulgated by Law No. 15 of 2004;

The Small Enterprises Development Law promulgated by Law No. 141 of 2004;



The Competition Protection and Anti-Monopoly Practices Law promulgated by Law No. 3 of 2005;

The Law Regulating Private Sector Participation in Infrastructure, Public Utilities, and Public Services Projects promulgated by Law No. 67 of 2010;

Law No. 106 of 2013 concerning the Prohibition of Conflicts of Interest of State Officials;
Law No. 141 of 2014 regulating Microfinance Activity;

Law No. 5 of 2015 concerning Preference for Egyptian Products in Government Contracts;
The Civil Service Law promulgated by Law No. 81 of 2016;

The Investment Law promulgated by Law No. 72 of 2017;

The Law Regulating Public Contracts Concluded by Public Entities promulgated by Law No. 182 of 2018;

Presidential Decree No. 2126 of 1971 establishing the General Authority for Government Services;

Presidential Decree No. 501 of 2017 establishing the Supreme Council for Digital Society;

Prime Minister's Decree No. 566 of 2019 forming and regulating the work of the Ministerial Committee for Economic Indicators and Changes;

Cabinet Decree No. 25 of 2019;

The Government Warehouses Regulations;

And based on the opinion of the State Council;

It has been decided as follows:



Promulgation Articles

Article (1):

The provisions of the Executive Regulations of the Law Regulating Public Contracts Concluded by Public Entities promulgated by Law No. 182 of 2018, accompanying this Decree, shall be applied, and shall apply to the same entities stipulated in Article (1) of the Issuance Articles of the said Law.

Article (2):

The Executive Regulations of the Law Regulating Tenders and Auctions promulgated by Law No. 89 of 1998, issued by Minister of Finance Decree No. 1367 of 1998, are hereby repealed.

Any provision contrary to the provisions of the accompanying Executive Regulations is likewise repealed.

Article (3):

This Decree shall be published in the Official Gazette (Al-Waqa'i' Al-Misriyyah) and shall enter into force as of the day following the date of its publication.



**The Executive Regulations of the Law Regulating Public
Contracts concluded by Public Entities, promulgated by Law No. 182 of 2018**

Part One – General Provisions

Chapter One – Definitions

Article (1):

The definitions set forth in the Law Regulating Public Contracts Concluded by Public Entities shall have the same meanings for the purposes of applying the provisions of these Regulations.

For the purposes of applying the provisions of these Regulations, the following words and expressions shall have the meanings assigned to each of them hereunder:

The Law: The Law Regulating Public Contracts Concluded by Public Entities promulgated by Law No. 182 of 2018.

Senior Management Positions: Positions corresponding to the following three levels reporting to the competent authority, whose holders head organizational divisions within the administrative entity at the level of a General Administration, Central Administration, or Sector, within entities subject to the Civil Service Law promulgated by Law No. 81 of 2016, or equivalent positions in other entities not subject to the said Law.

Contracts Administration: The administrative division established pursuant to Article (3) of the Law, regardless of its functional level within the organizational structure of the administrative entity to which it belongs.

Requesting / Beneficiary Administration: The administration responsible, in accordance with its functions or needs, for determining the requirements related to the subject matter of the contract.

Business Community: Dealers with administrative entities, including suppliers, contractors, service providers, consultants, bidders, and others.



Tender Documents: Documents prepared by the administrative entity, including the book of conditions and specifications, requests for information, requests for expressions of interest, requests for prequalification, and the like.

Financial Allocation: The amount allocated to the administrative entity by the Ministry of Finance and included in its budget to meet its requirements.

Bidder: Any natural or legal person who submits an offer for the purpose of contracting with the administrative entity in accordance with the provisions of the Law and these Regulations.

Offeror: The bidder or any person authorized by him to submit his bid to the administrative entity.

Winning Bid: The bid that offers the most favorable terms and the lowest price, or that is selected pursuant to the points-based evaluation system, and which has been notified of the award of the process.

Process: Any matter put forward by the administrative entity using one of the contracting methods stipulated in the Law.

Method of Contracting: Tendering, limited tendering, auctioning in its various forms, or direct contracting.

Evaluation Committee: The committee responsible for examining, tabulating, reviewing, and studying the technical and financial bids submitted in the offered processes, verifying their compliance with the tender conditions, and recommending award, exclusion, or cancellation.

Contract: A written instrument concluded between the representative of the administrative entity and the contractor, containing specific and reciprocal obligations between its parties.

Life-Cycle Cost: An evaluation criterion used to measure the cost of the subject matter of the contract, including contracting costs, construction or installation costs, operation or maintenance costs throughout its useful life, and its resale value after depreciation.

Sustainable Contracting: Meeting the needs of the administrative entity in a manner that achieves the best value for public funds throughout the life cycle of the subject matter of the contract, while taking into account the State's economic, social, and environmental policies.

Beneficial Owner: Any natural person other than the bidder to whom ownership of the bidder effectively devolves, or who exercises control over him, or the natural person for whose



account or on whose behalf the process is executed by the bidder.

Part One – General Provisions

Chapter Two – Institutional Framework for Public Contracting

The General Authority for Government Services

Article (2):

The General Authority for Government Services shall undertake the following duties and functions:

To prepare, supervise, and update the Public Procurement Portal.

To prepare proposals for the development of procurement-related policies and legislation and submit them to the Minister of Finance.

To issue directives, guidelines, and instructions related to public procurement in accordance with the Law and these Regulations, and to circulate them to all administrative entities for implementation.

To review contracting procedures at administrative entities to verify their soundness in accordance with the Law and these Regulations, through field visits pursuant to an annual work plan or whenever necessary; provided that reports on the results of such reviews shall be prepared immediately upon completion and the competent authority at the relevant administrative entities shall be notified thereof, in order to take the necessary actions and follow up on implementation where required; and the Authority shall submit a quarterly report on the outcomes of such reviews to the Minister of Finance.

To regularly collect data relating to contracts concluded by public entities, analyze such data, produce related reports and information, and publish the results on the Public Procurement Portal.



To develop training programs and curricula for training service providers and training centers required for appointment to, or continuation in, procurement functions within administrative entities; and to coordinate on an ongoing basis with them, prior to the beginning of each fiscal year, regarding the annual training plan and all related organizational arrangements; provided that such plan shall be approved by the Minister of Finance, and the Authority shall submit a quarterly report on the performance of the training plan to the Minister of Finance.

To publish, on the Public Procurement Portal, all matters notified to it that fall within the classification issued by the Egyptian Federation for Construction and Building Contractors, as approved by the Minister of Housing, Utilities and Urban Communities.

To publish the Law and these Regulations, and any amendments thereto, as well as general circulars, periodical books, decrees, and other instruments relating to their implementation, immediately upon issuance, on the Public Procurement Portal.

To prepare templates for the annual needs plan for entities subject to the Law, and to coordinate in this regard with the State General Budget Sector at the Ministry of Finance.

To issue templates for books of conditions and specifications, forms of standard contracts, guidance manuals, and other templates prepared by ministries and competent entities according to their respective mandates and the nature of their work; provided that such templates shall be updated periodically and published on the Public Procurement Portal.

To prepare templates for minutes of envelope opening sessions, award decisions, tendering, auctioning, supply orders, assignment orders, and other templates provided for in these Regulations or used by the relevant entities.

To prepare templates and determine standards for evaluating the performance of contractors contracting with administrative entities, and templates for contractor surveys, in coordination with ministries and competent entities according to their respective mandates and the nature of their work; to make both available on the Public Procurement Portal; and to analyze the results of evaluations and surveys, take the necessary action in respect thereof, and publish them on the Public Procurement Portal.

To prepare templates for inventories of real estate owned by administrative entities; to enter data received into the central database established by it; and to update such database periodically.



To maintain a central register of persons dealing with administrative entities, or prohibited from dealing with them; to record the details of those notified to it as having been struck off or re-registered in accordance with the procedures set out in these Regulations; and to publish the decision of striking off or re-registration by issuing a circular to be circulated through administrative bulletins and published on the Public Procurement Portal.

To coordinate with entities subject to the Law and these Regulations regarding procedures for disposal of real estate to realize considerations of the public interest, and with the tasks of the Supreme Evaluation Committee therein.

The Authority shall perform its duties and functions with full independence, transparency, and impartiality. All its personnel shall avoid conflicts of interest in all forms. They are prohibited from participating in tenders, practices/limited tenders, and auctions of all types, whether directly or indirectly, with any administrative entity, except where the items purchased are for their personal use and are offered for sale through other public entities.

Part One – General Provisions

Chapter Two – Institutional Framework for Public Contracting

Contracts Administration and the Duties Entrusted Thereto

Article (3):

The competent authority shall review the organizational structures of public entities to verify the existence of a Contracts Administration in each, with a staffing structure commensurate with the performance of its duties set out in the Law and these Regulations. Where such administration does not exist within the organizational structure, the necessary procedures shall be taken to establish it. In all cases, its competences shall be separated from those of any other administrations.

To occupy positions within the Contracts Administration, or to continue occupying them, the required training shall be completed and the necessary certificates shall be obtained. Personnel thereof shall perform their duties effectively and efficiently, and due regard shall be had to ensuring that they possess integrity, trustworthiness, and a good reputation.



Subject to the duties set out in the Law and these Regulations, the Contracts Administration shall undertake the following:

To coordinate and integrate with all departments of the administrative entity in all matters relating to contracts, and to communicate with other administrative entities concerned with contracting procedures.

To communicate with parties dealing with and contracting with the administrative entity.

To document all correspondence, maintain relevant records, and retain documents.

To register dealing parties, update their data, and document such data on an ongoing basis.

To prepare economic feasibility studies prior to offering, where the nature of the process so requires.

To operate and interact with the Public Procurement Portal.

To plan contracts, including preparation of the entity's annual needs plan, contracting plans, and contracting processes.

To publish announcements or invitations regarding processes intended to be offered.

To verify the availability of the required financial allocations for the processes being offered.

To prepare and make available tender documents and other documents provided for in the Law and these Regulations.

To prepare shortlists and lists of prequalified parties where required.

To receive bids and the like, retain them, and safeguard them.

To propose the formation of committees provided for in the Law and these Regulations, obtain approval thereof from the competent authority, and coordinate with their chairpersons to assist them in performing their duties.

To submit the method of bid evaluation for approval by the competent authority.

To prepare notifications and other instruments provided for in the Law and these Regulations.

To prepare contracts and follow up on their implementation with the requesting/beneficiary administration.



To evaluate the performance of contractors in implementing their contracts on an ongoing basis.

To make available survey templates to contractors contracting with the administrative entity.

To prepare reports provided for in the Law and these Regulations, and other related reports requested by the competent authority.

To handle complaints by responding thereto, providing information, and taking the necessary actions in respect thereof.

To determine the training needs of the administration's personnel and coordinate in this regard with the General Authority for Government Services or with such other bodies as it may designate.

Part One – General Provisions

Chapter Three – General Principles

Standards to Be Observed in Public Procurement

Article (4):

Contracting procedures, methods, and approaches shall be governed by the principles of transparency, free competition, equality, and equal opportunity.

Personnel of administrative entities shall be obliged to implement the standards and principles of transparency set out in the Law and these Regulations. Conflicts of interest are prohibited in the performance of contracting procedures, and they shall observe the Code of Professional Conduct issued by the Minister of Finance.

All members of the business community dealing with administrative entities shall observe good business practices and commonly recognized standards in procurement, in all their dealings during the stages of contracting procedures, including the study, preparation, and submission of bids and the execution of contracts. Any person who violates the applicable relevant laws and regulations shall be legally liable.



Part One – General Provisions

Chapter Three – General Principles

Protection of Competition

Article (5):

The administrative entity shall notify the Competition Authority and the Authority for the Prevention of Monopolistic Practices if it becomes aware of the existence of any agreement, contract, exchange of information—directly or indirectly—or coordination through third parties, whether between any persons concerned with the Contracts Administration or other employees of the entity and any bidder, or between bidders among themselves, or between auction participants, or other dealing parties with the entity, as the case may be, which is likely to lead to any of the following:

- Increasing, decreasing, or fixing the prices of the products subject to the transaction.
- Division or allocation of markets on the basis of geographic areas, distribution centers, types of customers, types of products, market shares, or time periods.
- Coordination relating to participation in, or refraining from participation in, the various contracting processes. In determining the existence of coordination, guidance shall be taken from several indicia, in particular:
 - Submission of identical bids, including agreement on common rules for price calculation or for determining bid conditions.
 - Agreement regarding the person who will submit the bid, including prior agreement on the person to whom the bid will be awarded, whether by rotation, on a geographic basis, by reference to the administrative entities to which bids are submitted, or by reference to the offering administrative entity.
 - Agreement to submit sham (cover) bids.
 - Agreement to prevent a person from competing in the submission of bids.



Part One – General Provisions

Chapter Three – General Principles

Handling Complaints within the Administrative Entity

Article (6):

The Contracts Administration shall be obliged to examine complaints submitted to it, and it may seek the assistance of such specialists as it deems appropriate depending on the nature of the complaint submitted. It shall submit a detailed report to the competent authority setting out the outcome of its examination and the decisions reached for approval, all within a period not exceeding five days from the date of receipt of a duly complete complaint.

Where the complaint is found to be valid, the decision approved by the competent authority shall include the measures to be implemented to remove its causes and to take any recommended actions.

Upon approval by the competent authority of the decisions resulting from examination of the complaint, the Contracts Administration shall notify the complainant thereof, and the Public Procurement Complaints Office shall also be notified of such decisions, in addition to publishing them on the Public Procurement Portal.

Part One – General Provisions

Chapter Three – General Principles

Arabic Language

Article (7):

Arabic shall be the approved language for the book of conditions and specifications, contracts, all minutes, correspondence, and other documents related to the subject matter of the offering and contracting.



In processes where it is not possible to set out the technical specifications in Arabic in the tender documents, the technical specifications may be in another language, based on the opinion of the competent technical committee responsible for drafting them, as set out in its report including the reasons leading to such determination; and the technical specifications in bids shall be submitted in the same other language.

Where processes are offered abroad, the tender documents shall be in one or more other languages, with an Arabic translation, and it shall be stated that the Arabic text shall prevail in the event of conflict or ambiguity as to their content.

Part One – General Provisions

Chapter Three – General Principles

Official Correspondence

Article (8):

All communications and correspondence exchanged to and from administrative entities and parties dealing with or contracting with them—including notifications, decisions, minutes of sessions, and the like—shall be in writing and in a form that permits later reference. They shall be issued by persons authorized to do so on both sides, and evidence of receipt shall be retained. Exchange shall be affected by the means provided for in the Law and these Regulations and previously specified in the tender documents.

When communicating with dealing parties or contractors, the administrative entity shall include in the requests, tender documents, and other documents the following data:

- The form of communications and correspondence.
- The means used to transmit information.
- The means that may be used to hold sessions.



- The manner in which business community participants obtain the information necessary regarding electronic bid submission procedures, including any measures relating to information technology.

Subject to the items set out in the second paragraph of this Article, the Contracts Administration shall not discriminate between dealing parties and contractors in selecting the means and method of communication, the transmission of information, or its content. It shall publish its contact details on the Public Procurement Portal, including address, telephone number, fax number, email address, and the name of the person authorized to communicate with dealing parties and contractors. Where such details are amended, they shall be republished by the same means to inform them. Dealing parties and contractors with the public entity shall also notify the Contracts Administration of any amendment to their registered data immediately upon such amendment.

Where any of the procedures followed under the Law and these Regulations are automated, such procedures shall be replaced by the automated procedures.

Part Two – Principles of Contracting

Governing Principles of Contracting

Article (9):

In applying the provisions of the Law and these Regulations, the administrative entity shall take such measures as are necessary to ensure the achievement of equal opportunity and to enhance transparency, integrity, fairness, and equality in competition. In particular, it shall adhere to the following:

- To afford the opportunity to all interested dealing parties who satisfy the conditions set out in the Law and these Regulations to participate in tenders, practices/limited tenders, auctions of all types, direct contracting, requests for information, expressions of interest, prequalification, and competitions; and that procedures shall be based on the principles of publicity, equality, and equal opportunity, in implementation of Article (85) of the Law.



- Equal treatment of applicants, without bias in favor of any person and without discrimination among them, and enabling competition among those who satisfy the conditions required to apply, in accordance with the requirements predetermined in the tender documents.
- Preparation of a book of conditions and specifications that refers to all rules, provisions, procedures, and conditions provided for in the Law and these Regulations, and likewise in the case of contracting by direct agreement where the nature of the process so requires, prior to announcement or invitation to participate in all contracting methods provided for in the Law.
- Publication, on the Public Procurement Portal, of processes offered through all contracting methods provided for in Article (7) of the Law, except for processes where national security considerations require non-publication as determined by the competent authority; provided that the publication shall include the method of contracting, its conditions, the reasons justifying adoption of such method, the technical and financial evaluation method, and other data specified by the Law and these Regulations.
- Where amendments are introduced to the book of conditions and specifications due to public interest considerations or pursuant to a clarification session, notifying those who purchased it and those who submitted inquiries of such amendments without disclosing the identity of the inquirers, in addition to publishing them on the Public Procurement Portal.
- Stating the reasons for decisions issued regarding any contracting procedures and publishing them on the Public Procurement Portal website.



Principles and Fundamentals of Contract Planning and Preparation

Article (10):

When planning and preparing contracts, the administrative entity shall take into account the following principles and fundamentals:

- Commencing contract planning from the moment the need for the subject matter of the contract arises.
- Determining the method and approach of contracting, the qualifications and requirements required in the contractor, and the standards for market study and for preparing the estimated value.
- Establishing an expected timeline for the procedures of the process to be offered, provided that it includes realistic and not exaggerated timeframes, taking into account setting a minimum and maximum time limit for each step, including inquiries, amendment of process documents where necessary, and the exchange of relevant communications and correspondence, in a manner consistent with the provisions of the Law and these Regulations.
- Maximizing economic return and efficiency to the greatest extent possible through accurate needs analysis, the timing of contracting, comparison between different means of provision, grouping needs into homogeneous bundles, and other related measures.
- Determining the supply or execution period to be included in advance in the process conditions so as to meet the relevant needs, based on clear determinants; ensuring it is realistic so as to enable proper performance of the contract items; and taking into account prevailing conditions at the place of execution.



Part Two – Principles of Contracting

Balancing the Decision to Purchase or Lease

Article (11):

In preferring the choice between purchase and lease, the Contracts Administration shall base its recommendations on an analytical study covering the influencing factors, including the nature of the subject matter of the contract, its purpose, economic feasibility, duration and rates of use and consumption, operating cost, and other factors, and shall compare the total costs of the contract in the event of purchase or lease. Such study shall be submitted to the competent authority for it to decide as it deems appropriate.

Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section One – Sustainable Contracting, the Needs Plan, and Contract Planning Contracting for the Purpose of Sustainable Development

Article (12):

The administrative entity shall take into account the State's economic, social, and environmental policies announced by the Cabinet, starting from the stage of identifying needs, through the preparation of technical specifications, market study and estimated value, tender documents, prequalification and evaluation criteria, and monitoring contract performance, for the purpose of achieving economic, social, and environmentally sustainable development.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section One – Sustainable Contracting, the Needs Plan, and Contract Planning

Annual Needs Planning

Article (13):

The Contracts Administration shall correspond with all sectors, departments, units, and other bodies affiliated with the administrative entity to compile their requirements for the following fiscal year, in accordance with the templates prepared by the General Authority for Government Services for this purpose. It shall be ensured that the requested needs are actual and necessary for the conduct of work or production, based on realistic and objective studies. This shall be done after taking and completing the necessary market studies and requests for information to determine needs accurately in terms of quantities, specifications, and the required financial allocations, without increase or exaggeration, and after reviewing stock levels, consumption rates, and disbursement entitlements, and after aggregating needs and dividing them into homogeneous groups. It shall be prohibited to include in the needs plan items for which warehouses contain similar or alternative items that serve the purpose.

The estimated value of the needs included in the plan shall be determined in accordance with the bases set out in Articles (27), (28), and (154) of these Regulations, in a manner consistent with the nature of the process.

The Contracts Administration shall complete preparation of the public entity's needs plan sufficiently in advance of submission of its draft budget to the Ministry of Finance, and shall submit it to the competent authority for approval. It shall be published on the Public Procurement Portal, and the Ministry of Finance shall be notified of the approved needs plan for discussion and inclusion within the budget of the administrative entity, within the deadline specified for submission of the draft budget.

The Contracts Administration shall amend its needs plan in light of the financial allocations appropriated and approved for it, and shall resubmit it to the competent authority for approval in its final form, and publish it on the Public Procurement Portal upon the commencement of the fiscal year. The General Authority for Government Services shall be notified of this plan for the purposes of exercising its functions.



Cases where national security considerations require non-publication, as determined by the competent authority, shall be exempt from publication on the Public Procurement Portal.

The administrative entity shall ensure that it does not exceed the financial allocations assigned to it for meeting its needs in accordance with its plan, and shall comply with the time periods specified for offering and the contracting methods stated therein.

Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section One – Sustainable Contracting, the Needs Plan, and Contract Planning Planning and Commencement of Contracting Procedures

Article (14):

When planning and preparing any process, the following factors and steps shall be taken into consideration:

- Verifying the need for the subject matter of the contract, in coordination with sectors, departments, units, and other bodies within the entity, and clearly defining its requirements. This includes verifying whether the subject matter is available in the entity's warehouses or those of its affiliated entities, or can be provided pursuant to any relevant framework agreement where its terms so permit.
- Conducting market studies to identify different technical solutions and the size of registered specialists or qualified parties engaged in the activity that is the subject of the contract, and determining the best contractual terms consistent with market mechanisms and suitable for the entity. This also includes referring, for guidance, to prior processes, whether within the same entity or other entities.



- Ensuring the existence of updated and accurate financial estimates for the subject matter of the contract, and the availability of the required financing in the entity's budget; taking into account the State's economic, social, and environmental policies announced by the Cabinet; considerations of quality and cost; achieving the best value for public funds on the basis of the full life cycle of the subject matter of the contract; and including sustainable contracting requirements, prequalification conditions and criteria, technical and financial evaluation criteria, performance indicators, and other matters.

For the purposes of achieving best value for public funds, this means achieving the greatest benefit for the administrative entity in return for the money paid for the subject matter of the contract, through managing the contracting process efficiently and effectively.

- Considering, where possible, dividing needs into homogeneous groups within a single process, to maximize competition and broaden participation, in particular the participation of medium, small, and micro enterprises.
- Selecting the optimal method of contracting in accordance with the Law and these Regulations.
- Determining the technical and financial criteria for bid evaluation and other criteria with the aim of maximizing value for money.
- Determining any non-routine tasks required of the Contracts Administration in relation to the subject matter of the contract.
- Determining the contracting steps and updating them where necessary.

At a minimum, it shall include the following:

- A clear description of the subject matter of the contract.
- Selection of the template book of conditions and specifications and the standard form contract reviewed by the competent Fatwa (Advisory) Department of the State Council, and the addition of any other requirements deemed appropriate, in a manner consistent with the nature of the process being offered.
- Preparation of the expected timeline for the procedures of the process.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Two – Ensuring the Availability of Financial Allocations; Required Permits and Licenses

Availability of Financial Allocations

Article (15):

Entities subject to the provisions of the Law and these Regulations shall be prohibited from publishing on the Public Procurement Portal, and from announcing or issuing invitations, as the case may be, for any process to contract for the purchase or lease of movables or real estate, to contract for works (contracting), or to receive services, technical works, or consultancy studies, unless a financial allocation is available.

In emergency or urgent cases, or assignments required by the public interest, the administrative entity may conduct the relevant contracting after first coordinating with the Ministry of Finance or the Ministry of Planning, as the case may be, and ensuring the availability of the necessary financing.

Supply and recurring services contracts may be concluded for a period exceeding the fiscal year, provided that they do not result in an increase in obligations in any of the subsequent fiscal years beyond what is prescribed for the year of contracting.

Contracting in respect of investment projects included in the plan shall be within the limits of the approved total costs, and disbursement shall be made within the limits of the prescribed financial allocations.

It shall be prohibited to take any contracting procedures in the last month of the fiscal year with the intention of exhausting the financial allocations, except in exceptional cases necessitated by work requirements and subject to the approval of the competent authority.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Two – Compliance with Availability of Financial Allocations; Required Permits and Licenses

Permits and Licenses

Article (16):

Prior to offering any process for contracting, the administrative entity shall obtain the necessary approvals, permits, and licenses related to the subject matter of the offering from the competent authorities, in accordance with the laws and decrees requiring the same.

Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Three – Request for Information and Request for Expression of Interest

Request for Information

Article (17):

The Contracts Administration may issue, free of charge, a request for information in order to obtain information, proposals, or specifications newly available in the market, enabling it to take the appropriate decision to determine the administrative entity's needs accurately or to prepare the annual needs plan. A request for information shall not result in breach of the principles of non-discrimination or transparency, nor shall it limit the number of participants when the process is offered. The public entity shall maintain the confidentiality of the information submitted.



By a decision of the competent authority, a committee shall be formed comprising the expertise required according to the nature of the subject matter of the request for information, and including a member from the Contracts Administration. The committee may seek the opinion of any experts it deems appropriate in relation to the subject matter of the request; and where such experts are not available, it may seek assistance from such other administrative entities as it deems appropriate. The competent authority shall determine the deadline for the committee to complete its work.

The request for information shall be published on the Public Procurement Portal and announced in a widely circulated daily newspaper, or invitations shall be sent, as the case may be, to the largest possible number of persons engaged in the required activity who are registered as specialized registrants on the Public Procurement Portal. The request for information shall be issued in accordance with the template prepared by the General Authority for Government Services, and the Contracts Administration shall take the necessary measures to include therein the subject matter of the request, the conditions and rules for submission, and the basic data required from those engaged in the activity that is the subject of the request for information. In particular, the request shall include the following:

- The purpose of the request for information.
- The technical, financial, and administrative information required from the information provider.
- The specified date/time and place for receipt of responses.
- Any additional information or data the administrative entity considers important to obtain.

The Contracts Administration shall receive and register the responses submitted to it and deliver them to the committee for study. The committee may seek clarification from those who responded to the request for information, for the purpose of completing its study.

The Contracts Administration shall document all procedures taken and shall proceed in accordance with the results of the committee's work as approved by the competent authority.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Three – Request for Information and Request for Expression of Interest Request for Expression of Interest

Article (18):

Where the Contracts Administration wishes to identify potential participants or parties interested in entering into a specific process it intends to offer by any of the contracting methods, it may issue, free of charge, a request for expression of interest prior to commencing the offering of the process.

By a decision of the competent authority, a committee shall be formed comprising technical, financial, and legal members and including a member from the Contracts Administration. The committee may seek the opinion of any experts it deems appropriate in relation to the subject matter of the request; and where such experts are not available, it may seek assistance from such other administrative entities as it deems appropriate. The competent authority shall determine the deadline for the committee to complete its work.

The request for expression of interest shall be announced in a widely circulated daily newspaper, in addition to publication on the Public Procurement Portal. It shall be issued in accordance with the template prepared by the General Authority for Government Services, and the Contracts Administration shall take the necessary measures to include the following:

- The purpose of the request for expression of interest.
- The conditions and rules required for submission of the request.
- The basic data required from those engaged in the activity that is the subject of the expression of interest.
- A statement that the request for expression of interest shall not give rise to any rights for those who respond.
- Any other data the administrative entity deems necessary.



The Contracts Administration shall receive and register the responses submitted to it and submit them to the committee to examine them and study the supporting documents in accordance with the bases and criteria predetermined for expressions of interest, in a manner consistent with the nature of the process. The committee shall submit a report to the competent authority on the results of its work, together with a statement of potential participants or interested parties. If a sufficient number of them apply, the process shall be announced when offered; otherwise, a shortlist shall be prepared of those whose capabilities and experience are commensurate with the subject matter of the request.

The Contracts Administration shall document all procedures taken and shall proceed in accordance with the results of the committee's work as approved by the competent authority. It shall notify potential participants or interested parties of the outcome of the request for expression of interest, in addition to publishing the same on the Public Procurement Portal.

Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Four – Preparation of Technical Specifications

Committee for the Preparation of Technical Specifications

Article (19):

By a decision of the competent authority, a specialized technical committee shall be formed from among the personnel of the administrative entity possessing technical expertise related to the subject matter of the contract. Where such personnel are not available, the committee may seek assistance from such other administrative entities as it deems appropriate or from consulting offices. The number of committee members shall be not less than three and not more than seven, in a manner commensurate with the nature and size of the subject matter of the contract, unless the competent authority decides otherwise on the basis of clear and documented reasons. The competent authority shall determine the deadline for the committee to complete its work.



The committee shall develop the technical specifications, and in performing its work it shall take into account sustainable development standards, quality standards, and the required technical and qualitative characteristics of the subject matter of the contract, including tests, the method of bid evaluation, and any other data the committee considers necessary for the subject matter of the contract, in a manner that effectively and efficiently meets the needs of the administrative entity.

The committee shall prepare a report on the results of its work, including the reasons it deemed appropriate and the standards on which it relied. The report shall be signed by all members and delivered to the Contracts Administration for action.

With the approval of the competent authority, the Contracts Administration may offer its routine processes in accordance with unified standard specifications.

Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Four – Preparation of Technical Specifications

Technical Specifications for the Purchase or Lease of Movables

Article (20):

Subject to the nature of the required items, the technical specifications shall include the required functional, technical, chemical, or performance characteristics, and shall specify the type and duration of maintenance throughout the period of use, after-sales services, training, and any required warranties and spare parts, as well as what must be submitted in the technical offer, including catalogues, samples, and quality certificates, with specification of the tests required for technical inspection.

Where offering is conducted on the basis of samples, their weight, dimensions, or volume shall be stated. Where items are required to be supplied in packages, the type, capacity, and specifications of such packages shall be stated.



Reference to a particular trademark, trade name, patent, design, type, product, specific country, any number contained in suppliers' lists, or specifications applicable to special or distinctive models, or inclusion of any indication thereof, shall be avoided. An exception shall apply to items that cannot be described otherwise, provided that the phrase "or equivalent", "or similar", or "equivalent in performance" is added.

In processes whose nature requires supply, installation, operation, and training, all related tasks—technical and otherwise—shall be defined and described for each component. Likewise, where the nature of the process requires contracting with another party to carry out inspection or acceptance procedures at the place of performance, the technical details thereof shall be included within the offering conditions.

Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Four – Preparation of Technical Specifications

Description of Real Estate

Article (21):

Real estate required to be purchased or leased shall be described with precise technical description, including location, area boundaries, and the level of required fittings and finishes, all in a manner consistent with the intended purpose of use.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Four – Preparation of Technical Specifications

Technical Specifications for Works Contracts

Article (22):

Contracting for works shall be based on accurate and detailed drawings or technical specifications, including, as applicable, surveying, architectural, structural, electrical, sanitary, mechanical, and other drawings according to the nature of the process, and detailed bills of quantities derived from the drawings for all items of measurement. The execution period or the timeline/programme required for execution shall be specified, and variable items or their components shall be specified where the nature of the process so requires, in accordance with the list issued by the Ministry of Housing, Utilities and Urban Communities, in a manner consistent with the nature of the subject matter of the contract. Lump-sum items shall be avoided to the extent possible.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Four – Preparation of Technical Specifications

Description of Services and Technical Works

Article (23):

The service or technical work that is the subject matter of the contract shall be described in general terms, and shall include the tasks and the specified timelines, the required performance and quality standards for execution, the circumstances under which execution will take place, the requirements for the execution, training, or supervision team, the quality criteria on the basis of which execution may be evaluated, and other matters according to the nature of the process.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Four – Preparation of Technical Specifications

Committees for Lotting and Description

Article (24):

In cases of sale or lease of movables and real estate, and projects lacking legal personality, and the granting of licences for usufruct or exploitation, specialized committees shall be formed by a decision of the competent authority to classify, lot, and describe the subject matter of the contract, from among persons possessing technical expertise related to the subject matter of the contract. Where such persons are not available, the committees may seek assistance from such other administrative entities as they deem appropriate or from consulting offices. The number of members shall be not less than three and not more than seven, commensurate with the nature and size of the subject matter of the contract, unless the competent authority decides otherwise on the basis of clear and documented reasons. The competent authority shall determine the deadline for such committees to complete their work.



Part Three – General Rules on Offering and Contracting**Chapter One – Pre-Offering Stage****Section Four – Preparation of Technical Specifications****Technical Description for the Sale of Movables**

Article (25):

In cases of sale of movables, the items offered for sale shall be divided into lots consisting of homogeneous items, and a sufficient and precise description shall be provided to prevent any change that may occur in the components of the lots. In dividing items into lots, due regard shall be had to ensuring that the size of each lot is appropriate so as to allow the participation of the largest possible number of bidders, thereby preventing monopolistic practices.

Part Three – General Rules on Offering and Contracting**Chapter One – Pre-Offering Stage****Section Four – Preparation of Technical Specifications****Description of Real Estate and Projects**

Article (26):

In cases of sale or lease of real estate, or licensing of usufruct or exploitation of real estate and projects lacking legal personality, including tourist facilities and cafeterias, a precise description of the subject matter of the contract shall be prepared, taking into account the significance and distinctiveness of the location of the subject matter of the contract, its area, condition, age, construction cost, depreciation/consumption, and any trade name (if any).



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Five – Market Study and the Bases for Determining the Estimated Value or the Basic Price

Committee for Market Study and Determination of the Estimated Value or the Basic Price

Article (27):

By a decision of the competent authority, a committee shall be formed comprising technical and financial members from among the personnel of the administrative entity who possess expertise in the subject matter of the contract. The committee may seek assistance from such other administrative entities or consulting offices as it deems appropriate to perform its task, to conduct a market study and determine the estimated value or the basic price. The competent authority shall determine the deadline for the committee to complete its work, provided that the prohibition on conflicts of interest is observed.

The committee shall prepare the estimated value or the basic price for the process being offered on the basis of the market study, the announced and prevailing prices at the time of preparation, and indicators of potential developments therein, and by comparing prices for similar processes previously contracted. Due account shall be taken of the cost of materials, labor, and other costs, including equipment, transportation, and other fees, taxes, insurance, and any other expenses related to the process. The committee may also take into account the outcome of the committees' work concerning requests for information provided for in Article (17) of these Regulations.



The committee shall prepare a report on the results of its work, signed by its members, including the measures taken and the bases and criteria relied upon to reach the estimated value or the basic price, and taking into account the quorum prescribed in Article (29) of the Law for participation of a representative of the Ministry of Finance or a member of the competent Fatwa (Advisory) Department of the State Council, as the case may be. The committee shall submit its report to the competent authority for approval, while maintaining its confidentiality when taking the steps to submit it. After approval, the committee's report shall be kept in a sealed, securely closed envelope delivered to the Director of the Contracts Administration, and it shall not be opened except by the Chairperson of the Evaluation Committee when studying the financial offers. In auctions, the basic-price envelope shall be opened by the Chairperson of the Auction Committee, and the basic price for the subject matter of bidding shall be disclosed to the committee members after the completion of bidding thereon, then sequentially for any subsequent items, if any.

The competent authority shall notify the Contracts Administration, for the purposes of applying Article (61) of these Regulations, if the process being offered requires the participation of a representative of the Ministry of Finance or a member of the competent Fatwa (Advisory) Department of the State Council, as the case may be.

Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Five – Market Study and the Bases for Determining the Estimated Value or the Basic Price

Bases for Determining the Estimated Value

Article (28):

The estimated value for the purchase or lease of movables, contracting for works, and receipt of services and technical works shall be determined in a manner consistent with the nature of each process, in accordance with the following bases:

- Unit price analysis in terms of direct and indirect costs, including the cost of materials, labor, transportation, technology, and any other costs.



- Value-for-money criteria.
- The time period for performance of the contract.
- The expected level of competition upon offering the process.
- Availability of after-sales services.
- Risks, profit margin, fees, taxes, insurance, and any other expenses.
- Whether the subject matter of the contract is available in the market or produced specifically for the administrative entity.

And such other criteria as the committee deems appropriate to take into account.

The estimated value shall be itemized where the process is awarded item by item, and shall be total/aggregate in cases where the nature of the process so requires.

In cases of purchase or lease of real estate, the estimated value shall be determined in accordance with the distinctiveness and prominence of the location, the level of fittings/finishing of the property, and its area, taking into account the value of the land on which the property stands.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Five – Market Study and the Bases for Determining the Estimated Value or the Basic Price

Bases for Determining the Basic Price

Article (29):

The basic price for the sale or lease of movables shall be determined according to the condition of the subject matter of the contract, the cost of acquisition thereof, its useful life, and by reference to previous sale or lease prices.

In cases of sale or lease of real estate and projects lacking legal personality, and licensing of usufruct or exploitation of real estate and projects, including tourist facilities and cafeterias, the basic price shall be determined according to the distinctiveness and prominence of the location, the level of fittings, its area, condition, useful life, construction cost, depreciation/consumption, any trade name (if any), the value of fittings and contents, the revenue generated by operation or exploitation, and other elements affecting determination of the basic price, in a manner consistent with the nature of the subject matter of the contract.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Five (bis) – Valuation of Real Estate Assets through Real Estate Valuers Register of Real Estate Valuers

Article (29 bis):

Each administrative entity that may have a need to evaluate its real estate assets through real estate valuers registered with the Financial Regulatory Authority or accredited by the Central Bank of Egypt, in the cases prescribed by law, shall maintain a register for recording their names, data, and experience.

Such register shall be periodically updated by deletion or addition in accordance with their registration records with the Financial Regulatory Authority and the Central Bank of Egypt, and shall include a summary of the valuer's qualifications, prior specialized experience and its duration, a statement of the values of assets evaluated by him during previous years, and such other data and documents as may be determined by the entity or required under the governing laws, regulations, and decrees.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Five (bis) – Valuation of Real Estate Assets through Real Estate Valuers Formation of the Real Estate Valuers Selection Committee and Its Competences

Article (29 bis A):

By a decision of the competent minister or governor, as the case may be, a committee shall be formed comprising the Director of the Contracts Administration of the relevant administrative entity, together with the required specialized expertise from among the entity's personnel. The decision of formation may include members possessing experience from among the personnel of other administrative entities. The decision shall specify the assets subject to valuation and the deadline for completion of the committee's work.

The committee referred to in the first paragraph of this Article shall be competent to undertake the following:

(1) Establishing the valuation framework, as follows:

- Determining the governing considerations, parameters, and requirements for the subject matter of valuation, provided that they do not conflict with the Egyptian Standards for Real Estate Valuation issued by the Financial Regulatory Authority, and in a manner enabling the committee to analyze valuers' reports on unified bases. Such framework shall include, at a minimum, the purpose of valuation; a description of the property and its details, including its location, address, area, and contents (if any); urban planning data for the area in which the property is located; a statement of the legal nature of possession or title and the documents evidencing the same; and any other essential inputs, assumptions, or data that the committee deems significant and influential in the valuation process and wishes the valuers to take into account, in a manner consistent with the nature of the property subject to valuation.
- Establishing a proposed timetable for valuation procedures, including the date of inspection of the property by the valuers, and the date, time, and place for submission of their reports.



- Introducing any necessary amendments to the scope of work of the valuers, their tasks, and the parameters for preparation of their reports, or providing them with additional information, or any matters that arise and require examination by the valuers or consideration in preparing their reports, where necessary and after obtaining the approval of the competent minister or governor; provided that the committee notifies the real estate valuers thereof in writing sufficiently in advance of the deadline for submission of their reports.
- Obtaining confidentiality, conflict-of-interest, neutrality, and independence undertakings from the valuers to be contracted with prior to commencement of valuation tasks, in implementation of the Egyptian Standards for Real Estate Valuation issued by the Financial Regulatory Authority and the code of conduct contained therein, in addition to any other undertakings or restrictions the committee deems important for valuers to observe, provided that they do not conflict with the aforesaid standards.

(2) Selecting valuers, as follows:

- Determining the bases and criteria required to be met by valuers, enabling the committee to select competent valuers possessing the required experience commensurate with the subject matter of valuation.
- Inviting the largest possible number of valuers registered in the administrative entity's records who are registered with the Financial Regulatory Authority or accredited by the Central Bank of Egypt, and whose data are published on the websites of both the Authority and the Bank, to express their interest in participating in the valuation process. The committee shall print a copy of the relevant webpage containing such data at the time of taking this measure and retain it in the valuation file. The invitation shall include a brief and clear description of the subject matter of valuation—unless the committee deems non-disclosure appropriate—together with required qualifications, experience and its duration, track record, values of assets evaluated in previous years, and any other data or documents determined by the committee or required under the applicable laws, regulations, and decrees, as well as the place and deadline for submission of expressions of interest and supporting documents.



- Receiving expressions of interest and supporting documents, reviewing them, verifying that they include the required data and documents, selecting valuers possessing the required competence, capabilities, and experience in accordance with the pre-established selection criteria determined by the committee and commensurate with the importance, size, and nature of the property subject to valuation, and preparing a ranked preference list.
- Selecting the first three valuers in the ranked list to contract with them to carry out the valuation of the real estate assets specified in the decision of the competent minister or governor, and selecting the next valuer in the same list to be contracted with where the case provided for in the second paragraph of Article (15 bis) of the Law arises or where the report of any of the selected valuers is excluded. Due regard shall be given to the principle of rotation in selection, and to avoiding limiting selection to specific valuers or repeatedly selecting the same valuers on a continuous basis.
- Submitting the committee's report to the competent minister or governor, including the results of its work and its recommendations for approval and for directing notification of the Contracts Administration to take the necessary procedures to complete contracting with the selected valuers. The committee shall document all procedures taken and retain them in the process file. Upon conclusion of the contracts, the valuers shall be provided with a complete copy of the governing considerations, parameters, and requirements of the valuation process referred to in item (1) of this Article, in order to commence and complete their work in accordance with the specified timetable.

(3) Receiving and analyzing valuers' reports, as follows:

- The committee shall convene, on the date specified in the timetable, a meeting attended exclusively by its members to receive the envelopes containing the valuers' reports. The envelopes shall be opened sequentially after recording the condition in which they were received and verifying their integrity.



The committee shall verify that each valuer submitted his report in a sealed envelope on the specified date and time, that the report is duly signed and stamped by him, and that it demonstrates compliance with the valuation framework and tasks, the valuation method and approach followed, the inputs, assumptions, conclusions, and their justifications, the valuation date and the report preparation date, and the validity period and its conditions, in addition to the requirements of the applicable laws and regulations. Where any report is found to be materially non-compliant, it shall be excluded, and the Financial Regulatory Authority and the Central Bank of Egypt shall be notified accordingly. The committee shall then select another valuer in accordance with the preference list and contract with him.

The committee shall adopt the average of the three valuations as the weighted valuation value, unless it is determined, upon comparison, that the variance between the lowest and highest valuations exceeds **twenty percent (20%)**. In such case, the committee shall meet with the valuer whose valuation is deemed inconsistent to clarify and discuss the reasons. Where more convergent values representing market value and serving the public interest are reached, without exceeding the said variance, the committee shall prepare minutes recording the procedures taken, the conclusions reached, and their basis, to be signed by the valuer and the committee members at the end of the meeting. Where the variance exceeding **20%** persists, the valuation shall be assigned to the fourth valuer next in the preference list within two weeks from the date of receipt of the valuation reports, to conduct an independent valuation under the same scope, tasks, and requirements. In such case, the average of the four valuations shall be adopted as the weighted valuation value, unless the fourth valuation is lower than the average of the first three valuations.

(b) The committee shall submit a confidential report on the results of its work to the competent minister or governor, signed by its members, including the weighted valuation value, the procedures followed to reach it, and its recommendations and reasons, for approval or for such decision as he deems appropriate.



Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Five (bis) – Valuation of Real Estate Assets through Real Estate Valuers Payment of Valuers' Fees

Article (29 bis B):

The administrative entity shall pay the fees of the valuers whose reports have been accepted within a period not exceeding thirty days from the date on which the committee submits its report to the competent minister or governor, in accordance with the brackets determined and periodically updated by a decision of the Minister of Finance.

Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Six – Provisional Bid Security and Its Forms; Offering Memorandum Determination of the Provisional Bid Security Amount

Article (30):

In processes for the purchase or lease of movables, contracting for works, and receipt of services, technical works, and consultancy studies, the amount of provisional bid security shall be determined in a manner consistent with the nature and size of the process, provided that it shall not exceed **one and a half percent (1.5%)** of the estimated value.

In processes for the purchase or lease of real estate, the amount of provisional bid security shall be determined in a manner consistent with the nature of the process, provided that it shall not exceed **one half percent (0.5%)** of the estimated value.

In processes for the sale or lease of movables and real estate, and for licensing of usufruct or exploitation of real estate and projects lacking legal personality, the provisional bid security amount shall be determined according to the nature and importance of the auction.



In all cases, exaggeration in determining the provisional bid security amount shall be avoided so as to allow the participation of the largest possible number of persons engaged in the relevant activity. The committee responsible for preparing the estimated value or the basic price, as the case may be, shall propose the provisional bid security amount in a separate memorandum signed by its chairperson and members and attached to its report. The amount shall be determined and approved by the competent authority, and the Director of the Contracts Administration shall be notified to take the necessary measures. The tender documents shall include the amount of the provisional bid security.

Part Three – General Rules on Offering and Contracting

Chapter One – Pre-Offering Stage

Section Six – Provisional Bid Security and Its Forms; Offering Memorandum Forms of Provisional Bid Security, Payment, and Replacement

Article (31):

The provisional bid security shall be paid by any of the means determined by a decision of the Minister of Finance, including electronic payment methods through the electronic payment and collection system, or by either of the following two forms:

- By means of a letter of guarantee issued by an approved local bank, without any restriction or condition, whereby the bank undertakes to pay, upon the order of the administrative entity, an amount equal to the required security. The administrative entity shall verify that the issuing bank or branch has certified that it has not exceeded the maximum limit prescribed for the aggregate amount of letters of guarantee it is licensed to issue. Where it is established, upon review of notifications from the Central Bank, that the bank has exceeded such limit, the administrative entity shall immediately notify the bank to pay the value of the letter of guarantee within a period not exceeding three working days. Letters of guarantee issued by foreign banks shall be accepted provided that they are endorsed as accepted by an approved local bank, which shall undertake to pay the administrative entity an amount equal to the required security in full upon first demand, without regard to any objection by the bidder.



- The bidder may request that the provisional bid security, or part thereof, be paid by deduction from amounts due to him in respect of other processes at the same administrative entity or other administrative entities subject to the Law, provided that such amounts are payable as of the date of the technical envelope opening session. The bidder shall submit, together with the request, an approved and stamped document issued by the competent department of the administrative entity with which amounts are due to him, addressed to the administrative entity to which the bid is submitted and relating to a specific process, confirming acceptance of the deduction and undertaking to retain the deducted amount on account of the required provisional bid security until approval of disbursement or request for release by the receiving entity.

With the approval of the competent authority and upon the bidder's request, the provisional bid security paid under this Article may be replaced by another form provided for herein, provided that the validity period of the security is not interrupted and without prejudice to the bidder's liability for the purpose for which the security was provided.

The provisional bid security shall be refunded in the cases stipulated in the Law and these Regulations by the same means by which it was paid.

The tender documents shall specify, with precision, the forms of payment and refund of the provisional bid security.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Three – Clarifications and Inquiries

Submission of Clarifications

Article (42):

The book of conditions and specifications shall specify the deadlines for submitting clarifications and for responding thereto, taking into account the deadline prescribed for submission of bids and allowing sufficient opportunity to conduct any necessary site visits, where the nature of the process so requires.

A potential bidder, or any person who has purchased the book of conditions and specifications, shall have the right to request, in writing, any clarifications regarding its contents, starting from the date of publication of the process on the Public Procurement Portal website and up to a maximum of ten (10) days prior to the date set for the technical envelope opening session as indicated in the tender documents.

The Contracts Administration shall respond not less than seven (7) days prior to the date of opening of the technical envelopes.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Three – Clarifications and Inquiries

Clarification Session

Article (43):

In cases where a clarification session is to be held, the competent authority shall form a committee comprising technical, financial, and legal members and a member from the Contracts Administration. Its task shall be to receive inquiries in writing prior to the date set for the clarification session and in accordance with the time limits specified in the book of conditions and specifications.

The said committee shall examine the inquiries submitted to it and shall prepare minutes of the session recording the questions and clarifications raised and the responses provided. Based on the outcome of its examination, it shall submit its minutes and conclusions, including any amendments to the book of conditions and specifications or the timetable, where necessary.

Upon approval by the competent authority of the committee's minutes, the Contracts Administration shall notify, in writing, the persons who submitted inquiries or requests for clarification and those who purchased the book of conditions and specifications, without disclosing the identity of the inquirer, within a period not exceeding three (3) days from the date of the amendments or the clarification session. The period between such notification and the date set for opening the technical envelopes shall not be less than seven (7) days. The necessary clarifications and amendments shall also be published on the Public Procurement Portal, and such amendments shall be deemed an integral part of the book of conditions and specifications and shall be binding on all bidders.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Four – Preparation, Submission, and Safekeeping of Bids

Preparation of Bids

Article (44):

The bidder shall bear all costs of preparing and submitting its bid and all related tasks. The administrative entity shall not, under any circumstances, bear any liability for such costs, regardless of the outcome of the process.

Bids shall be signed by their submitters in accordance with the conditions specified in the tender documents and shall be submitted on the bid form included in the book of conditions and specifications. The type of each of the technical and financial envelopes shall be indicated on the outside of each. The envelopes shall be placed inside a sealed outer envelope in a secure manner, indicating thereon the name of the administrative entity, the address of its Contracts Administration, and a statement that it contains the technical envelope and the financial envelope, together with the name and number of the process and the date of the technical envelope opening session, as well as the bidder's name.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Four – Preparation, Submission, and Safekeeping of Bids

Submission of Bids

Article (45):

Bids shall be delivered to the Contracts Administration before the date or time specified for opening the technical envelopes, either by hand, by express mail through the National Postal Authority, or by electronic means where the conditions of the process permit.

The bidder shall not strike out any item of the bid or the technical specifications, nor make any amendment thereto of whatever kind, after submission. If the bidder wishes to submit any technical observations, it shall record them in a separate letter and deliver it to the Contracts Administration before the time specified for opening the technical envelopes. The bid shall remain valid and irrevocable from the time of its submission—regardless of the time of receipt by the administrative entity—until the end of the period specified for bid validity.

Where the bid is submitted by the bidder, its authorized representative (upon submission of the relevant authorization), or its agent, the Contracts Administration shall sign a receipt evidencing delivery and indicating the date and time of receipt. Where bids are received by express mail through the National Postal Authority, the employee of the Contracts Administration shall sign the Authority's delivery receipt and retain a copy thereof.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Four – Preparation, Submission, and Safekeeping of Bids

Bid Submission Period

Article (46):

In determining the period for submission of bids, the Contracts Administration shall ensure that bidders are given sufficient time to study the book of conditions and specifications and to complete the documents required for submission of their bids, in accordance with the nature and size of the process being offered. The bid submission period shall be determined as follows:

- For public tenders, public practices (public negotiated procedures), public open auctions, and auctions by sealed envelopes: a period of not less than twenty (20) days calculated from the date of publication in a daily newspaper. By way of exception, with the approval of the competent authority, the said period may be shortened in duly justified and documented urgent cases, provided that it shall not be less than fourteen (14) days.
- For limited tenders, local tenders, limited practices, limited auctions, and local auctions: a period of not less than fourteen (14) days calculated from the date of dispatch of the invitation. By way of exception, with the approval of the competent authority, the invitation period may be shortened in duly justified and documented urgent cases, provided that it shall not be less than ten (10) days.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Four – Preparation, Submission, and Safekeeping of Bids Amendment of the Bid Submission Period

Article (47):

Where the administrative entity deems it necessary, it may postpone the date for opening envelopes or holding the auction session, as the case may be.

Any person who has purchased the book of conditions and specifications may, at least three (3) days prior to the date set for opening the technical envelopes or the auction session, submit a written, reasoned request to the Contracts Administration to extend the bid submission period. The Contracts Administration shall submit to the competent authority the outcome of its examination and obtain its approval where it proposes an extension and postponement of the opening/auction date, as the case may be, or shall submit the reasons it deems appropriate for not postponing the date.

In all cases of postponement of the date of opening envelopes or holding the auction, as the case may be, the approval of the competent authority shall be obtained and the process shall be republished on the Public Procurement Portal and announced or invitations resent, as applicable, provided that the postponement period shall not be less than half of the period previously specified for opening the technical envelopes, calculated from the date of the announcement or invitation.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Four – Preparation, Submission, and Safekeeping of Bids Safekeeping of Bids and Samples

Article (48):

The Director of the Contracts Administration shall ensure that all bids and samples received are kept securely in a manner that does not permit access to their contents or opening thereof, even inadvertently. It is prohibited to open bids prior to the date set for the envelope opening session, and it shall not be permissible to disclose the number of bids received or any information regarding bidders prior to the convening of the technical envelope opening session.

The Director of the Contracts Administration shall deliver samples to the Stores/Warehouses Department for safekeeping, and they shall be handled in a confidential and secure manner that does not lead to disclosure of their characteristics prior to opening the envelopes.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Five – Technical Envelope

Contents of the Technical Envelope in Processes for the Purchase or Lease of Movables, Works Contracts, or Receipt of Services and Technical Works

Article (49):

In processes for the purchase or lease of movables, contracting for works, and receipt of services and technical works, the technical envelope shall contain proof of payment of the required provisional bid security, in addition to the data and documents stipulated in the book of conditions and specifications, and in particular—depending on the nature of the process offered—the following:

- A statement of the legal nature of the bidder and its beneficial owner, and supporting documents. In this regard, for companies, an approved copy of the memorandum of association or articles of association, or the share capital structure as last amended, shall be sufficient; and for bidders other than companies, any other ownership-related data or documents.
- Registration data in records relevant to the activity subject to the contract, such as the commercial register, industrial register, importers' register, and other registers where registration is legally required.
- Data and experience of the bidder and any subcontractors to whom the bidder may entrust some items of the process, in accordance with the book of conditions and specifications.
- Documents evidencing previous works of the same subject matter of the contract.
- Data on the names, positions, and experience of the personnel who will be assigned to execution and supervision of execution of the process.
- Documents evidencing the existence of a valid approved maintenance center.



- A statement of the sources and types of materials, supplies, and devices used in execution.
- A valid tax card and the most recent tax return.
- A valid membership card of the Egyptian Federation for Construction and Building Contractors.
- An undertaking that the percentage of Egyptian industrial component shall not be less than forty percent (40%) in works contracts.
- A declaration undertaking to insure labor, where the nature of the process so requires.
- A declaration of commitment to the contents of the book of conditions and specifications.
- Proof of purchase of the book of conditions and specifications.
- The percentage of any advance payment requested for performance of the subject matter of the contract and the proposed uses thereof, where the book of conditions and specifications so provides.
- The method of execution and the schedule/programme for supply or execution and its duration.
- Catalogues and data regarding the sources and types of materials, supplies, equipment, and devices offered.
- A list of spare parts and operating requirements, indicating their consumption rates.
- Price variation coefficients for items or their components set out in the book of conditions and specifications, in works contracts where required.

And such other data as the book of conditions and specifications may include.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Five – Technical Envelope

Contents of the Technical Envelope in Processes for the Purchase or Lease of Real Estate

Article (50):

In processes for the purchase or lease of real estate, the technical envelope shall contain the following:

- An approved copy of documents evidencing ownership.
- A negative certificate confirming that the property is free from any mortgages, seizures, or third-party rights.
- A report approved by a consulting engineer confirming the structural and architectural soundness of the property and its suitability for the required purpose.
- A copy of the permits/licences issued by the competent authorities for construction of the property.
- A set of engineering drawings approved by a consulting engineer confirming that they correspond to what exists on the ground and to what is offered.
- A certificate issued by the competent administrative authority for planning and organization within whose jurisdiction the property is located, confirming that there are no violations relating to the property.
- A statement of the specifications of the offered property and its fittings/equipment.
- The period within which the property will be delivered to the administrative entity fit for use in accordance with its requirements.



- A declaration by the property owner assuming full responsibility for the safety of the property and agreeing to carry out any modifications or additional works that may be requested by the administrative entity, for the purpose of unifying responsibility, and undertaking to execute such works in accordance with the instructions of the competent technical authorities, with settlement to be made by reference to market prices.

And such other data as the book of conditions and specifications may include.

Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Six – Financial Envelope

Contents of the Financial Envelope in Processes for the Purchase or Lease of Movables, Works Contracts, or Receipt of Services and Technical Works

Article (51):

In processes for the purchase or lease of movables, contracting for works, and receipt of services and technical works, the financial envelope shall contain the following:

- Price lists and schedules of rates and quantities.
- The method of payment and the values of maintenance, spare parts, operating requirements, and other elements affecting the financial value of the offer.
- A valid certificate evidencing compliance with the Egyptian industrial component percentage, in contracts for the purchase of movables.

And such other data as the book of conditions and specifications may include.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Six – Financial Envelope

Contents of the Financial Envelope in Processes for the Purchase or Lease of Real Estate

Article (52):

In processes for the purchase or lease of real estate, the financial envelope shall contain the following:

- The sale price or rental value and its ancillary charges to be borne by the administrative entity.
- The method of payment.

And such other data as the book of conditions and specifications may include.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Six – Financial Envelope

Requirements for Preparing the Financial Envelope in Processes for the Purchase or Lease of Movables, Works Contracts, or Receipt of Services and Technical Works

Article (53):

In processes for the purchase or lease of movables, contracting for works, and receipt of services and technical works, the bidder shall, when preparing the price list and the schedule of rates to be placed in the financial envelope, observe the following:

- Prices shall be written in figures and in words in Arabic. The unit price for each item shall be as recorded in the schedule of rates by number, weight, dimension, or otherwise, without change or amendment to the unit. Where the bid is submitted by an individual or a company abroad, prices may be stated in a foreign currency; for comparison purposes, they shall be converted into Egyptian pounds at the exchange rate announced by the Central Bank of Egypt on the date of opening the technical envelopes.
- The price list and schedules of rates shall be dated and signed by the bidder.
- No erasures, deletions, or insertions shall be made in the schedule of rates; any correction to prices or otherwise shall be rewritten in figures and in words and signed alongside.
- Where the bidder's financial offer omits the price of an item required to be supplied in the submitted price list, such omission shall be deemed a refusal to participate with respect to that item. In works contracts, the administrative entity may—without prejudice to its right to exclude the bid—insert, for the item for which the bidder failed to state a rate, the highest rate for that item among the accepted bids for comparison with other bids; and if the process is awarded to that bidder, it shall be deemed to have accepted settlement on the basis of the lowest rate for that item among the accepted bids, without any right to dispute the same.



- The rates specified by the bidder in the schedule of rates shall include and cover all expenses and obligations of any kind incurred in respect of each item, and shall include completion of supply of the items, performance of the subject matter of the contract, delivery to the public entity, and safeguarding thereof during the warranty period in accordance with the contract conditions. Final settlement shall be made by applying such rates regardless of market fluctuations, currency fluctuations, customs tariffs, and any other taxes or fees.

In all cases, no claim by the bidder of an error in its bid shall be considered if made after opening of the technical envelopes.

Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Six – Financial Envelope

Requirements for Preparing the Financial Envelope in Case of Procurement from Abroad

Article (54):

Supply of items imported from abroad shall be made at the dates and places stated in the price list, in accordance with the offering conditions. In setting its prices, the bidder shall observe the international commercial terms (INCOTERMS), including, by way of example, the following:

- Where delivery is on board the vessel at the port of shipment (FOB), the price stated in the bid shall include all types of packaging and the costs of transportation to the ship's side/on board.
- Where delivery is C&F or CIF or at the port of arrival, the price shall include, in addition to what is stated in item (1), sea or air freight and the costs of unloading from the vessel or aircraft, and shall also include insurance in the case of CIF or port of arrival.



In both cases, where the bidder stipulates that the administrative entity shall pay the price by means of a documentary credit opened by it for the bidder's account or the account of its clients abroad or domestically, the bidder shall bear the costs of opening the documentary credit and shall specify the amounts to be transferred abroad, stating the currency and the source country/supplier.

However, the competent authority may, upon submission by the Evaluation Committee, approve that the public entity bears the costs of opening the documentary credit where the bidder stipulates the same, provided that this condition is taken into account when comparing and preferring between offers in terms of the conditions presented and prices.

Where delivery is to the warehouses of the administrative entity, the price shall include—in addition to what is stated in item (2)—customs duties, all other fees, value added tax, and other taxes applicable as of the date of bid submission, and inland transportation costs, such that the items are delivered to the warehouses of the public entity free of all taxes, duties, and expenses.

Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Seven – Death of the Bidder; Subcontracting

Death of the Bidder

Article (55):

In the event of the death of the bidder, where the bidder is a natural person, the owner of a single-person company, or a partner holding a controlling interest enabling him to influence the taking of a decision related to the bid prior to award, the competent authority may, upon submission by the Contracts Administration, exclude the bid submitted by him and refund the provisional bid security, or permit the heirs to continue the procedures provided that they appoint a representative on their behalf pursuant to a power of attorney with authenticated signatures, approved by the competent authority. Such representative shall, to the exclusion of all others, remain responsible before the public entity for implementation of the procedures.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Seven – Death of the Bidder; Subcontracting

Article (56):

The administrative entity may permit the bidder to subcontract certain items of the process subject of contracting, provided that such items do not constitute the greater or essential part of the process. Such permission shall be based on a documented study prepared by the Contracts Administration, derived from its market study and in accordance with the nature of the process, and approved by the competent authority as part of the process procedures. The book of conditions and specifications shall identify such items and any related parameters and requirements.

Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Seven – Death of the Bidder; Subcontracting

Parameters and Requirements for Subcontracting

Article (57):

The bidder shall include in its technical offer the items it intends to subcontract, and its bid shall include the subcontractors' particulars and experience and the scope to be assigned to them, in accordance with the parameters and requirements set out in the book of conditions and specifications, including in particular the following:



- The particulars and experience of the proposed subcontractor(s) and supporting documents.
- A statement as to whether they are medium, small, or micro enterprises, together with evidence thereof.
- That they are not recorded in the Register of Persons Prohibited from Dealing maintained by the General Authority for Government Services.
- That they are qualified and duly licensed/authorized to perform the work subject of contracting.
- A declaration undertaking to ensure labor in accordance with the applicable social insurance laws, where the nature of the process so requires.

And such other parameters and requirements as the administrative entity deems necessary.

During the contract period, the contractor may replace any subcontractor to whom certain items have been assigned if it has justified reasons for doing so, provided that the replacement subcontractor is of equivalent technical competence and experience and subject to the approval of the competent authority.

Subcontracting shall not relieve the contractor of its contractual responsibility; the contractor shall remain solely responsible for any acts, works, or errors in performance of the contract. The contractor shall also ensure that each subcontractor is informed of the contract conditions relevant to the items assigned to it.



Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Eight – Contracting with Employees of the Administrative Entity; Bid Validity Limits and Rules for Contracting with Employees/Personnel of the Administrative Entity

Article (58):

Where the administrative entity contracts with one of its employees or personnel to purchase books authored by them, or to commission or purchase from them technical works related to the entity's official business, the following limits and rules shall be observed:

- Providing them and others with the opportunity to submit offers.
- That there is no employee or personnel member capable of performing the required work within the scope of his/her official duties.
- That the required work does not fall within the employee's/personal member's job responsibilities and is not deemed an extension thereof.
- Obtaining the necessary approval from the competent authority for an amount not exceeding EGP 20,000, and obtaining the opinion of the General Authority for Government Services for any amount exceeding that. As for school textbooks, the Minister of Education shall have the authority to approve their purchase in accordance with these Regulations, unless the employee/personnel member has sold the printing and publishing rights to a bookstore or an individual under a contract of fixed date at least six months prior to the purchase.

With respect to the purchase of authorship, printing, or publishing rights, it shall be required that the author be closely related to the work of the administrative entity, that there be a pressing need to obtain such rights, and that the required number of copies not be less than three thousand (3,000), unless the work was prepared specifically at the request of the administrative entity, in which case the number may, where necessary, be less.



It shall also be required that a committee composed of specialists in the subject matter of the work examine the book, assess its scientific value, and propose the amount to be paid for such purchase. In assessing value, due regard shall be had to the number of required copies and the period of benefit from such right. The purchase shall be approved by a decision of the competent authority for an amount not exceeding EGP 20,000, and after obtaining the opinion of the General Authority for Government Services for any amount exceeding that.

The purchase of authorship, translation, printing, or publishing rights by Al-Azhar and the Ministry of Education shall be in accordance with rules to be issued by a decision of the Prime Minister.

Part Three – General Rules on Offering and Contracting

Chapter Two – Offering Stage

Section Eight – Contracting with Employees of the Administrative Entity; Bid Validity

Determination of Bid Validity Period

Article (59):

Subject to the periods stipulated in Article (27) of the Law, the Contracts Administration shall, through its coordination with the relevant committees, ensure that the book of conditions and specifications includes an appropriate bid validity period that is sufficient and suitable, having regard to the nature and size of the process, so as to enable the technical and financial committees to complete the examination, study, evaluation, and comparison of bids to the extent necessary to complete the offering and contracting procedures in accordance with the specified timetable, and in a manner consistent with the timing required to provide the subject matter of the contract.



Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section One – Committees

Formation of Committees

Article (60):

Committees shall be formed in accordance with Article (28) of the Law, and shall be chaired by an employee whose grade and experience are commensurate with the value, importance, and nature of the process. The committee shall include a member from the Contracts Administration and a member from the requesting/beneficiary department. The competent authority may add one or more members from the administrative entity or otherwise, up to a maximum of three (3) members, depending on the nature and importance of the process. In all cases, the number of committee members shall not exceed fifteen (15). Evaluation Committees shall have a technical secretariat from among their members.

The Contracts Administration shall notify, in writing, any person nominated with the approval of the competent authority to commence his duties. Such notification shall include the subject matter of the process, the date and place of committee meetings, and the timetable for completion of their work.



Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section One – Committees

Attendance and Participation in Committee Work

Article (61):

Subject to the financial quorum stipulated in Article (29) of the Law, reference shall be made to the General Authority for Government Services with respect to requests for nomination of representatives of the Ministry of Finance to serve on committees for opening envelopes and evaluating bids in tenders, and on committees for practices (in all forms), as well as committees for sale, lease, licensing of usufruct, or licensing of exploitation, convened at all administrative entities and departments within the governorates of Cairo, Giza, and Qalyubia.

As for ministerial headquarters, local administration units, regional universities and their colleges, branches of public authorities in the governorates, and other administrative entities located within each governorate other than Cairo, Giza, and Qalyubia, nominations shall be made by the financial controllers of the ministries and the financial directors of the governorates, as the case may be.

Due regard shall be given to ensuring that the functional level and experience of the Ministry of Finance representatives are commensurate with the importance and nature of each process, and to ensuring separation between the Ministry of Finance's membership in committees and the review of committee procedures. Such representatives shall verify the correctness of contracting procedures conducted by the administrative entities in accordance with the Law and these Regulations.

The Contracts Administration shall notify the Ministry of Finance representative, or the member of the competent Fatwa (Advisory) Department of the State Council, as the case may be, or the representative of the Ministry of Housing, of the scheduled dates for the work of such committees at least ten (10) days prior to the convening date, to enable commencement of their duties. A copy of the process documents shall be enclosed with the notification, which shall specify the date, time, and place of the committee meeting. As for dates for completing the committee's work, they shall be fixed in writing in coordination with them sufficiently in advance of the convening date.



Where the committee meeting cannot validly convene on the scheduled date, bids shall be received and kept sealed by the Director of the Contracts Administration, and this shall be recorded in minutes signed by the committee chairperson and members and submitted to the competent authority to request rescheduling to the next working day, with notification of committee members and bidders of the new date, in addition to publication on the Public Procurement Portal.

Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division One – Technical Evaluation Procedures

Opening of Technical Envelopes

Article (62):

Technical envelopes shall be opened at the time and place specified in the book of conditions and specifications, in a public open session attended by any bidders who wish to attend. Bidders may authorize a representative to attend on their behalf, provided that the relevant authorization is presented.

The Director of the Contracts Administration shall deliver to the chairperson of the Envelope Opening Committee the process file and the bids kept in his custody. The committee members shall review the contents of the process file before the session begins to verify the correctness and integrity of the procedures previously taken by the Contracts Administration. The committee shall take the following actions:

- The chairperson shall open the envelopes at the time and place specified in the book of conditions and specifications and record the condition in which the bids were received after verifying their integrity.
- Verify that the bid was submitted by the bidder or its authorized representative, provided that proof of authorization is submitted.



- Count the bids and record their number in the envelope opening minutes.
- Verify the submission of two separate envelopes for each bid—one for the technical offer and one for the financial offer—and record this in the envelope opening minutes.
- Number the bids in the form of a fraction, with the numerator being the bid number and the denominator being the total number of bids received, and record the number of each bid on the technical envelope and on the financial envelope, which shall be kept sealed.
- Return the financial envelopes, after signing them without opening them, to the Director of the Contracts Administration for safekeeping.
- Open the technical envelopes sequentially; as each envelope is opened, the chairperson shall mark the bid number on it and on every document contained therein.
- Number the documents within each envelope and record the number of such documents.
- Read aloud to attendees (bidders or their authorized representatives) the bidder's name, the amount of the provisional bid security, the method of payment thereof, and other contents of the technical envelope.
- The chairperson and members shall sign the technical envelope and every document contained therein.
- Place a red circle around any erasure or correction in the data contained in the technical envelope; each such erasure or correction circled in red shall be recorded in detail and signed by the chairperson and all members.
- The chairperson and all members shall sign the committee minutes after recording all the foregoing steps in the register prepared for that purpose.
- Deliver letters of guarantee, receipts evidencing payment of the provisional bid security, or substitute declarations in lieu thereof to the committee's financial



member to take the necessary action.

- Attach the technical envelopes and all documents submitted therein to the committee minutes and deliver them to the Director of the Contracts Administration for safekeeping.
- Review samples previously submitted by bidders against the register in which they were recorded upon receipt, after verifying the integrity of their seals and packaging. The chairperson and all members shall sign the register, and shall also sign any samples submitted with the technical envelopes after recording them in a special register. All samples shall be delivered to the Director of the Contracts Administration in the same manner as bid documents.

The Envelope Opening Committee shall complete all its work in the same session. It shall have no authority to exclude any bid, to request bidders to correct errors or remedy observations in their bids, or to take any decisions relating to the submitted bids. Its role shall be limited to documenting the contents of the envelopes and any irregularities in the procedures preceding its work.

The Contracts Administration shall publish the minutes of the technical envelope opening session on the Public Procurement Portal immediately upon completion of the committee's work and after verifying that the minutes have been signed by the chairperson and members.



Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division One – Technical Evaluation Procedures

Handling of Late Bids

Article (63):

Any bid received after the time specified for opening the technical envelopes in the book of conditions and specifications shall, upon receipt, be immediately submitted to the chairperson of the Envelope Opening Committee to mark on it the date and time of receipt, without opening it. It shall then be entered in the register of late bids and numbered in the form of a fraction, with the numerator being the bid number and the denominator being the total number of late bids.

The Evaluation Committee shall exclude late bids, and the Contracts Administration shall return them to their submitters within a period not exceeding two (2) days from the committee's decision.



Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division One – Technical Evaluation Procedures

Handling of Samples

Article (64):

The Contracts Administration, in coordination with the Stores/Warehouses Department, shall sort the samples of each item and record them in the samples register. The register shall state the date of the process and its type. The Director of the Contracts Administration shall immediately, or at most within the following two (2) days from the date the Evaluation Committee completes the formal (prima facie) examination, dispatch for technical examination any samples that require referral to the competent technical authority, so that the required technical examination may be conducted expeditiously, taking into account the bid validity period and the time required to complete the evaluation procedures and issue the award notification. Upon receipt of the related reports, all data shall be entered in the said register opposite each sample for submission to the Evaluation Committee.

It shall be verified that the submitted samples conform to the bids' specifications and are suitable for the intended purpose, by visual inspection, technical examination, laboratory analysis, or practical testing, as the case may be, to be conducted by the administrative entity or any entity subject to the Law. The Director of the Contracts Administration shall assign confidential numbers to the samples, taking into account the instructions of the examining entity, and shall send with them a detailed statement listing their components, the purpose for which the item is to be supplied, and the required quantity.

Any confidential numbers, seals, and signatures affixed to the samples shall be clearly indicated to distinguish them and to ensure that they are not replaced, and the scheduled date for deciding the process shall be stated so that the examining entity may complete the examination and provide the Contracts Administration with the result sufficiently in advance of that date to allow bids to be studied in light of the examination results and for the necessary recommendations to be submitted to the Evaluation Committee on time.



The technical examining entity shall examine and test samples sequentially, stamp them, assign additional confidential numbers to distinguish them, and send a detailed report of the result stating whether they conform to the specifications and indicating the quality percentage for each analyzed sample. The Director of the Contracts Administration shall ensure that the laboratory reports received successively are kept in the process files after recording them in the designated register and before submission to the Evaluation Committee, and shall annotate each report with the file number in which it is kept.

Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division One – Technical Evaluation Procedures

Formal Examination and Tabulation of Technical Offers

Article (65):

The Director of the Contracts Administration shall deliver to the chairperson of the Evaluation Committee the bids kept in his custody and the minutes of the technical envelope opening session. The committee shall take the following actions:

- Conduct a formal examination of the bids and verify that they satisfy the legal form requirements in accordance with the tender conditions.
- Exclude late bids and other bids not fit for consideration, including bids not signed by their submitters, incomplete bids, bids that do not satisfy the provisional bid security requirement, bids whose submitters are not registered on the Public Procurement Portal, bids whose submitters are recorded in the Register of Persons Prohibited from Dealing maintained by the General Authority for Government Services, bids that fail to include price variation coefficients in works contracts where required by the tender conditions, and bids submitted in violation of the prohibition set out in Article (33) of the Law.



The Evaluation Committee shall prepare minutes recording the results of the formal examination, including the reasons for exclusion, to be signed by the chairperson and members and kept in the process file.

- The chairperson of the Evaluation Committee shall instruct the technical secretariat to tabulate the technical offers of bids satisfying the legal form requirements, using the designated form in three copies. The technical offers being tabulated shall be securely kept at the end of each day until completion of the tabulation. All observations and conditions stated by bidders shall be recorded. The tabulated offers shall be cross-checked against the tabulation sheets by two members of the Evaluation Committee designated by the chairperson, who shall sign to confirm such matching. This shall be completed as quickly as possible so that the process may be decided before expiry of the bid validity period. The technical secretariat shall submit the tabulation sheets to the chairperson of the Evaluation Committee.

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Division One – Technical Evaluation Procedures

Study of Technical Offers

Article (66):

The Evaluation Committee shall review the technical offer tabulation sheets for bids satisfying the legal form requirements and shall undertake the following:

- Verify technical competence in accordance with the criteria specified in the book of conditions and specifications, by reviewing prior works, performance rates for what has been supplied or executed, and the number of processes in which the bidder is currently participating.



- Verify the bidder's financial solvency and whether it has the financial capability (including liquidity and otherwise) to execute the process, by examining its balance sheet, financial position statement, cash flows (depending on the nature of the subject matter of the contract), and other related matters.

In studying technical offers, due regard shall be had to the book of conditions and specifications, including the following:

- The bidder's ability to meet the supply or execution deadlines specified in the tender conditions.
- Compliance with the bid validity period specified in the tender conditions.
- The extent to which bids satisfy the essential technical specifications or performance criteria specified in the tender conditions.
- Compliance with the items that the bidder is permitted to subcontract, and any other related parameters and requirements.

In all cases, and for the purpose of assessing bidders' capability and competence, the committee may—without prejudice to the principle of equal opportunity—seek the views of administrative entities with which the bidders have previously dealt and conduct site visits where necessary.

Where the Evaluation Committee determines that a bidder has used fraud or manipulation, whether directly or through others, in its dealings with the administrative entity to obtain the contract, the committee shall exclude its bid; the provisional bid security shall become forfeit to the administrative entity; and the bidder's name shall be removed from the register of contractors after obtaining the opinion of the competent Fatwa (Advisory) Department of the State Council. The General Authority for Government Services shall be notified for publication of the de-registration decision through official circulars and on the Public Procurement Portal.

The Evaluation Committee may form, from among its members or other experts, a technical subcommittee tasked with carrying out the foregoing procedures, provided that it submits a report on the results of its study of the technical offers to the Evaluation Committee within the time limits specified in the timetable.



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Division One – Technical Evaluation Procedures

Completion and Clarification of Technical Offers

Article (67):

The Contracts Administration may, upon the request of the Evaluation Committee, obtain from bidders the data or documents that assist the Committee in clarifying any ambiguous technical matters, so as to enable it to prepare the required technical report, within a period not exceeding three (3) days from the date of notifying them, without prejudice to the principles of equal opportunity and equality among all bidders.

No clarification submitted by a bidder shall be taken into account unless requested by the Committee. The request for completion of data or documents necessary to clarify technical matters, and the response thereto, shall be in writing, and shall not lead to, suggest, or permit any change to the submitted bid or its nature.

Where a bidder fails to respond, within the period specified by the Committee in its request, to a request to complete data or documents for clarification of the technical matters in its bid, its bid shall be excluded as being unclear or not comparable with other bids.



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Division One – Technical Evaluation Procedures

Technical Evaluation

Article (68):

The Evaluation Committee shall prepare minutes setting out its recommendations resulting from its review, including acceptance or exclusion of bids, stating in detail the reasons for non-acceptance, and shall submit its minutes to the competent authority for approval.

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Division One – Technical Evaluation Procedures

Announcement of Technical Evaluation Results

Article (69):

Upon approval by the competent authority of the Evaluation Committee's recommendations, the Contracts Administration shall promptly notify bidders of the committee decisions—acceptance, reasons for exclusion, or cancellation—by letters sent via express mail through the National Postal Authority, and simultaneously supported, as applicable, by email or fax, in accordance with the addresses and details stated in the bid. Bidders shall have the right to submit a written complaint within seven (7) days commencing from the day following notification of the decision.



Upon dispatch of the notifications, the result shall be posted on the designated notice board for a period of seven (7) days and shall also be published on the Public Procurement Portal. Upon expiry of this period, bidders whose bids were technically accepted shall be notified of the date and place of the financial envelope opening session, unless complaints are under review.

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Division Two – Financial Evaluation Procedures

Opening of Financial Envelopes

Article (70):

The Envelope Opening Committee, in the same composition as previously formed, shall meet at the time and place specified to open the financial envelopes of bids that are technically accepted only. The Committee shall carry out its procedures in a public open session attended by any bidder whose technical offer has been accepted and who wishes to attend. Such bidders may authorize a representative to attend on their behalf, provided that proof of authorization is submitted.

The Director of the Contracts Administration shall deliver the financial envelopes to the Committee chairperson, who shall verify their integrity and the presence of the bid number and the signatures of the Committee members previously affixed to each envelope at the technical envelope opening session. The Committee shall take the following actions:

- Open the financial envelopes sequentially; as each envelope is opened, the chairperson shall record the number of documents contained therein.
- The chairperson and members shall sign each document contained in the financial envelope.



- Place a red circle around any erasure, correction, or insertion in the figures or totals stated in the envelope, and sign next to such markings by the chairperson and members.
- Read aloud to attendees (bidders or their authorized representatives) the bidder's name and the contents of the financial envelope.
- The chairperson and all members shall sign the committee minutes after recording all the foregoing steps.
- Attach the financial envelopes and all documents submitted therein to the committee minutes and deliver them to the Director of the Contracts Administration for safekeeping.

The Financial Envelope Opening Committee shall complete all its work in the same session. It shall have no authority to exclude any bid, request bidders to correct errors or remedy observations, or take any decisions relating to the submitted bids. Its role shall be limited to implementing the procedures set out in this Article and documenting the envelope contents.

The Contracts Administration shall publish the minutes of the financial envelope opening session on the Public Procurement Portal immediately upon completion of the committee's work and after verifying that the minutes have been signed by the chairperson and members.



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Division Two – Financial Evaluation Procedures

Tabulation and Review of Financial Offers

Article (71):

The tabulation of financial offers shall be carried out in accordance with item (3) of Article (65) of these Regulations concerning tabulation of technical offers.

The chairperson of the Evaluation Committee shall assign two (2) members of the Committee to review the financial offers, after tabulation, by conducting a detailed arithmetic review and signing to confirm such review. The outcome of this review shall constitute the basis relied upon in determining the bid price. Where arithmetic errors are identified, they shall be corrected in accordance with any of the following cases:

- Where there is a discrepancy between the unit price and the total price of the units, the unit price shall prevail.
- Where there is a discrepancy between the price stated in words and the price stated in figures, the price stated in words shall prevail.
- Where more than one copy of the bid is submitted in accordance with the tender book and a discrepancy in price between the submitted copies is found, the original copy shall prevail.



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Division Two – Financial Evaluation Procedures

Study and Evaluation of Financial Offers

Article (72):

Upon completion of the tabulation and review of financial offers, the Evaluation Committee shall proceed with its functions. It may entrust a specialized financial subcommittee—drawn from among its members or other persons—to study, analyze, and evaluate the offers financially and to prepare a report on the outcome of its work for submission to the Evaluation Committee.

The Committee shall conduct the comparison and preference between offers after unifying the bases of comparison from all technical and financial aspects, taking into account the product life-cycle costs as stated in the book of conditions and specifications, and any other requirements therein, in light of the circumstances and nature of the subject matter of contracting, and shall in particular take into account the following:

- Payment and delivery conditions, warranty, maintenance, spare parts, operating requirements, and other elements affecting the comparative financial value of bids.
- Evaluation of non-price elements and converting them into a financial value, such as operating costs, capacities, efficiency, and performance, as stated in the book of conditions and specifications.
- Calculating the advance payment percentage for comparison by adding interest equal to the interest rate announced by the Central Bank on the date of the technical envelope opening session to the value of bids that include an advance payment, where the book of conditions and specifications so provides, in respect of amounts to be paid in advance; such interest shall be calculated for the period from the date of payment of such amounts until the date they effectively become due.



- Calculating the preference percentage granted to a product satisfying the Egyptian industrial component requirement.
- Calculating the preference percentage granted to services or technical works performed by Egyptian entities.
- Where bids are submitted in foreign currencies, converting them into Egyptian currency at the exchange rate announced by the Central Bank on the date of the technical envelope opening session.
- Where the bidder's financial offer omits the price of an item required to be supplied in the submitted price list, such omission shall be deemed a refusal to participate with respect to that item. In works contracts, the administrative entity may—without prejudice to its right to exclude the bid—insert, for the item for which the bidder failed to state a rate, the highest rate for that item among the accepted bids for comparison; and if the process is awarded to that bidder, it shall be deemed to have accepted settlement on the basis of the lowest rate for that item among the accepted bids, without any right to dispute the same.
- No consideration shall be given to a bid based on offering a percentage reduction from the value of the lowest bid submitted in the process.
- Where prices are equal between two or more financially accepted bids, the Evaluation Committee may prefer one of them based on reasons recorded in its minutes in light of the content of each bid. Quantities announced may also be split among the bidders where this serves the interest of the work and where the tender documents provide for such splitting.

And other elements affecting the comparative value of bids, depending on the circumstances and nature of the subject matter of contracting, as stated in the book of conditions and specifications.



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Division Two – Financial Evaluation Procedures

Completion and Clarification of Financial Offers

Article (73):

The Contracts Administration may, upon the request of the Evaluation Committee, obtain from bidders whose bids are technically accepted the data or documents that assist the Committee in clarifying any ambiguous financial matters, so as to enable it to prepare the required financial report, within a period not exceeding three (3) days from the date of notifying them, without prejudice to the principles of equal opportunity and equality among all bidders.

No clarification submitted by a bidder shall be taken into account unless requested by the Committee. The request for completion of data or documents necessary to clarify financial matters, and the response thereto, shall be in writing, and shall not lead to, suggest, or permit any change to the figures, amounts, or the form or nature of the submitted bid.

Where a bidder fails to respond, within the period specified by the Committee in its request, to a request to complete the data or documents required to clarify the financial matters in its bid, its bid shall be excluded as being unclear or not comparable with other bids.



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Division Two – Financial Evaluation Procedures

Evaluation under the Points System

Article (74):

In contracting cases where the technical nature requires evaluation of bids under a points system, the tender conditions shall include the bases and elements of evaluation, the relative weights, and the minimum acceptance score, including, by way of example and depending on the nature of the process, the following:

- Technical specifications or performance criteria.
- After-sales service.
- Duration of experience in the required field of execution.
- Permanent technical and administrative staff employed by the bidder.
- Successfully executed projects and the value of the largest project.
- The bidder's financial solvency, evidenced by an audited budget/financial statements.
- The equipment, machinery, and devices available to the bidder that are necessary for completing the required work.
- Any data or information the administrative entity deems necessary and subject to evaluation.

And other bases and elements as the administrative entity deems appropriate in accordance with the nature of each contract.



Financial evaluation shall be conducted in accordance with the evaluation mechanism specified in the tender conditions, including ranking bids by dividing the comparative financial value of each bid by the total technical points obtained by it, to derive the cost per technical point for each bid. Award shall be made to the bid achieving the lowest comparative value.

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Division Two – Financial Evaluation Procedures

Comparison of Bids with the Estimated Value

Article (75):

When examining the financial offers, the Director of the Contracts Administration shall deliver to the chairperson of the Evaluation Committee the envelope containing the estimated value kept in his custody. The committee members shall review it before commencing their work to verify that it is securely sealed and to ensure that it bears the signatures of the members of the committee that established the estimated value and the approval of the competent authority.

The Evaluation Committee shall exclude bids that are non-compliant with the conditions and shall compare the values of the accepted bids with the corresponding estimated value, taking into account the procedures set out in Articles (70), (71), (72), (73) and (74) of these Regulations.



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Division Two – Financial Evaluation Procedures

Abnormally Low Financial Offer

Article (76):

If, upon examining the financial offers, the Evaluation Committee finds that the lowest-priced bid is abnormally low as compared with the other bids and the estimated value, it shall document this in its minutes.

For the purpose of ensuring performance of the subject matter of the contract, the Committee shall request the Contracts Administration to correspond in writing with the bidder that submitted the abnormally low bid, requiring it to provide details and information on its bid, the bases on which its prices were set, and other elements that affected preparation of its bid.

Within a period not exceeding three (3) days from the date of notification, the bidder shall provide the Contracts Administration, in writing, with all details and information relied upon in pricing. The Committee shall examine the bidder's response: if it finds the underlying bases acceptable, it may accept the bid; and if it finds such bases unrealistic and that supply or performance thereunder is not feasible, it shall recommend exclusion of the bid and award to the next-ranked bid, provided that it is appropriate in light of the estimated value.



Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division Two – Financial Evaluation Procedures

Consideration of Cancellation or Award Decision

Article (77):

Subject to the case stated in item (3) of Article (37) of the Law, the Evaluation Committee shall, prior to recommending a cancellation decision, examine the consequences thereof, taking into account in particular the following:

- The feasibility of re-tendering.
- The likelihood of achieving a lower price.
- The expenses the administrative entity may incur as a result of re-tendering.

And other considerations affecting the cancellation decision.

The Committee shall include in its minutes the procedures it has taken and its recommendations, whether to proceed with completion of the process cancellation procedures or to award the process.



Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division Two – Financial Evaluation Procedures

Announcement of Financial Evaluation Results

Article (78):

Upon approval by the competent authority of the minutes of the Evaluation Committee, the Contracts Administration shall follow the same procedures stipulated in Article (69) of these Regulations.

Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division Three – Award and Notification of the Successful Bid Award

Article (79):

Without prejudice to the financial evaluation procedures, and after ensuring that there are no pending complaints that have not been decided—whether before the administrative entity or the Public Procurement Complaints Office—the Evaluation Committee shall submit to the competent authority minutes containing its final recommendations to award the process to the successful bidder for approval or for such decision as it deems appropriate.



Upon approval by the competent authority, the Contracts Administration shall publish on the Public Procurement Portal the information referred to in item (1) of the first paragraph of Article (49) of these Regulations relating to the statement of the legal nature of the successful bidder and its beneficial owner.

Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division Three – Award and Notification of the Successful Bid

Notification of the Successful Bid

Article (80):

After expiry of the seven (7) days stipulated in Article (39) of the Law, and within a period not exceeding two (2) days, the Contracts Administration shall notify the successful bidder that the process has been awarded to it, and shall also notify the other bidders thereof. The notification shall include the following data:

- The contracting method and the number and name of the process.
- The date of opening the technical envelopes.
- The name and address of the successful bidder.
- The award amount.
- The required final performance security to be paid.

The successful bidder shall pay the final performance security within the period specified for payment. Upon payment, it shall be notified of the purchase order or award order, as the case may be, and the scheduled date for signing the contract.



Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division Four – Final Performance Security

Effect of Failure to Pay the Final Performance Security

Article (81):

In contracts for the purchase or lease of movables or real estate, works contracts, receipt of services, technical works, or consultancy studies, where the successful bidder fails to pay the final performance security within the period specified for payment, the Contracts Administration shall prepare a memorandum for submission to the competent authority proposing that the successful bidder be granted an additional grace period not exceeding ten (10) working days.

If the successful bidder still fails to pay the final performance security, one of the following two measures shall be taken, in a manner that achieves the interest of the administrative entity:

- Cancel the contract.
- Proceed with performance through one of the next-ranked bids, provided that it falls within the estimated value.

In all cases of failure to pay the final performance security, the provisional bid security shall be forfeited to the administrative entity. The administrative entity may also deduct the value of any actual losses incurred by it due to the successful bidder; and if the forfeited amounts are insufficient, the remainder may be deducted from the bidder through any other administrative entity, without prejudice to the administrative entity's right to pursue judicial recourse for any amounts it was unable to recover through administrative means.



Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division Four – Final Performance Security

Forms of the Final Performance Security, Its Payment and Replacement

Article (82):

The final performance security shall guarantee performance of the contract and shall be retained until the contract is finally performed, including the warranty period, in accordance with the conditions. It shall be paid by any means determined by a decision of the Minister of Finance, including electronic payment methods through the electronic payment and collection system, or by either of the following two forms:

- By a letter of guarantee issued by an approved local bank, free of any restriction or condition, whereby the bank undertakes to pay, to the order of the administrative entity, an amount equal to the required security.

Where letters of guarantee for the due security are received from a bank licensed to issue such letters or from any of its branches, the administrative entity shall verify that the bank or branch has endorsed on the letter of guarantee that it has not exceeded the maximum limit prescribed for the aggregate number of letters of guarantee it is licensed to issue.

If, upon review of notifications at the Central Bank, it appears that the bank has exceeded the prescribed maximum limit, the administrative entity shall immediately notify it to pay, within a period not exceeding three (3) working days, the value of the letter of guarantee.

Letters of guarantee issued by foreign banks shall be accepted provided that they are endorsed as accepted by an approved local bank, and provided that the local bank undertakes to pay to the administrative entity an amount equal to the required security, and that it is bound to pay it in full upon the first demand, without regard to any objection by the bidder.



- The successful bidder may request that the final performance security, or part thereof, be paid by deduction from its receivables due in respect of other processes within the same administrative entity or other administrative entities to which the Law applies, provided that such receivables are payable on the specified payment date. The bidder shall attach to its request an approved and stamped document from the competent department of the administrative entity where such amounts are due, addressed to the administrative entity to which the bid was submitted, relating to a specific process, and confirming acceptance of the deduction of the final performance security amount (or part thereof) from the amounts due, and an undertaking to retain it against the required final performance security until the bidder submits an approved and stamped document from the competent department of the administrative entity to which the bid was submitted authorizing disbursement, or until such entity requests that the amount be made available to it.

The final performance security shall be valid for a period commencing from the date of its issuance until three (3) months after expiry of the contract term, unless otherwise agreed.

With the approval of the competent authority and upon the bidder's request, the final performance security paid in one form may be replaced by another form of payment provided for in this Article, provided that the validity period of the security is not interrupted and without prejudice to the bidder's liability consistent with the purpose for which the security was submitted.

The final performance security shall be refunded, in the cases stipulated in the Law and these Regulations, by the same method by which it was paid.

The tender documents shall specify, precisely, the methods for payment and refund of the final performance security.



Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division Five – Prohibition of Submitting More Than One Bid; Prohibition on Amending Bids;

Resolution of Disputes and Clarification of Reasons for Non-Acceptance

Prohibition of Submitting More Than One Bid

Article (83):

Administrative entities shall include in the tender conditions the prohibition set out in Article (33) of the Law, taking into account Article (5) of the Executive Regulations of the Competition Protection and Anti-Monopoly Practices Law issued by Prime Ministerial Decree No. 1316 of 2005. In the event of breach, the administrative entity shall exclude the violating bids and forfeit the provisional bid security to its benefit, or terminate the contract, or implement it at the contractor's expense and forfeit the final performance security to the administrative entity and charge the contractor with any losses incurred thereby.

The administrative entity shall notify the Competition Protection and Anti-Monopoly Practices Authority of any breach of this prohibition. The notification shall include a description of the breach identified by the administrative entity, any supporting evidence (if any), and the complete process documents, in particular the following:

- A copy of the book of conditions and specifications.
- A copy of the announcement or invitation, as the case may be.
- A copy of the competent authority's decision forming the process committees.
- A list of the persons who obtained the tender book.
- A list of bidders, indicating those who withdrew or were excluded.
- A copy of the submitted bids.



- A copy of the committee minutes.
- A list of the names of employees of the Contracts Administration.
- A statement as to whether the bid is repeated; if repeated, copies of the previous bids submitted in the processes, together with the dates and numbers of such bids, shall be provided.

Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division Five – Prohibition of Submitting More Than One Bid; Prohibition on Amending Bids;

Resolution of Disputes and Clarification of Reasons for Non-Acceptance Prohibition on Amending a Bid

Article (84):

No bid, or amendment thereto, received after the time specified for the technical envelope opening session shall be considered. Any amendment to the prices of submitted bids after that time is prohibited, and such prohibition shall apply to the successful bidder.



Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division Five – Prohibition of Submitting More Than One Bid; Prohibition on Amending Bids;

Resolution of Disputes and Clarification of Reasons for Non-Acceptance

Resolution of Disagreements Among Committee Members

Article (85):

If the members of the Evaluation Committee differ in opinion as to the acceptance or rejection of any bid, such disagreement shall be recorded in detail in the committee minutes, and the decision thereon shall rest with the competent authority.

Part Three – General Rules on Offering and Contracting

Chapter Three – Award and Contracting Stage

Section Two – Provisions on Award and Contracting

Division Five – Prohibition of Submitting More Than One Bid; Prohibition on Amending Bids;

Resolution of Disputes and Clarification of Reasons for Non-Acceptance

Clarification of Reasons for Non-Acceptance of Bids

Article (86):

The Director of the Contracts Administration shall convene a meeting, after completion of the Evaluation Committee's work, with any unsuccessful bidders who request it, to clarify the reasons for their non-acceptance, for the purpose of enabling each of them to avoid the causes that led to such outcome and to improve their performance in subsequent processes.



Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section One – Contract Administration and Drafting

Contract Administration

Article (87):

The competent authority may issue a decision assigning to a suitable person with relevant experience within the administrative entity the task of contract administration for contracted processes. The assigned contract administrator may seek the assistance of persons with different expertise and specializations to support him in performing his tasks. The Contracts Administration shall notify the contractor in writing of such decision.

Subject to Article (43) of the Law, the contract administrator shall perform the following functions:

- Review the contract terms and the timetable for supply or execution, and ensure performance in accordance with the conditions, technical specifications, and other requirements and within the timelines specified therein.
- Verify that the contractor fulfils its contractual obligations and resolve any disputes as they arise.
- Resolve technical, financial, and legal issues related to the contract without delay.
- Maintain good working relations between the parties to the contract.
- Ensure that procedures for receipt of financial entitlements are completed without delay; in the event of delay, submit a memorandum to the competent authority stating the justifications for the delay and proposing measures to remove its causes.



- Review all correspondence during contract execution and respond thereto within the scope of the authority granted to him by the competent authority; in all cases, responses shall not contradict the provisions of the Law and these Regulations.
- Maintain the documents relating to contract execution.
- Document all correspondence between the parties to the contract.
- Take all procedures in accordance with the Law and these Regulations, and any other related tasks assigned by the competent authority.

Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section One – Contract Administration and Drafting

Drafting of Contracts

Article (88):

Prior to entering into the contract, the Contracts Administration shall verify that there are no pending complaints that have not been decided, whether before the administrative entity or the Public Procurement Complaints Office.

The competent authority shall, within a period not exceeding fifteen (15) days from the date of payment of the final performance security, sign the contract with the contractor.

Contracts shall be executed between the contractor and the administrative entity and shall include all guarantees necessary for performance, in accordance with the templates issued by the General Authority for Government Services.



The contract shall be executed in one original and at least four (4) copies: the original shall be delivered to the Financial Administration accompanied by all documents; one copy shall be delivered to the Contracts Administration to be kept in the process file; one copy shall be delivered to the contractor; one copy shall be delivered to the requesting/beneficiary administration; and one copy shall be delivered to the administration supervising execution, as the case may be.

The Contracts Administration shall notify the Egyptian Tax Authority of the contract value and the contract execution period. Such notification shall include the following:

- The contractor's full three-part name, capacity, and full address.
- The National ID number.
- The commercial or industrial register number, or the importers register number, or the registration particulars with the Egyptian Federation for Construction and Building Contractors.
- The taxpayer registration number with the Egyptian Tax Authority.
- The contract value and type.

The Authority shall also be notified of any amendments to the contract value or execution period, and of all amounts paid to the contractor immediately upon disbursement. The Contracts Administration shall further notify the Customs Authority of the above data for contracts that include imported items or equipment.



Part Three – General Rules on Offering and Contracting**Chapter Four – Contract Execution Stage****Section Two – General Rules on Disbursement and Payment**
Collection of Public Treasury Dues**Article (89):**

Before disbursing contractors' entitlements under contracts with the various administrative entities, financial officers and representatives of the Ministry of Finance in the accounting units of such entities shall verify the collection or payment of all dues owed to the Public Treasury, including taxes, stamp duties, customs duties, social insurance contributions, late-payment charges, and other dues required to be paid in accordance with the laws and decisions regulating the same.

Part Three – General Rules on Offering and Contracting**Chapter Four – Contract Execution Stage****Section Two – General Rules on Disbursement and Payment**
Fixed Contract Prices**Article (90):**

Subject to Article (97) of these Regulations, the contract price shall be deemed fixed throughout the contract execution period.



Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Two – General Rules on Disbursement and Payment

Accounting Requirements for Contracts Concerning Items Imported from Abroad

Article (91):

If a change occurs in the customs tariff, fees, or other taxes collected on the items supplied under the contract during the period between submission of the bid and the final delivery date, and delivery is made within the specified delivery period, the difference shall be settled accordingly, provided that the supplier proves that it paid the fees and taxes on the supplied items on the basis of the amended (increased) rates. If the amendment is a decrease, the value of the difference shall be deducted from the contract unless the supplier proves that it paid the fees on the basis of the original rates prior to the amendment.

If delivery is delayed beyond the dates specified in the contract, and the amendment of the tax/fee rates occurred after those dates, the supplier shall bear, for the delayed quantities, any increase in the aforementioned fees and taxes unless it proves that the delay is due to force majeure. Any decrease shall be deducted from the contract value.



Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Three – Advance Payment and Interim Payments

Percentages and Procedures for Disbursement of the Advance Payment

Article (92):

With the approval of the competent authority, an advance payment may be disbursed in contracts whose nature so requires, in accordance with the tender conditions, as follows:

- Up to (25%) of the contract value in contracts where the administrative entity deems such necessary.
- Up to (50%) of the contract value in contracts concluded with medium, small, and micro enterprises, provided that the advance payment is secured by an approved bank guarantee in the same value and currency, free of any restriction or condition, and valid until the actual due date of those amounts.
- Up to (25%) of the contract value in contracts concluded pursuant to Article (74) of the Law.
- Up to (25%) of the contract value in contracts concluded pursuant to Article (78) of the Law.

The percentages set out in this Article may be exceeded in cases where the administrative entity deems this necessary, provided that the approval of the Minister of Finance is obtained prior to tendering.

The administrative entity shall state the advance payment percentage in the book of conditions and specifications and shall request that the uses of the advance payment be specified. If the tender documents do not provide for an advance payment, this shall be deemed a decision not to apply it. Bidders shall not exceed the stated percentage; any bid that violates this shall be excluded. If, during execution, it appears that the specified uses of the advance payment have not been complied with, the bank guarantee securing the advance payment shall be called. In works contracts, price differences shall not be paid for purchases made from the advance payment amount where the contract requires otherwise.



Where the commencement of the contract is contingent upon the occurrence of more than one event, including disbursement of the advance payment, the advance payment shall not be disbursed until all other events have occurred. In all cases, the advance payment shall be within the appropriations included in the administrative entity's budget for the fiscal year in which the contract is concluded, and the entity shall verify this in advance and prior to tendering.

Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Three – Advance Payment and Interim Payments Payment and Disbursement of Interim Payments

Article (93):

The Contracts Administration shall monitor contract execution to ensure the supply or performance of the contract subject matter, verify inspection and acceptance procedures, record invoices and documents, and follow up on forwarding them to the Financial Administration to take payment procedures.

The price of supplied items or rendered services shall be paid as soon as possible, and in all cases within a period not exceeding thirty (30) days calculated from the date of inspection, acceptance, and approval. Where the contract provides that the price is payable upon receipt of the items, the administrative entity shall take the necessary measures to inspect the items and verify their conformity with the contracted specifications prior to receipt and payment.

In works contracts, interim payments shall be made to the contractor in accordance with work progress within sixty (60) days from the date on which the contractor submits the relevant statement (certificate) for payment. During this period, the administrative entity shall review the supporting documents as set out in the contract conditions and, if accepted, shall pay the approved amount. Interim payments shall be made as follows:



- At a rate of (95%) of the scheduled value of works actually executed in compliance with the conditions and specifications, based on the rates in the schedule submitted by the bidder. The remaining retained (5%) may be paid against an approved letter of guarantee issued by one of the local banks to cover any defects or remarks that the contractor fails to remedy until provisional acceptance, provided that the guarantee expires thirty (30) days after the date of provisional acceptance.
- At a rate of (75%) of the scheduled value of materials supplied by the contractor for use in the permanent works and actually required under the agreed project schedule, provided that they comply with the conditions, are approved, and are properly stored at the work site in good condition after conducting the required physical inventory, based on the contract rates. Materials delivered to the work site fit for installation shall be treated as stored materials until installed.
- After provisional acceptance of the works, the competent supervision committee shall prepare the final statements for the value of all works actually completed, and the contractor shall then be paid immediately what is due after deducting amounts previously paid on account and any other amounts due from the contractor.

Upon final acceptance after the warranty period and submission by the contractor of the supporting documents evidencing the same, the final account shall be settled and the contractor shall be paid the remainder of its account, including the final performance security (or any remaining portion thereof).

For other contracts, disbursement shall be made in accordance with the relevant contract conditions.

In all cases, if amounts due to the contractor are not paid within the time limits specified in the contract, the administrative entity shall pay the contractor an amount equivalent to the financing cost of the claim amount or approved statement for the period of delay, calculated at the credit and discount rate announced by the Central Bank at the time of settlement, provided that official documents for the claimed amount are submitted. The person responsible for the delay shall be referred for investigation and charged with such amount.



Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Four – Collection of Dues

Collection of Dues under Sale Contracts

Article (94):

In contracts for the sale of movables, the person to whom the auction is awarded shall pay (30%) of the sale price immediately upon the award. If payment is not made, the provisional bid security shall be forfeited to the administrative entity. The remainder of the price shall be paid within fifteen (15) days from the date following the auction award.

By way of exception, where the nature of the transaction requires delivery of the sold items in instalments, the full value of each instalment shall be paid before the date specified for its receipt, and the (30%) referred to above shall not be finally settled except upon receipt of the last instalment, provided that the auction conditions so stipulate.

In contracts for the sale of real estate and projects without legal personality, the person to whom the auction is awarded shall pay (10%) of the awarded sale value immediately upon award and shall complete payment of the remainder within a period not exceeding three (3) months from the date it is notified of approval of the sale.

By way of exception and with the approval of the competent authority, for major real estate and large projects the tender conditions may provide for payment of the remainder in instalments to be specified. In such case, a return shall accrue thereon at a rate equal to the interest rate announced by the Central Bank at the time of payment, for the period from the due date until the payment date, provided that title transfer procedures shall not be taken until all dues of the administrative entity are fully paid.



If the person to whom the auction is awarded delays payment of the remainder within the periods specified in this Article, the contract shall be deemed terminated without the need for any judicial procedures, and such person shall be charged a late-payment amount equivalent to interest in accordance with the rules prescribed in the Civil Code as of the payment date. If payment is not made, the procedures stipulated in Article (51) of the Law shall be taken, without prejudice to the administrative entity's right to claim the necessary compensation from the purchaser.

Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Four – Collection of Dues

Collection of Dues under Lease or License Contracts

Article (95):

In contracts for the lease of movables and real estate and projects without legal personality, or licenses for usufruct or for exploitation of real estate and projects, including tourist facilities and cafeterias, the person to whom the auction is awarded, in contracts whose duration does not exceed three (3) years, shall submit a final performance security equal to (10%) of the total value awarded for the full contract term immediately upon award, and the security shall remain valid throughout the contract term. If the contract term exceeds three (3) years, the required final performance security shall be calculated at (10%) of the contract value for the first three (3) years, and shall be renewed before the start of the next three (3) years or the remaining period of the contract, whichever is shorter, taking into account the annual increase in the contract value provided for in the contract.



The administrative entity shall include in the tender conditions the method of payment of the rent, or consideration for usufruct or exploitation. For contracts exceeding one (1) year, the tender conditions shall also provide that the contractor is required, before the end of the ninth month of the first year and each subsequent year, to submit a bank guarantee for the amount due for the following year, provided that the guarantee remains valid for one (1) month after the end of the year during which the contract is in effect, as security for collection of the administrative entity's rights within the specified time limits. If the contractor fails to comply with the payment terms, the procedures stipulated in Article (51) of the Law shall be taken, without prejudice to the administrative entity's right to claim the necessary compensation from the contractor.

Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Five – Amendment of Contract Quantity or Value

Amendment of Contract Quantity

Article (96):

The administrative entity shall determine its actual and necessary needs for the proper conduct of work on the basis of a realistic and objective study. Nevertheless, if circumstances arise during execution that require amendment of the contract, the amendment shall be made within a limit not exceeding (25%) of the quantity of each item in works contracts, and within a limit not exceeding (15%) of the quantity of each item in other contracts. The tender conditions shall include the substance of this provision, together with an adjustment to the appropriate period or schedule, as the case may be, for supply or execution commensurate with the size of the amendment. The Contracts Administration shall ensure the following:

- The existence of necessity and reasons supporting such amendments.
- Obtaining the approval of the competent authority, or the Council of Ministers, as the case may be, for the amendment.



- That the amendments relate to the same items of the original contract and under the same conditions, specifications, and contracted prices.
- Preparation of an addendum to the contract containing such amendments.
- Obtaining confirmation from the Financial Administration of the availability under the relevant budget line item in case of an increase.
- That the amendment is made during the contract execution period, excluding the warranty period.
- That the amendment does not affect the contractor's priority in the ranking of its bid.

The Contracts Administration shall document such amendments and the supporting documents and keep them in the process file. The final contract value after amendment shall be published on the Public Procurement Portal.

Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Five – Amendment of Contract Quantity or Value

Price Variation Formula in Works Contracts and Conditions for Its Application

Article (97):

In works contracts whose execution period is six (6) months or more, the Contracts Administration shall, at the end of each three (3) contractual months, adjust the contract value to reflect any increase or decrease in the costs of the contract items arising after the date specified for opening the technical envelopes, or after the date of contracting based on an award order by direct agreement, as the case may be. Such adjustment shall be binding on both parties, and any agreement to the contrary shall be void.



Price variation and settlement of price differences (increase or decrease) shall be calculated in accordance with the definitions, formula, and rules set out below:

First: Definitions

- **Execution period:** The period specified for completion of the works, calculated from the date the site is handed over free of impediments, or the contractor's receipt of the advance payment, or receipt of the approved drawings required to commence execution, whichever is later.
- **Variable items:** The items, or their components, subject to adjustment as specified by the Contracts Administration in the tender documents (labour, raw materials, etc.), based on the list prepared by the Ministry of Housing.
- **Coefficient:** The percentage stated by the contractor in its bid for each item or its components among the variable items, provided that it is not equal to zero (0), and that their aggregate is less than (100%) or one (1) for each item or its components.
- **Compensation or deduction amount:** The amount due to the contractor, or the amount to be deducted from its entitlements, as a result of calculating price changes (increase or decrease) in the variable items.
- **Percentage of increase or decrease in prices:** The index number of the price of the item, or its components, at the time of settlement minus the index number at the date of opening the technical envelopes or direct award, as the case may be, divided by the index number at the date of opening the technical envelopes or direct award, as the case may be, according to the Producer Price Index Bulletin issued by the Central Agency for Public Mobilization and Statistics (CAPMAS).

Second: Formula

Compensation or deduction amount = Value of works subject to adjustment (based on the contractor's bid at contracting) \times coefficients \times percentage of increase or decrease in prices.



Third: Rules for Settling Price Differences

- The Contracts Administration shall specify the variable items, or their components, in the tender conditions based on the list issued by the Ministry of Housing; if not specified, the tender (public or limited) or the direct award order shall be cancelled prior to evaluation/award.
- The contractor's bid in the technical envelope shall include coefficients representing the weights of cost elements of the variable items or their components specified in the tender conditions, and contracting shall be based thereon. If the contractor fails to include such coefficients, the bid shall be excluded.
- The value of the approved statement shall be paid within the specified time limits at the contract prices, without awaiting application of the price-difference formula.
- The contractor shall be accounted for price adjustments (increase or decrease) for the variable items or their components every three (3) contractual months from the date of opening the technical envelopes or direct award, as the case may be, taking into account the execution schedule and any amendments agreed by the parties.
- Price differences (increase or decrease) shall be settled within a maximum of sixty (60) days from the date the claim is submitted, during which such differences shall be reviewed and paid. The contractor's priority in the ranking of its bid shall be recalculated after applying the same formula to the other bids.
- The price variation formula and its application rules shall not apply in any of the following cases:
 - Contracts with an execution period of less than six (6) months where delay is attributable to the contractor.
 - Contracts with an execution period of less than six (6) months where delay is attributable to the administrative entity; in this case, the contractor shall be compensated for quantities executed after six (6) months based on inflation rates issued by CAPMAS.



Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Six – Delay in Contract Execution and Failure to Take Delivery

Delay in Contract Execution

Article (98):

The contract manager shall, as far as possible, work to remove any obstacles or problems that may lead to delay in executing the contract, whether attributable to the administrative entity or the contractor. If a delay occurs in the timetable/schedule or in contract execution for reasons beyond the contractor's control, the competent authority may, for public-interest considerations, grant the contractor an extension to complete execution without charging any delay penalties. If the delay is attributable to the contractor, a delay charge shall be imposed on it, calculated from the beginning of the extension, without exceeding the percentages set by the Law, as follows:

- Works (construction) contracts:
 - If the delay period does not exceed (1%) of the total execution period, a delay charge of (1%) shall be imposed on the value of the works (or the final account), or on the value of the delayed part, as the case may be.
 - The delay charge percentage imposed on the value of the works (or the final account), or on the value of the delayed part (as the case may be), shall be increased in proportion to the delay period itself until it reaches (10%) of the total execution period.
 - If the delay period exceeds (10%) of the total execution period, a delay charge of (15%) shall be imposed on the value of the works (or the final account), or on the value of the delayed part, as the case may be.



- All other contracts:

- If the delay period does not exceed (3%) of the total period for executing the contract subject matter, a delay charge of (1%) shall be imposed on the contract value, or on the value of the delayed part, as the case may be.
- If the delay period does not exceed (6%) of the total period for executing the contract subject matter, a delay charge of (2%) shall be imposed on the contract value, or on the value of the delayed part, as the case may be.
- If the delay period does not exceed (10%) of the total period for executing the contract subject matter, a delay charge of (3%) shall be imposed on the contract value, or on the value of the delayed part, as the case may be.
- If the delay period exceeds (10%) of the total period for executing the contract subject matter, a delay charge of (5%) shall be imposed on the contract value, or on the value of the delayed part, as the case may be.

Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Six – Delay in Contract Execution and Failure to Take Delivery

Failure to Take Delivery

Article (99):

The administrative entity shall take delivery of the contract subject matter on the dates specified in the contract, provided it conforms to the specifications and conditions agreed in the contract. If the contracting entity fails to take delivery, the contractor may submit a request to the competent authority to form a neutral committee to examine the reasons for such failure, and shall send a copy of the request to the Public Procurement Complaints Office for follow-up.



Within seven (7) days from receipt of the request, the competent authority shall form a specialized tripartite committee from neutral entities, including ministries, authorities, professional syndicates, and other bodies. Committee members shall be selected based on nominations by their employing entity, provided that they have not previously expressed an opinion on the process, even in the form of an advisory report, and that their work has not been connected with the process throughout its stages. The contracting entity shall be a party represented before the committee. The decision forming the committee shall specify the deadline for completion of its work.

The committee shall commence its work immediately upon issuance of the formation decision and upon the contractor's payment of the fees determined by the participating external entities and notified to the contractor. The committee shall submit its report within a maximum period of thirty (30) days from the date of its formation, unless the nature and size of the process require a longer period. For purposes of performing its work, the committee may request any data or information, review documents, and seek clarifications from both contracting parties, and may inspect the contract subject matter if necessary. The report shall be binding on both parties.

The committee's report shall be submitted to the competent authority for approval and issuance of a decision in light of its findings. Immediately upon issuance of the decision, the Contracts Administration shall notify the contractor by a letter sent via express mail through the National Postal Authority, and simultaneously supported by email or fax, as the case may be, and shall follow up the procedures necessary to implement the competent authority's decision and complete acceptance procedures within a period not exceeding the inspection and acceptance period previously agreed in the tender and contract conditions. The committee fees shall be refunded to the contractor if it is established that the administrative entity failed to take delivery; the person responsible shall be referred for investigation and charged with the committee fees.

If the committee finds that the contractor is non-compliant, the administrative entity shall take the relevant measures provided for in the Law and these Regulations.



Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Seven – Mandatory or Discretionary Termination, and Death of the Contractor

Automatic Mandatory Termination and Debarment from the Contractors Register

Article (100):

A contractor contracting with an administrative entity shall avoid causes of contract termination, in particular the following:

- Submitting any incorrect data or documents, directly or through an intermediary, for the purpose of fraud or manipulation.
- Violating the prohibition stipulated in Article (33) of the Law, or involvement in any fraudulent, corrupt, or monopolistic practices, including collusion, preventing competition for any other bidder, or agreeing with others on unlawful purposes, in a manner that undermines fair lawful competition and violates the principles of transparency, competition, and equal opportunity, or any other practices that impede application of the Law and these Regulations.

In these two cases, the Contracts Administration shall automatically terminate the contract and prepare a memorandum for submission to the competent authority to address the competent Fatwa Department of the State Council to obtain its opinion on striking the contractor's name (debarment). Upon receipt of the State Council's opinion, the Administration shall notify the General Authority for Government Services of the debarment decision, and the Authority shall issue a circular including:

- The name of the issuing entity and the date of issuance.
- Reasons for debarment.
- The particulars of the letter of the competent Fatwa Department of the State Council (number, date, file number, and register number).
- The name and particulars of the bidder/contractor whose name is struck.



- And any other data the Authority deems necessary.

The General Authority for Government Services shall publish the circular through official administrative bulletins and on the Public Procurement Portal, and record it in the debarred persons register. All administrative entities shall record debarred persons in the relevant register and it shall be prohibited to deal with them.

At the request of the contractor whose name has been struck, re-registration may be made if the cause of debarment ceases by issuance of a Public Prosecution decision that there are no grounds to bring a criminal case, or that it is administratively filed, or by a final judgment of acquittal. The re-registration decision shall be submitted to the General Authority for Government Services for publication through administrative bulletins and on the Public Procurement Portal.

Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Seven – Mandatory or Discretionary Termination, and Death of the Contractor

Discretionary Termination or Execution at the Contractor's Expense

Article (101):

The contractor shall exert utmost effort to comply with its contractual obligations as set out in the contract. If it breaches any material condition contained in the contract terms, the Contracts Administration shall exhaust all possible alternatives to reach solutions consistent with the contract terms. If it is not possible to reach reasonable solutions, the said Administration shall, in a manner that serves the public interest, take one of the following measures:

- Terminate the contract, in which case the process may not be re-tendered in the same fiscal year in which execution was scheduled.
- Execute at the contractor's expense so long as the need to carry out the process still exists, provided that execution is carried out under the same conditions and specifications announced and contracted upon, using one of the legal methods stipulated in Article (7) of the Law.



Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Seven – Mandatory or Discretionary Termination, and Death of the Contractor Inventory of Works

Article (102):

In the event of contract termination or execution at the contractor's expense, an inventory shall be conducted and a statement prepared of the works performed, the machines and tools brought, and the unused equipment/supplies that the contractor has delivered to the work site. This inventory shall be conducted within one month from the date of the competent authority's approval of termination or execution at the contractor's expense, by the contract manager of the administrative entity (or its representatives, as the case may be), in the presence of the contractor after it has been notified to attend in person or through an authorized representative. The inventory shall be recorded in minutes signed by the contract manager (or the entity's representatives, as the case may be) and the contractor (or its authorized representative). If the contractor does not attend or does not send a representative, the inventory shall be conducted in its absence; in this case, the contractor shall be notified of the inventory result. If it does not submit remarks within one week from the date the notice reaches it, this shall be deemed an acknowledgment of the correctness of the data contained in the inventory minutes.

The administrative entity is not obliged to take any of such supplies except to the extent necessary only to complete the works, provided they are fit for use. Any excess shall be moved by the contractor from the work site.

If the contractor fails to remove the remaining supplies, the administrative entity shall sell them on the contractor's account and deduct the expenses it incurred in doing so.



Part Three – General Rules on Offering and Contracting

Chapter Four – Contract Execution Stage

Section Seven – Mandatory or Discretionary Termination, and Death of the Contractor

Death of the Contractor

Article (103):

If the contractor dies during execution of the contract, the administrative entity has the right to terminate the contract and return the final performance security to the heirs, unless the entity has claims against the contractor.

By a decision of the competent authority, a committee shall be formed to enumerate the works completed and their cost, determine the amounts paid up to the date of death, the amounts remaining due to the deceased, and the works remaining under the contract. A representative of the deceased's heirs shall be invited to attend the committee's work.

The heirs or their representative may be permitted—upon submitting a request and if they have the technical and financial capability—to continue executing the contract under the same conditions and specifications, provided that they appoint an agent on their behalf within a period not exceeding one month from the date of death to complete the unperformed portion of the contract. If they are unable or unwilling to complete the contract, they shall be settled with accordingly and the remaining portion shall be executed through a new process tendered in accordance with the Law and these Regulations.

If the contract was concluded with more than one contractor as partners and one of them dies, the administrative entity may terminate the contract and return the final performance security unless it has claims, or may allow the remaining partners to perform the contract provisions.

In all cases, termination shall occur without the need to take any other measures or resort to the courts.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section One – General Conditions for Contract Execution

Time Period for Supply or Execution

Article (104):

In supply contracts, the period specified for supply shall commence from the day following notification of the supplier, whether inside or outside the country, of the supply order, unless otherwise agreed, provided that the supply order includes the items, quantities, unit rates, place of delivery, and the start and end dates of supply.

The period specified for execution of works contracts shall commence from the date on which the site is handed over to the contractor free of impediments, unless otherwise agreed. Handover shall be recorded in minutes signed by both parties and drawn up in one original and four (4) copies: the original shall be delivered to the Financial Administration; one copy to the Contracts Administration for the process file; one copy to the contractor; one copy to the requesting/beneficiary administration; and one copy to the execution supervising administration. If the contractor or its authorized representative does not attend to receive the site on the date specified in the award order, minutes shall be drawn up to that effect and such date shall be deemed the start date for execution.

As for other contracts, the period specified for execution shall commence in accordance with the conditions and specifications book and the contract.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section One – General Conditions for Contract Execution

Contractor's Obligations

Article (105):

The contractor shall be obliged to execute the contract subject matter within the time(s) specified in the supply order or award order. The contractor shall comply with all governmental and local laws and regulations related to executing the contract subject matter. The contractor shall also be responsible for maintaining order at the work site and for implementing the administrative entity's instructions to remove anyone who is negligent, refuses to follow instructions, attempts fraud, or violates the foregoing.

The contractor shall also take all measures necessary to prevent injuries or fatalities to workers or any other person, or damage to state property or private property. In such cases, the contractor's liability shall be direct without intervention by the administrative entity. The contractor shall itself ascertain the nature of the works and conduct all necessary tests and the like to ensure the adequacy of the specifications, drawings, and approved designs, and shall notify the administrative entity in due time of any observations. The contractor shall accordingly be responsible for the correctness and safety of all such documents as if they had been provided by it.

If the contractor breaches these obligations, the administrative entity shall have the right to take the measures provided for in the Law and these Regulations.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section One – General Conditions for Contract Execution

Handling of Materials and Stored Supplies

Article (106):

Without prejudice to the rights of bona fide third parties, all approved materials and stored supplies, spare parts, tools, and machinery brought by the contractor to the work area, or placed on land occupied by it for the purpose of use in executing the contract subject matter, as well as all executed works and other temporary structures, shall remain as they are and may not be moved or disposed of without the administrative entity's permission until provisional acceptance. They shall remain in the contractor's custody, protection, and sole responsibility, and the administrative entity shall bear no liability in respect thereof for loss, damage, theft, or otherwise.

The contractor shall provide a suitable place for storing materials that may be damaged by weather conditions, in order to protect them in a manner approved by the administrative entity.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Two – Conditions for Execution of Movables Supply Contracts and Acceptance of Real Estate

Formation of the Inspection Committee

Article (107):

The competent authority shall issue a decision forming a committee to inspect supplied items, chaired by the store's manager or the officer in charge of the relevant department, and including one or more technical members, a member representing the requesting or beneficiary administration, and the relevant storekeeper. The inspection committee may seek assistance from one or more technicians from the competent technical authorities if it deems this necessary. The decision shall specify the dates by which the committee must complete its work. No person who previously participated in preparing the conditions, technical specifications, or the procedures of the award committees may participate in the inspection work; however, their opinion may be sought if necessary.

Inspection shall be conducted in accordance with the relevant requirements set out in the tender conditions and the contract.

The competent authority shall decide any disputes arising among members of the inspection committee and may, in doing so, be guided by the opinion of another inspection committee or refer the matter to the technical member's supervising entity.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Two – Conditions for Execution of Movables Supply Contracts and Acceptance of Real Estate

Follow-up on Receipt of Items

Article (108):

In accordance with the contract, the store's manager shall follow up on the receipt of items and their acceptance, inspection procedures, and the recording of invoices and stores documents, and shall follow up on forwarding documents to the Financial Administration to take payment procedures, subject to the provisions of these Regulations.

If the supplier breaches any supply condition, the store's manager shall immediately notify the Contracts Administration to take the necessary measures in accordance with these Regulations.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Two – Conditions for Execution of Movables Supply Contracts and Acceptance of Real Estate

Receipt of Items

Article (109):

The supplier shall supply the contracted items on the date(s) specified in the contract, free of all expenses and fees, and in conformity with the supply order and the specifications or approved samples. The relevant storekeeper shall receive what is supplied by count, weight, or measurement, in the presence of the supplier or its authorized representative, and shall issue a provisional receipt stamped with the administrative entity's seal, indicating the day and hour of supply, and stating the condition of the items in terms of their integrity/soundness.

The inspection committee shall meet no later than the next business day following receipt of the items. The supplier shall be notified of the committee meeting date so that it may attend the inspection and final acceptance procedures. Immediately upon receipt of the supplied items, the storekeeper shall notify the chair of the inspection committee to take the necessary actions.

The supplier shall submit an invoice in one original and two copies. If supply is made, at the administrative entity's request, to an entity other than the entity contracted to receive the supply, the invoices shall be accompanied by documents proving the additional transport expenses so that such expenses may be reimbursed.

At its own expense, the supplier shall provide the workers required to open the packages and deliver them to the storekeeper or the inspection committee in its presence or in the presence of its authorized representative at the specified time. If it fails to do so, the store's manager or the inspection committee shall have the right to take the necessary measures at the supplier's expense to receive the items, deliver them to the stores, and amend the invoice if necessary, without the supplier having any right to object.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Two – Conditions for Execution of Movables Supply Contracts and Acceptance of Real Estate

Inspection of Items

Article (110):

The inspection committee shall inspect different percentage ratios, to be determined by the committee itself and under its responsibility according to the importance of the item, such that the sample is representative of it. The committee shall be responsible for verifying that the item conforms in all respects to the specifications and to the sealed sample. The committee shall draw up the inspection minutes on the designated form in one original and two copies, stating the inspection percentages actually examined, the names, specifications, and quantities of the items, and the reasons for the recommendation to accept or reject. The minutes shall then be submitted to the competent authority for action.

The entities carrying out the inspection of items must state in their inspection reports the results of their work as compared with what is recorded in the conditions and specifications on the basis of which the contract was concluded. The administrative entity shall always adhere to these results and reject items that do not conform to the specifications or samples on which the contract was concluded.

If acceptance of the item is approved, the original inspection minutes, the supplier's invoice, and a copy of the supply order, together with the "addition voucher" (store receipt) on the designated form, shall be sent to the Financial Administration. A copy of the inspection minutes together with a copy of the invoice shall be kept in a special file at the Stores Administration, and the second copy, together with a copy of the addition voucher, shall be sent to the Inventory Control Unit.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Two – Conditions for Execution of Movables Supply Contracts and Acceptance of Real Estate

Testing/Inspection of Samples

Article (111):

Where items are received into stores and samples thereof had previously been sent at the time of bid submission for testing by the competent entities, a sample shall be taken from the delivered items and, if possible, divided into two parts; otherwise, two samples shall be selected from these items in the presence of the inspection committee and the supplier or its authorized representative.

One sample shall be retained by the chair of the inspection committee after being sealed with the administrative entity's seal and the supplier's seal. The other sample shall be sealed with the administrative entity's seal and signed by two members of the inspection committee. Minutes shall be drawn up and signed by the committee and by the supplier (or its authorized representative) stating that this sample conforms to the sample retained by the chair of the inspection committee. The sample shall then be sent to the competent technical entity after being given a confidential number, with reference to the number and date of the original sample test result for guidance during inspection. Upon receipt of the inspection result of the delivery sample, it shall be attached to the payment documents.

If the sample is damaged as a result of the inspection, the administrative entity shall bear its value provided that it conforms to the specifications. If it is proven not to conform, the supplier shall have no right to claim its value from the entity.

If the supplied items bearing the name of the administrative entity are rejected, the entity's name shall be erased from them before they are returned to the supplier.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Two – Conditions for Execution of Movables Supply Contracts and Acceptance of Real Estate

Variance in Item Specifications

Article (112):

Items may be accepted if the variance ratio does not exceed (10%) from what is required under the specifications on which the contract was concluded, provided that there is an urgent need to accept the item(s) despite the variance and that the price after reduction is appropriate compared to equivalent items in the market.

The inspection committee must determine that the items are fit for the required purposes and that accepting them will not cause harm to the administrative entity, and that bids have not previously been rejected for the same reason. The committee shall also determine the amount of the price reduction corresponding to the variance.

The inspection committee may seek assistance from one or more technicians from the competent technical entities if it deems this necessary, subject to the following:

- If the variance in specifications is up to (2%), acceptance shall be with a deduction equal to the price reduction estimated by the committee.
- If the variance exceeds (2%) up to (5%), acceptance shall be with a deduction equal to the committee's estimated price reduction plus an additional variance charge equal to (50%) of that amount.
- If the variance exceeds (5%) up to (10%), acceptance shall be with a deduction equal to the committee's estimated price reduction plus an additional variance charge equal to (100%) of that amount.



Acceptance shall be subject to the approval of the award committee and the competent authority, and provided that the supplier accepts the deduction in writing; otherwise, the item shall be rejected and the provisions of the Law and these Regulations shall apply.

Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Two – Conditions for Execution of Movables Supply Contracts and Acceptance of Real Estate

Rejection of Items

Article (113):

If the inspection committee rejects one or more of the supplied items, or finds any shortage or nonconformity with the specifications or approved samples, the contractor shall be notified in writing of the reasons for rejection and of the obligation to withdraw the rejected items and supply replacements. Such notice must be given immediately upon issuance of the committee's decision, on the same day or, at the latest, the following day.

The contractor shall withdraw the rejected items within a maximum of seven (7) days from the day following notification. If it delays withdrawal, the administrative entity has the right to collect storage expenses at a rate of (5%) of the value of the items for each week of delay or part thereof, for a maximum of four (4) weeks. After this period, procedures shall be taken to sell the items on the contractor's account, and the amounts due to the entity shall be deducted from the sale proceeds. The sale shall be conducted in accordance with the Law and these Regulations.



Part Three – General Rules on Offering and Contracting

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Section Two – Conditions for Execution of Movables Supply Contracts and Acceptance of Real Estate

Supply of Items from Abroad

Article (114):

When items arrive directly from abroad, the inspection committee shall review them against what is stated in the invoice after ensuring the integrity of the seals, marks, or boxes containing the items. Inspection minutes shall be drawn up on the designated form, recording any shortage, breakage, or damage found. A separate report shall then be prepared requesting deduction of damaged or missing items, on the designated form, to take the necessary procedures, taking into account the deadlines set by insurance companies (where the goods are insured) in order to preserve the administrative entity's right to claim the insurance amount; otherwise, the person responsible for missing such deadlines shall be liable.

The items shall be recorded into store stock according to what is stated in the invoice, regardless of any shortage, breakage, or damage found by the committee.

The shortage amount shall be deducted from the custody/stock record pursuant to a request and issue voucher on the designated form, and the necessary accounting settlements shall be carried out in accordance with applicable financial rules.

If opening the boxes and recording their contents according to the invoice is not possible for compelling reasons confirmed in writing by the competent authority, the following shall apply:

- The boxes shall be recorded under temporary addition vouchers in their existing overall condition, in the custody of responsible employees, after sealing them with the stores manager's seal in a manner ensuring the integrity of the seals until they are reopened.
- When issuing the temporary addition vouchers referred to above, a copy thereof shall accompany the payment documents so that the amounts previously deducted may be reversed from the relevant account.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Two – Conditions for Execution of Movables Supply Contracts and Acceptance of Real Estate

Acceptance of Real Estate

Article (115):

After the competent authority approves the committee's work, the procedures for contracting for transfer of ownership or leasing shall be taken in accordance with the laws and decisions regulating such matters.

A specialized committee including technical members shall be formed to take delivery of the property that is the subject of the contract, and it shall verify its conformity in all respects with what was contracted for.

Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Three – Conditions for Execution of Works (Contracting) Contracts Tests and Soil Investigations

Article (116):

The contractor shall itself ascertain the nature of the works and conduct all necessary tests, soil investigations, and the like to ensure the adequacy of the technical specifications, engineering drawings, and approved designs. The contractor shall notify the Contracts Administration in due time of any observations, and shall accordingly be responsible for the correctness and integrity of all of the foregoing as if they had been provided by it.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Three – Conditions for Execution of Works (Contracting) Contracts Quantities and Weights

Article (117):

The quantities and weights stated in the unit-rate schedules are approximate quantities and weights, subject to increase or decrease depending on the nature and purpose of the process. Their purpose is to indicate the volume of work in general. Amounts paid to the contractor shall be based on the quantities actually executed, whether less or more than those stated in the bill of quantities or drawings, and whether the increase or decrease results from an error in the initial calculation of the bill of quantities or from changes introduced into the work pursuant to the contract clauses.

In all cases, this shall not affect the contractor's priority in the ranking of its bid.

The contractor shall be deemed responsible for verifying the correctness of the quantities and weights itself. Each unit rate listed in the unit-rate schedule shall be binding on the contractor throughout the contract and not subject to reconsideration for any reason, and the contractor shall have no right to claim additional amounts or compensation in respect thereof.

The administrative entity's engineer shall carry out measurement or weighing of works during progress of the work jointly with the contractor, its engineer, or its authorized representative. Both parties shall sign to confirm the correctness of measurements and weights. If the contractor or its authorized representative fails to attend after being notified, it shall be bound by the measurements and weights conducted by the administrative entity's engineer.

For entities that lack the necessary technical staff, an engineer shall be seconded from the competent Housing Directorate, and the engineer of the administrative entity or of the Housing Directorate shall be responsible for the correctness and integrity of the data recorded in this respect.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Three – Conditions for Execution of Works (Contracting) Contracts Provisional Acceptance

Article (118):

Upon completion of the work, the contractor shall immediately clear the site of all materials, dust, and debris and level it; otherwise, the administrative entity has the right—after notifying the contractor—to perform such works at the contractor's expense. The contractor shall then be notified of the date set for inspection. Provisional acceptance minutes shall be drawn up after completing the inspection and shall be signed by the contractor (or its authorized representative under a notarized power of attorney) and by the contract manager of the administrative entity (or its representatives, as the case may be), whose names shall be notified to the contractor.

The minutes shall be prepared in one original and four (4) copies: the original shall be delivered to the Financial Administration; one copy to the Contracts Administration for the process file; one copy to the requesting/beneficiary administration; one copy to the execution supervising administration; and one copy shall be delivered to the contractor. If the contractor or its authorized representative fails to attend at the specified time, the inspection shall be carried out and the minutes signed by the administrative entity's representatives only.

If the inspection shows that the work has been completed as required, the date of the contractor's notification to the administrative entity of its readiness for provisional handover shall be deemed the completion date and the start of the warranty period. If the inspection shows that the work has not been fully completed, this shall be recorded in the minutes and provisional acceptance shall be deferred until it is clear that the works have been completed in conformity with the conditions, without prejudice to the contractor's liability under the Civil Code. The warranty period shall commence from the date of the final inspection.

After provisional acceptance, the contractor shall be refunded—if the contracting entity or any other administrative entity has no claims against it—any portion of the final performance security exceeding the specified percentage of the value of the works actually performed. The contracting entity shall retain such percentage until the end of the warranty period and completion of final acceptance.



Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Three – Conditions for Execution of Works (Contracting) Contracts Contract Warranty

Article (119):

The contractor shall warrant the works subject matter of the contract and their proper execution in full for a period of one (1) year from the date of provisional acceptance, without prejudice to the warranty period stipulated in the Civil Code or any other law. The contractor shall be responsible for maintaining all works in sound condition during the warranty period in accordance with the contract terms. If any defect or fault appears, the contractor shall repair it at its own expense; if it fails to do so, the administrative entity may carry out the repair at the contractor's expense and under its responsibility.

Part Three – General Rules on Offering and Contracting

Chapter Five – Conditions for Contract Execution

Section Three – Conditions for Execution of Works (Contracting) Contracts Final Acceptance

Article (120):

Before expiry of the warranty period by a suitable time, the contractor shall notify the administrative entity in writing so that a date for inspection may be set.



If it is found that the works have been executed in conformity with the specifications and in good condition, final acceptance shall be made pursuant to minutes in one original and four (4) copies, signed by the administrative entity's representatives and the contractor (or its authorized representative). The original shall be delivered to the Financial Administration; one copy to the contractor; one copy to the Contracts Administration for the process file; one copy to the requesting/beneficiary administration; and one copy to the execution supervising administration.

If the inspection reveals that the contractor has not fulfilled certain obligations, final acceptance shall be deferred until the contractor completes its obligations, without prejudice to its liability under the Civil Code or any other law.

Upon completion of final acceptance, any amounts due to the contractor shall be paid and the final performance security (or the remainder thereof) shall be returned.

Part Four – Purchase or Lease of Movables and Real Estate, and Contracting for Works, Technical Works and Consulting Studies

Public Tender

Article (121):

Contracting by way of public tender for the purchase or lease of movables and real estate, contracting for works, and receipt of services and technical works shall be carried out in accordance with the procedures regulating the pre-tender stage, the tender stage, and the award and contracting stage as set out in these Regulations.



**Part Four – Purchase or Lease of Movables and Real Estate, and Contracting for Works,
Technical Works and Consulting Studies**

Public Practice (General Negotiated Procedure)

Article (122):

Except for contracting for consulting studies, contracting by way of public practice (general negotiated procedure) for the purchase or lease of movables and real estate, contracting for works, and receipt of services and technical works shall take place in cases where the conditions set out in Article (54) of the Law are jointly satisfied. It must be published on the Public Procurement Portal and advertised in a widely circulated daily newspaper for a period of not less than twenty (20) days before the date set for opening envelopes. With the competent authority's approval, in cases of urgency, this period may be shortened provided it is not less than fourteen (14) days calculated from the date of advertisement.

For purposes of applying the condition set out in item (3) of the said article, the administrative entity may issue a request for expression of interest or a prequalification request if the nature of the process so requires.

**Part Four – Purchase or Lease of Movables and Real Estate, and Contracting for Works,
Technical Works and Consulting Studies**

Article (123):

With the exception of contracting for consulting studies, recourse to the limited practice method shall be permissible in any of the cases provided for in Article (55) of the Law, subject to the combined fulfillment of conditions (1) and (2) of Article (54) of the Law. For the purpose of applying the condition set out in item (1) of the said Article (55), the administrative entity may issue a request for expression of interest or a request for prequalification in a manner consistent with the nature of the procedure.



The limited practice shall be published on the Public Procurement Portal, and invitations shall be sent to the largest possible number of registrants on the Portal who are specialized or qualified and engaged in the activity that is the subject matter of the offering, at least fourteen (14) days before the date set for opening the technical envelopes. With the approval of the competent authority, in cases of urgency, the invitation period may be shortened provided it is not less than ten (10) days, calculated from the date the invitations are sent.

Part Four – Procurement or Leasing of Movable and Immovable Property and Contracting for Technical Works and Consultancy Studies

Direct Negotiation Mechanism

Article (124):

The practice committee, formed by a decision of the competent authority, shall open the financial envelopes of the bids that are technically accepted only, and shall negotiate with their submitters, or their authorized representatives, in one round or several rounds during the designated session, in order to reach the best terms and the lowest prices, or the offer that is preferred in accordance with the points-based evaluation system whose bases, elements, relative weights, and minimum threshold for acceptance are specified in the tender conditions—after unifying the bases for comparing offers from all technical and financial aspects—so as to arrive at the lowest comparative value, taking into account the factors affecting the determination of the comparative financial value of bids depending on the circumstances and nature of the subject matter of contracting.

In all cases, it is prohibited to reopen the negotiation/practice once the practice outcome has been finalized.

It is also prohibited to arrange or coordinate between the negotiating parties before or after submitting their bids, or during the practice session, for an unlawful purpose or in a manner that undermines the principles of equal opportunity and free competition, including directly or indirectly influencing another party's conduct with the aim of dividing contracts or fixing prices in a non-competitive manner. If such conduct is established, the provisions of Article (50) of the Law shall apply.



**Part Four – Procurement or Leasing of Movable and Immovable Property and Contracting
for Technical Works and Consultancy Studies**

Limited Tender

Article (125):

The limited tender shall be published on the Public Procurement Portal, and invitations shall be sent to the largest possible number of registrants on the Portal who are specialized or qualified and engaged in the activity that is the subject matter of the offering, at least fourteen (14) days before the date set for opening the technical envelopes. With the approval of the competent authority, in cases of urgency, the invitation period may be shortened provided it is not less than ten (10) days, calculated from the date the invitations are sent.

**Part Four – Procurement or Leasing of Movable and Immovable Property and
Contracting for Technical Works and Consultancy Studies**

Two-Stage Tender

Article (126):

The administrative entity may purchase or lease movables or real estate, contract for works, or receive services, technical works, or consulting studies by way of a two-stage tender, provided that any of the cases set out in Article (58) of the Law is met.

A committee shall be formed by a decision of the competent authority comprising technical, financial, and legal members, whose task shall be to prepare preliminary terms and specifications documents, which shall include—depending on the nature of the procedure—the following:

- The purpose of the contract.
- The expected performance.



- The general outlines of the required technical specifications or performance standards.
- The features, tasks, and specifications the administrative entity wishes to contract for.
- The qualifications required for contract execution.
- Parameters for dealing with matters related to intellectual property rights.

As well as any other data and information that may help offerors submit their preliminary technical proposals without prices, together with their comments on the proposed contract terms and any other conditions they may propose adding.

In the first stage of the two-stage tender, the same procedures set out in these Regulations shall be followed with respect to forming the committee for preparing the estimated value, the committee for responding to inquiries (if any), the committee for opening technical envelopes, and determining the bid bond (provisional security) within the legally prescribed limits.

The two-stage tender must be published on the Public Procurement Portal and advertised in a widely circulated daily newspaper, or invitations may be sent to the specialized or qualified registrants on the Public Procurement Portal who are engaged in the activity subject of the offering. In either case, the period shall not be less than twenty (20) days before the date set for opening the preliminary technical proposals. The same procedures provided in these Regulations regarding the contents of the advertisement or invitation shall be followed insofar as they do not conflict with the nature of the two-stage tender.

Before launching the two-stage tender, prequalification may be conducted if the administrative entity deems it appropriate, in accordance with the procedures set out in these Regulations.



Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Procedures of the First Stage of a Two-Stage Tendering Process

Article (127):

In the first stage, inquiries may be received at the specified time if the tender conditions so provide, and the offerors may be discussed with to clarify the subject matter of the procedure and to determine the extent to which their proposals respond to the required requirements and contractual conditions, provided that all inquiries, discussions, and responses are documented and kept in the procedure file. The Contracts Administration shall notify all offerors of any changes approved by the administrative entity based on the inquiries.

A committee shall be formed by a decision of the competent authority to receive the preliminary technical proposals, study them, and prepare a report on the results of the study, review, and discussions reached with the offerors who meet the minimum requirements and contractual conditions contained in the terms and specifications, without prejudice to the principle of equal opportunity among them. The committee shall submit its report to the competent authority to take any of the following decisions:

- Tasking the technical committee that prepared the preliminary terms and specifications to prepare the final terms and specifications in accordance with the results reached, and to refine the technical specifications, evaluation criteria, and contract terms.
- Cancelling the offering procedures if the submitted proposals and proposed amendments require further planning, market study, and technical review of the subject matter of the offering, in which case offerors shall be notified accordingly.

At the end of the first stage, technical proposals that do not meet the basic requirements shall be excluded, and the same procedures provided in these Regulations regarding announcement of results and receipt of complaints shall be followed.



Chapter Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Procedures of the Second Stage of a Two-Stage Tendering Process

Article (128):

After preparing the terms and specifications in a refined and complete manner in accordance with the results of the first stage, the following must be ensured:

- Availability of the financial appropriation for the procedure.
- Refinement of the estimated value and the bid bond (provisional security) amount in light of the final terms prepared.
- That all requirements have been fully incorporated.

In the second stage, the Contracts Administration shall send a notice to all responsive applicants inviting them to submit bids comprising final technical and financial offers in accordance with the refined final terms and specifications.

The same procedures set out in these Regulations shall be followed regarding opening envelopes, studying and evaluating bids, deciding on them, and announcing results.

Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Local Tender

Article (129):

The local tender shall be published on the Public Procurement Portal, and invitations shall be sent to the largest possible number of registrants on the Portal who are specialized or qualified and engaged in the type of activity intended to be offered, whose activity is located within the governorate in which the subject matter of the contract will be executed, at least fourteen (14) days before the date set for opening the technical envelopes. With the approval of the competent authority, in cases of urgency, the invitation period may be shortened provided it is not less than ten (10) days, calculated from the date the invitations are sent.



With the competent authority's approval at the administrative entity, where the offering is limited to medium, small, and micro enterprises, the terms and specifications may include a template declaration serving as an alternative to the bid bond (provisional security), stating a commitment to proceed with the procedures. The bidder shall sign it and enclose it in its technical envelope. If the winning bidder fails to pay the final performance security percentage, the value of the bid bond shall be deducted from its dues with the administrative entity; if insufficient, it shall be deducted from its dues with any other administrative entity regardless of the reason for entitlement. Without the need to take any further action, the entity may cancel the contract or execute it through one of the next-ranked bidders according to priority.

It may also deduct from the bidder the value of any losses incurred, without prejudice to the administrative entity's right to seek judicial recourse for any amounts it could not collect through administrative means. The Micro, Small and Medium Enterprise Development Agency shall be notified of the non-payment of the final security to be taken into account in the future.

With the approval of the competent authority, an advance payment may also be paid to the winning bidder from such enterprises in accordance with the percentage and limits set out in Article (92) of these Regulations, against an approved bank guarantee of the same value and currency, not subject to any condition, and valid until the actual due date of those amounts.

The tender conditions must specify the advance payment percentage and request the determination of its permitted uses.

Before submitting the tender memorandum to the competent authority, the Contracts Administration at the administrative entity shall contact the branch of the Micro, Small and Medium Enterprise Development Agency located in the governorate where the contract will be executed, to perform its functions and notify such enterprises to register and update their data on the Public Procurement Portal. The Agency branch shall provide the administrative entity with the names and details of those interested in participating in the procedure so they may be invited, within a maximum of five (5) days from the date it receives the administrative entity's notice.



Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Applicability of the Provisions Governing Public Tenders to Certain Types of Tenders and Other Procurement Methods

Article (130):

The rules applicable to the public tender shall apply to the limited tender, the two-stage tender, the local tender, and both types of practice, in respect of matters for which no specific provision is provided in these Regulations.

Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Provisions Governing the Purchase or Lease of Real Property

Article (131):

The rules governing the purchase or lease of movables shall apply to the purchase or lease of real estate, insofar as they do not conflict with the nature of real estate.

Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Direct Contracting

Article (132):

The procedures for contracting by direct agreement for the purchase or lease of movables, contracting for works, receipt of services, technical works, or consulting studies shall be undertaken by a committee formed by a decision of the competent authority comprising technical, financial, and legal members and a member from the Contracts Administration. The committee may seek the opinion of experts in the subject matter of the request, and if unavailable, it may seek assistance from persons it deems appropriate from other administrative entities. Its work shall be approved exclusively by the competent authority.



The Contracts Administration shall submit a memorandum to the competent authority setting out the reasons for proposing contracting by this method in accordance with the cases stated in Article (62) of the Law, and shall attach thereto a copy of the needs plan, except for the cases indicated in items (1), (4), and (5) of the same article.

Upon the competent authority's approval, the Contracts Administration shall publish the direct agreement contract on the Public Procurement Portal in accordance with Article (20) of the Law, provided that the publication includes a brief description of the subject matter of contracting and the required technical specifications.

A terms and specifications document may be prepared for the subject matter of contracting if the nature of the procedure so requires.

The Direct Agreement Committee shall assign a serial number to each offer and record the date and time of receipt. It shall be responsible for verifying that the subject matter of contracting conforms to the required technical aspects and that prices are appropriate compared to prevailing market prices at the time of contracting, or for determining the lowest-priced offer that meets all conditions and requirements set by the administrative entity in its request—based on the submitted offer or obtained quotations, as the case may be—together with the bases for selecting the contractor.

The committee shall prepare minutes of its results and submit them to the competent authority for approval in accordance with the licensing authorities set out in Article (63) of the Law. The Contracts Administration shall publish the contracting result immediately upon approval on the Public Procurement Portal, complete the remaining legally prescribed procedures, and document them, provided that the publication includes the data set out in item (2 bis) of paragraph one of Article (133) of these Regulations relating to the legal nature of the offeror and the beneficial owner thereof.



Part Four – Purchase or Lease of Movables and Real Estate, and Contracting for Works, Technical Works and Consulting Studies

Contents of Price Quotations in Direct Agreement Contracting

Article (133):

In cases of contracting by direct agreement, the Contracts Administration shall request one or more price quotations from persons engaged in the activity required to be contracted for, and shall publish such request on the Public Procurement Portal, provided that it includes the following data:

- The name of the administrative entity, the address of its Contracts Administration, and the administration's telephone number, fax number, and email address.
- The name of the procedure and its number.

2 bis – A statement of the legal nature of the offeror and its ultimate beneficial owner, together with supporting documents. In this regard, an authenticated copy of the articles of incorporation, bylaws, or capital structure (as last amended) shall be relied upon for companies, and any other ownership-related data or documents for non-company offerors.

- The place of obtaining the terms and specifications booklet and its price, if any.
- Evidence of retaining a percentage of (5%) in cases whose nature requires the contractor to guarantee the integrity/soundness of the subject matter of the contract.
- A full description of the items, works, or services intended to be contracted for, as applicable according to the nature of the contract, in the manner set out in Article (14) of the Law.
- The quantity, or the volume of works/tasks required, and the timeline/program for supply or for execution, as the case may be.
- All price-related elements, including delivery terms and life-cycle cost where the nature of the procedure so requires and where such cost has been included in the



tender conditions.

- The period during which prices are binding.
- Clarification as to whether award will be made for each line item separately or for a bundled group of items.
- The method and criteria for evaluating offers.
- The method of submitting offers and the final deadline for submission.
- Prohibition on submitting more than one offer, or submitting any amendment to prices in the submitted offer.
- Identification of the variable items, or their components, for works contracts in contracts that require this.
- Identification of the items that may be subcontracted where the nature of the procedure so requires, as well as other relevant parameters and conditions.

Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Controls and Conditions Governing Contracting by Direct Agreement by the Minister of Health

Article (134):

The Minister of Health may contract by direct agreement in respect of serums, vaccines, strategic medicines, and infant formula, provided that the Contracts Administration at the Ministry of Health prepares a procedural guide for this, to be approved by the General Authority for Government Services.



The Minister of Health shall form a specialized committee comprising technical, financial, and legal members to carry out the contracting procedures. They shall be responsible for verifying that the items conform—by type, specifications, and conditions—to the purpose for which they are required, and that prices are appropriate relative to market prices based on the quotations obtained where available. The committee shall submit a report to the Minister of Health on the results of its work, including all procedures taken, and stating the reasons for its recommendations, for approval.

Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Direct Contracting for Low-Value Transactions

Article (135):

Without prejudice to Article (10) of the Law, contracting by direct agreement for the purchase or lease of movables, works, or receipt of low-value services necessary for the conduct of work requirements shall be carried out in accordance with the following controls:

- That using this method is the optimal option among other contracting methods.
- That the subject matter is not covered by a framework agreement and cannot be contracted through either type of practice (negotiated procedure).
- Taking into account the time factor in meeting the required needs.
- Verifying price appropriateness compared to prevailing market prices at the time of contracting through a market study or by reference to previously contracted prices.
- Technical conformity of the subject matter with required technical aspects.
- That contracting is with a person registered with the Egyptian Tax Authority; operations whose nature does not require this are exempt.
- Verifying that the contracting does not undermine competition and achieves value-for-money criteria.



The direct agreement contracting procedures shall be undertaken by a standing committee formed by a decision of the competent authority comprising technical, financial, and legal members and a member from the Contracts Administration. The committee may seek the opinion of experts in the subject matter of the request, and if unavailable may seek assistance from persons it deems appropriate from other administrative entities. Its work shall be approved by the competent authority. The committee shall be responsible for verifying compliance with the procedures set out in this Article and for determining the lowest-priced offer that satisfies all conditions and requirements set by the administrative entity, based on the offer(s) obtained, while observing the non-repetition of contracting with the same contractor in the same procedure.

Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Direct Agreement for the Purchase or Lease of Real Property

Article (136):

The administrative entity may purchase or lease real estate in emergency or urgent cases, or for reasons of public interest, by following the same procedures provided for in Article (132) of these Regulations governing direct agreement contracting for the purchase or lease of movables, contracting for works, or receipt of services, technical works, or consulting studies.

Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Rules Governing the Framework Agreement

Article (137):

Contracting by means of a framework agreement shall be used in any of the cases set out in Article (65) of the Law, with the aim of determining the terms and prices governing supply orders or assignment orders to be issued, as the case may be.



To comply with Article (19) of the Law and the rules governing preparation of the terms and specifications booklet set out in these Regulations, the terms and specifications booklet for the tender, either type of practice, or direct agreement (as applicable) shall include the following:

- A statement that the procedures will conclude with entering into a framework agreement with the awardee(s).
- The administrative entities participating in the framework agreement and related conditions.
- Determining the type of framework agreement as either open or closed; in the case of an open framework agreement, the minimum number permitted to participate must be specified.
- The form, provisions, conditions, and duration of the agreement, not less than two fiscal years; exceptionally, it may be extended for another period not exceeding four years, subject to approval of the competent authority of the offering administrative entity, and the specified duration and its controls must be included in the terms and specifications booklet.
- Statistical data on demand rates, historical consumption rates, and indicative future projections for the subject matter of offering and contracting.
- The scope(s) of works, services, or consulting studies, as the case may be.
- Determining whether the agreement will be concluded with one or more winning bidders if the procedure is divisible.
- Evidence that the bid bond (provisional security) will be provided as determined by the competent authority of the offering entity based on the statistical demand/consumption/projection data included in the tender conditions, and that the final performance security will be provided to the administrative entity issuing the supply/assignment order (as applicable) at the percentage stipulated by the Law.



Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Types of Framework Agreements

Article (138):

The type of framework agreement shall be determined according to the needs of the administrative entity/entities based on a market study of the subject matter of the agreement, as follows:

1. **Closed framework agreement:** chosen to provide needs at the lowest prices covering a future period, or where supply/execution is in tranches; no party other than the awardee(s) may participate throughout its validity and execution period.
2. **Open framework agreement:** chosen to provide rapid and common needs effectively at the lowest prices; during its validity, it may be permissible to receive bids from suppliers, contractors, service providers, or consultants to join it, provided they are informed of the outcome of the administrative entity's study of their technical and financial offers. The open framework agreement shall be implemented through the electronic system once completed and operating regularly.

Part Four – Purchase or Lease of Movable and Immovable Property, and Contracting for Technical Works and Consultancy Studies: Competition

Article (139):

The Contracts Administration shall submit a memorandum to the competent authority seeking approval to contract for an innovative work using the competition method.

A specialized, neutral technical judging committee shall be formed by a decision of the competent authority. The committee may seek the assistance of experts from other administrative entities experienced in the subject of the competition. The committee shall prepare the competition documents including an accurate description of the subject and purpose, the prizes/rewards/benefits awarded to winners, how the intellectual property rights of contestants will be handled, and the bases and criteria for selection and the method of communication with contestants.



The Contracts Administration shall announce the competition once in a widely circulated daily newspaper in addition to publishing it on the Public Procurement Portal, provided that the announcement includes the following data:

- The subject of the competition and its purpose.
- The place and date for obtaining the competition documents, and a statement that they may be viewed on the Public Procurement Portal.
- The deadline and place for submitting contestants' proposals.
- The criteria and bases for evaluating contestants.
- The prizes or rewards awarded to winners and any other data the administrative entity deems necessary.

The Contracts Administration shall receive and count the submitted proposals and record their number in minutes prepared for this purpose.

The submitted proposals shall be delivered to the judging committee without disclosing the contestants' identities.

The judging committee shall study the proposals in accordance with the previously set bases and criteria, and may request clarifications from contestants through the Contracts Administration. The committee shall prepare a report stating the results of its review—acceptance or exclusion—and its decision shall become effective upon approval by the competent authority.

The Contracts Administration shall publish the competition results on the Public Procurement Portal immediately after the competent authority approves them, and all procedures carried out must be documented.



Part Five – Sale and Lease of Movables and Real Estate, Projects Without Legal Personality, and Licensing of Use or Exploitation

Rules of Sale, Lease, or Licensing

Article (140):

The administrative entity shall not keep in warehouses items that are surplus to its needs, no longer required, obsolete, liable to deterioration, unfit for use, or the like. Responsibility shall be determined where items decided to be disposed of remain for more than one year from the date of the disposal decision without being presented to the competent authority, so as to avoid accumulation in warehouses.

The Contracts Administration shall coordinate with the Warehouses Administration to prepare an inventory of items to be disposed of and present it to the competent authority, including a proposed method of disposal. If the competent authority decides disposal by sale, the Contracts Administration shall prepare timelines for disposal by sale or lease and licensing of use or exploitation to be published on the Public Procurement Portal. The administrative entity may agree with the General Authority for Government Services for the Authority to undertake the procedures on behalf of the administrative entity within the limits of the Law and these Regulations.

If the administrative entity is contracted with a service provider to carry out sale, lease, or licensing of use/exploitation, that service provider shall conduct the advertisement procedures at its own expense in accordance with its contract terms with the administrative entity, provided that it is registered in the register of expert appraisers. Its role shall be limited to brokerage/auctioneering only and it shall not participate in the committees setting the base price. Contracting with the service provider must be within the limits of the Law and these Regulations.



Part Five – Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Property and Projects: Public Auction

Article (141):

With respect to contracting by the method of the public open auction for the sale and lease of movables and real estate, projects without legal personality, and licensing of use or exploitation of real estate and projects—including tourist facilities and cafeterias—the procedures governing the pre-offering stage, offering stage, and award/contracting stage set out in these Regulations shall apply.

Part Five – Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Property and Projects: Applicability of the Provisions Governing Public Auction to Other Methods of Sale

Article (142):

The same procedures of the public open auction shall apply to the limited and local auction insofar as no special provision is provided in these Regulations.

Part Five – Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Property and Projects: Auction Mechanism

Article (143):

At the beginning of the public open auction session, the auction committee shall announce to bidders' sufficient information and specifications regarding the subject of sale, lease, or licensing of use/exploitation, without stating the base price. It shall then conduct the bidding procedures through one or more rounds during the same session to reach the highest price that satisfies the conditions.



Exceptionally, the bidding session may be held over more than one day for each group (or more) separately, provided the tender conditions so state and provided each group has a separate base price in sealed envelopes.

In all cases, it is prohibited to reopen bidding once the bidding has been concluded.

It is also prohibited for bidders to agree before or during the auction session for an unlawful purpose or in a manner that undermines the principles of equal opportunity and free competition, including directly or indirectly influencing another party's conduct, with the aim of dividing contracts or fixing prices non-competitively. If such conduct is established, Article (50) of the Law shall apply.

The auction shall be awarded to the highest price that satisfies the conditions, provided it is not less than the base price. The auction committee shall prepare minutes of its procedures stating the value of bid bonds (provisional securities) paid by bidders, what was returned, and what was confiscated. The minutes shall be signed by the committee chair and all members.

The decisions and recommendations of the auction committee shall be approved by the competent authority.

**Part Five – Sale and Lease of Movable and Immovable Property and Projects
Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation
of Property and Projects: Sealed-Bid Auction**

Article (144):

If sale, lease, or licensing is conducted by auction through sealed envelopes, the same conditions, rules, and procedures provided in these Regulations for contracting by public tender shall apply, insofar as they do not conflict with the nature of sale, lease, or licensing.



**Part Five – Sale and Lease of Movable and Immovable Property
and Projects Lacking Legal Personality, and the Grant of Licenses
for Use or Exploitation of Property and Projects: Limited Auction**

Article (145):

The limited auction shall be published on the Public Procurement Portal, and invitations shall be sent to the largest possible number of registrants thereon who are specialized or qualified and engaged in the type of activity intended to be offered, at least fourteen (14) days before the date set for the auction session. With the approval of the competent authority, in cases of urgency, the invitation period may be shortened provided it is not less than ten (10) days, calculated from the date the invitations are sent.

**Part Five – Sale and Lease of Movable and Immovable Property
and Projects Lacking Legal Personality, and the Grant of Licenses
for Use or Exploitation of Property and Projects: Local Auction**

Article (146):

The local auction shall be published on the Public Procurement Portal, and invitations shall be sent to the largest possible number of registrants thereon who are specialized or qualified and engaged in the type of activity intended to be offered, whose activity lies within the governorate in which the subject of sale, lease, or licensing is located, at least fourteen (14) days before the date set for the auction session. With the approval of the competent authority, in cases of urgency, the invitation period may be shortened provided it is not less than ten (10) days, calculated from the date the invitations are sent.

Before submitting the tender memorandum to the competent authority, the Contracts Administration at the administrative entity may notify the branch of the Micro, Small and Medium Enterprise Development Agency located in the governorate in which the subject of sale, lease, or licensing falls, to encourage specialized/qualified MSMEs engaged in the relevant activity to register or update their data on the Public Procurement Portal. The Agency branch shall provide the administrative entity with the names and details of those interested in participating in the auction so they may be invited, within a maximum of five (5) days from the date it receives the administrative entity's notice.



Part Five – Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Property and Projects: Applicability of the Provisions Governing Purchase to Sale

Article (147):

The rules and procedures governing the purchase or lease of movables shall apply to the sale and lease of movables and real estate, projects without legal personality, and licensing of use or exploitation of real estate and projects—including tourist facilities and cafeterias—in matters for which no special provision is provided, insofar as this does not conflict with the nature of sale, lease, licensing, or exploitation.

Part Five – Sale and Lease of Movable and Immovable Property and Projects Lacking Legal Personality, and the Grant of Licenses for Use or Exploitation of Property and Projects: Sale by Direct Agreement

Article (148):

Contracting for the sale or lease of movables or real estate, projects without legal personality, or licensing of use or exploitation of real estate and projects—including tourist facilities and cafeterias—shall be by direct agreement in accordance with Article (71) of the Law, and by following the same procedures set out in Article (132) of these Regulations, insofar as they do not conflict with the nature of sale, lease, or licensing.

In all cases, it is a condition that the value of sale, lease, or licensing shall not be less than the base price estimated by the committee determining the base price.



**Part Five – Sale and Lease of Movables and Real Estate, Projects
Without Legal Personality, and Licensing of Use or Exploitation of Real
Estate and Projects**

Delivery Committee

Article (149):

Delivery of sold items shall be carried out by a committee formed by a decision of the competent authority, chaired by a responsible employee, with membership including the relevant storekeeper and a member delegated by the Director of Warehouses from among employees other than storekeepers, in addition to any persons the competent authority deems important to include as committee members. The committee shall ensure that delivery is made according to the division/classification carried out by the Classification Committee in terms of quantity and specifications and in accordance with the outcomes of the sale decisions.

Delivery of the subject matter of sale, lease, or licensing with respect to non-movables shall be carried out by a committee formed by a decision of the competent authority, chaired by a responsible employee, and including technical, financial, and legal members according to the importance and nature of what is being delivered. Upon delivery, the committee shall verify implementation of what resulted from the decisions of sale, lease, or licensing.

**Part Five – Sale and Lease of Movable and Immovable Property and Projects Lacking Legal
Personality, and the Grant of Licenses for Use or Exploitation of Property and Projects:
Controls and Conditions Governing Lease or Licensing**

Article (150):

In procedures for leasing movables and real estate and projects, and licensing of use or exploitation of real estate and projects that do not have legal personality, approval of the competent authority at the administrative entity must be obtained. Such approval shall include the economic duration of the contract and the bases relied upon in determining it, in accordance with the technical and financial study of the subject matter of the contract.



The tender conditions shall include the following:

- The nature of the activity being offered, specified clearly.
- The contract term and the conditions for extending it if the administrative entity deems this appropriate, stating the maximum extension and the economic bases relied upon by the administrative entity in determining both. In projects of a special nature requiring major investments to execute and exploit them, the administrative entity must prepare an economic feasibility study explaining the bases used to determine the contract term and the maximum extension—without prejudice to the principles of publicity, transparency, integrity, free competition, and equal opportunity.
- Payment dates and the penalty for non-compliance.
- Annual increase of the consideration by a percentage of the cumulative contract value.
- Prohibition on assigning the subject matter of the contract to others, or making it available to others by way of subcontracting after contracting.
- A stipulation that the contractor, at its own expense, shall carry out the necessary fittings, development works, and continuous maintenance of the subject matter of the contract to ensure it is returned to the owning entity in good condition at the end of the term.

The tender conditions may include facilitations/concessions consistent with the subject matter of the contract and in furtherance of the project's economics.

Before the end of the lease or licensing term, re-offering procedures must be initiated in due time using one of the methods set out in Article (7) of the Law and within the rules and procedures stated in these Regulations. The administrative entity shall also inventory the fittings and other works carried out at the end of each term and before re-offering, and take this into account when determining the rental value or the consideration for use.



Part Six – Contracts with Special Provisions

Chapter One – Contracting for Consulting Studies

Selection of Contracting Method

Article (151):

Contracting for consulting studies shall be in accordance with Article (73) of the Law. The Contracts Administration shall follow the method of limited tender, two-stage tender, or local tender, and contracting shall be with consultants who satisfy the conditions of technical competence, financial solvency, and good reputation.

Exceptionally, contracting for consulting studies may be carried out by public tender, local tender, or direct agreement in procedures of a routine, simple, standard, or non-complex nature, or that have fixed technical frameworks—such as audit works, preparation of designs, and other non-complex works.

It is also permissible to contract with a specific consultant through a limited tender, local tender, or direct agreement when qualification and experience are essential conditions in the procedure.

Part Six – Contracts Subject to Special Provisions

Section One – Contracting for Consultancy Studies: Prequalification of Consultants

Article (152):

The Contracts Administration may conduct a prequalification of consultants expected to be invited to participate in the procedure intended to be offered, by following the procedures stipulated in Article (21) of the Law and Articles (38), (39), (40), and (41) of these Regulations, in a manner that does not conflict with the nature of consulting studies, and by preparing a shortlist of those prequalified who have the capacity to perform the required assignment according to the prequalification requirements at the time of offering.



Part Six – Contracts Subject to Special Provisions

Section One – Contracting for Consultancy Studies: Consultancy Scope of Work Framework

Article (153):

The administrative entity shall ensure that the tender documents include its requirements, conditions, and the scope of work for consulting studies, including at least the following data:

- A general description of the procedure, its purpose and objectives in line with the administrative entity's needs.
- The scope of the study and the tasks required of the consultant, their key elements, specializations, and other requirements.
- The required deliverables, including reports, data, information, maps, statistics, designs, etc., and the timetable for submission of each.
- A description of the technology or expertise to be used in performing the contract and how the administrative entity's staff will be trained thereon.
- A detailed statement of the required key technical staff, their roles, qualifications, experience, and the volume of tasks assigned to each.
- The location where the procedure is to be performed.
- Inputs and technical facilities to be provided by the contracting administrative entity to the consultant.
- The time periods for executing the tasks, specified in days, months, or years depending on the nature of the procedure, and the proposed start and end dates for completing the tasks.
- The required format of reports and the procedures and conditions for submitting them.
- The general framework of evaluation criteria.



Care must be taken not to overstate unnecessary details or impose restrictive requirements, so that bidders can submit innovative proposals that meet the administrative entity's needs at the desired quality.

Part Six – Contracts Subject to Special Provisions

Section One – Contracting for Consultancy Studies: Principles for Determining the Estimated Value

Article (154):

The estimated value of consulting studies contracts shall be determined on the basis of estimating the total costs for the consultant to perform the required assignment, including costs of the work team and staff, the time spent in executing the contract, and other costs according to the nature of the procedure. It may be determined, by way of example, according to any of the following bases:

- **Lump-sum contracting:** for assignments where the content and duration of services and the required results are defined, such as simple planning procedures, feasibility studies, and engineering designs.
- **Time-based contracting:** for assignments where it is difficult to define the scope of services and execution duration precisely, such as multi-specialty studies, supervision of works execution, and training tasks. Such contracts must include a maximum cap for the total contract value. Generally, this type requires a supervisory team capable and experienced in evaluating performance.
- **Percentage-based contracting:** for assignments including inspection, review, and audit, where the percentage is calculated according to what is prevailing and customary in the market for the subject matter of the contract.



Part Six – Contracts Subject to Special Provisions

Section One – Contracting for Consultancy Studies: Tender Documents and Technical Specifications

Article (155):

Subject to the provisions of Article (19) of the Law and the standard tender documents issued by the General Authority for Government Services, the Contracts Administration shall be obliged to include, at a minimum, the following information in the tender documents for consultancy studies contracts:

- Identification of the appropriate contracting method in accordance with Article (73) of the Law.
- The means and method of communication with the administrative authority, including address, telephone number, fax number, email address, and the name of the person authorized to communicate with bidders.
- Evidence of the availability of the financial appropriation allocated to the procurement process.
- The data required to be provided by bidders, and the criteria for verifying the fulfillment of technical competence, financial solvency, and good reputation requirements.
- Forms of payment of the bid bond and its amount, as well as the performance bond and its percentage.
- The appropriate period of validity of bids.
- Description of the assignment, the consultancy scope of work, requirements, and conditions in accordance with Article (153) of these Executive Regulations.
- A request for a statement of the names, positions, and experience of the personnel who will carry out the assignment.



- Valid licensing certificates for consultancy offices.
- Identification of the stages of implementation of the assignment according to the nature of each procurement process (design, supervision, etc.).
- Specification of the facilities to be provided to consultants, and the possibility of granting them access to all data and information necessary for the execution of the assignment.
- Specification of the method of payment according to the nature of the procurement process and its timelines.
- Specification of the inputs and resources to be provided by the administrative authority to the consultant during the performance of its duties.
- Specification of the required outputs, including reports, data, maps, surveys, and other deliverables, together with the timetable for their submission, the required reporting schedule, and the date on which the successful consultant shall commence service delivery.
- The bases and elements of evaluation, relative weighting, and the minimum acceptance threshold.
- Identification of the items that the bidder may subcontract to third parties where the nature of the procurement process so requires, as well as other relevant limitations and conditions.
- Submission of a declaration confirming the absence of any potential conflict of interest in relation to the consultant's activities.

As well as any other data deemed necessary by the administrative authority.

Where the administrative authority is unable to provide technical staff from among its employees to prepare the tender documents and technical specifications, it may seek assistance from experts employed by other administrative authorities. If this is not possible, it may contract with a consultant for the preparation thereof in accordance with Article (73) of the Law.



Part Six – Contracts Subject to Special Provisions

Section One – Contracting for Consultancy Studies: Submission of Bids

Article (156):

Bids shall be submitted in accordance with Article (23) of the Law and according to the periods set out in Article (46) of these Regulations and specified in the terms and specifications booklet.

Part Six – Contracts Subject to Special Provisions

Section One – Contracting for Consultancy Studies: Contents of the Technical Envelope

Article (157):

The technical envelope in consulting studies procedures must include, at a minimum, the following:

1. Evidence of payment of the required bid bond (provisional security) in accordance with the terms and specifications booklet.
2. A statement of the bidder's legal nature and its ultimate beneficial owner, with supporting documents. In this regard, an authenticated copy of the articles of incorporation, bylaws, or capital structure (as last amended) shall be relied upon for companies, and any other ownership-related data or documents for non-company bidders.
3. Professional syndicate registration data, according to the nature of the procedure.
4. Evidence of purchasing the terms and specifications booklet.
5. The technical conditions and requirements set out in the terms and specifications booklet, in accordance with Article (155) of these Regulations.



Part Six – Contracts Subject to Special Provisions

Section One – Contracting for Consultancy Studies: Contents of the Financial Envelope

Article (158):

In consulting studies procedures, the consultant's financial envelope must include the cost of performing the assignment, including fees of the work team and staff, time costs incurred in performing the assignment, deliverables such as maps and reports, and other cost elements or requirements as specified by the administrative entity in the terms and specifications booklet.

Part Six – Contracts Subject to Special Provisions

Section One – Contracting for Consultancy Studies: Evaluation of Bids

Article (159):

Subject to the first paragraph of Article (73) of the Law and Article (74) of these Regulations, bids shall be evaluated using the points system to reach combined technical quality and price criteria. The tender conditions shall include the bases and elements of evaluation, relative weights, and the minimum acceptance threshold, including for example:

- Responsiveness to tender conditions.
- The consultant's scientific and academic qualifications.
- Volume of similar works.
- Number of years of experience.
- Timeline for delivery of required outputs.



Exceptionally, subject to the second paragraph of Article (73) of the Law, award shall be made to the lowest-priced offer among technically accepted offers. In the cases referred to in the third paragraph of the same Article, award shall be made either by the points system or to the lowest price, as applicable.

Part Six – Contracts Subject to Special Provisions

Section One – Contracting for Consultancy Studies: Avoidance of Conflicts of Interest in Consultancy Studies

Article (160):

The consultant must adhere to the highest standards of integrity and transparency when submitting its bid or during contract performance, and must avoid conflicts of interest between the assignments it will perform and its other assignments, or its prior dealings with other bidders.

The Contracts Administration shall obtain from the consultant a declaration undertaking to avoid conflicts of interest, and that if it violates this, it will be excluded or the contract will be terminated, as applicable, and the measures provided by the Law and these Regulations shall be taken. The declaration shall be kept in the procedure file.

Part Six – Contracts Subject to Special Provisions

Section One – Contracting for Consultancy Studies: Applicability of the Provisions Governing Consultancy Studies

Article (161):

The contracting for consulting studies shall be subject—where no special provision exists—to the same procedures provided in these Regulations for contracts for the purchase or lease of movables, works contracting, and receipt of services and technical works, insofar as this does not conflict with the nature of consulting studies.



Part Six – Contracts with Special Provisions

Chapter Two – Contracting with Providers of Essential Services and Small Projects

Contracting with Providers of Essential Services

Article (162):

The Contracts Administration shall submit a memorandum to the competent authority seeking approval to contract by direct agreement with providers of essential services in which the State holds a controlling stake enabling it to appoint a majority of the board of directors, or otherwise control board decisions or general assembly decisions, for the provision of essential services—such as electricity, water, gas, and other similar essential services necessary for operation of the public utility whose prices are set by the State. The memorandum shall include the reasons and justifications for such contracting, the names of the service providers, and other procedures and controls stipulated in Article (74) of the Law.

Contracting procedures shall be undertaken by a committee formed by a decision of the competent authority comprising technical, financial, and legal members and a member from the Contracts Administration, and its work shall be approved by the competent authority or whomever it delegates.

Part Six – Contracts Subject to Special Provisions

Section Two – Contracting with Providers of Essential Services and Small Projects: Contracting with Medium, Small, and Micro Enterprises

Article (163):

The Contracts Administration must take into account the capabilities of medium, small, and micro enterprises, with the aim of maximizing opportunities available to them by simplifying registration procedures and ensuring that objective prior bases and criteria are set when undertaking their prequalification, in line with the nature of the procedure.



When preparing terms and specifications booklets, the following must be considered:

- Preparing technical specifications that take account of the capabilities of medium, small, and micro enterprises in a manner consistent with the required performance and purpose, without affecting equal opportunity or compliance with quality and performance standards in execution.
- Exempting them from requirements of previous similar works and prior years' audited financial statements/budgets, where the nature of the procedure does not require them.
- Not exaggerating the amount of the bid bond (provisional security), or exempting from it pursuant to Article (59) of the Law.

The Contracts Administration must comply with the percentage specified in Article (75) of the Law and prepare quarterly reports submitted to the competent authority stating the value of procedures awarded to such enterprises during that period in accordance with the approved needs plan of the administrative entity, along with the necessary recommendations to ensure compliance with the prescribed percentage.

Part Six – Contracts with Special Provisions

Chapter Three – Contracts Based on Private-Sector Initiative, and “Deal” Contracts

Contracts Based on Private-Sector Initiative

Article (164):

Without prejudice to the provisions of laws governing contracts submitted based on private-sector initiative, if an administrative entity receives an offer for an integrated investment project that includes financing—whether submitted by a natural or legal person on the basis of that person's initiative and not in response to an official request through the contracting methods set out in Article (7) of the Law—the entity may study the project and notify the submitter accordingly, or reject it and notify the submitter that it will not be considered, without creating any obligations on the administrative entity toward the submitter.



If the administrative entity studies a project that involves intellectual property rights belonging to its submitter and considers that its implementation achieves the State's economic and development objectives and has technical, economic, and social feasibility, it may request the submitter to provide its offer including all relevant technical, economic, financial, and contractual data and detailed studies, enabling the entity to evaluate it comprehensively and in detail.

If the administrative entity, after its analytical study of the project in light of the data provided by the investor and after conducting open dialogue, market sounding, analysis, and evaluation, concludes that the project and its terms achieve the State's economic and development objectives, it shall request the submitter to present the project in final form. The competent minister of the administrative entity shall present the details to the Ministers of Finance and Planning for their review, and they shall inform the competent minister of the results of their study.

The competent minister of the administrative entity shall then present the project and the procedures taken in respect thereof to the Council of Ministers, including the results of its technical, economic, and social feasibility, the analytical study of the technical and financial structure, market studies and their results, and the approval of the Ministers of Finance and Planning. If approved by the Council of Ministers, the administrative entity shall be authorized to proceed with contracting for the project by direct agreement. If the project is rejected, all project documents shall be returned to the submitter.

If the project does not involve exclusive intellectual property rights of the submitter, the administrative entity may offer it to the submitter and others to obtain competitive offers, without prejudice to the principles of transparency, competition, equal opportunity, and equality. Contracting shall be in accordance with the general frameworks, procedures, conditions, and contracting controls proposed by the competent minister according to the nature of the project and approved by the Committee for Indicators and Economic Changes referred to in Article (4) of the Law.



Part Six – Contracts with Special Provisions

Chapter Three – Contracts Based on Private-Sector Initiative, and “Deal Contracts”

Controls and Conditions for Concluding Deal Contracts and Complex, Interlinked, Multi-Party Projects

Article (165):

By way of exception to the provisions of the Law, an administrative entity may contract for deal transactions that require speed in taking the contracting decision due to their nature, or due to fluctuations in their prices and economic quantities, or that cover a future time horizon, or operations related to transactions carried out in international financial markets, or financial derivatives contracts, forward purchases and futures and what is connected therewith—provided that this is done in accordance with the applicable international commercial practices determined by the competent authority at the administrative entity.

The competent authority at the administrative entity requesting the contract shall determine the relevant international commercial practices related to the subject matter of its request that it will follow when undertaking contracting procedures as an exception to the Law. These practices shall be submitted to the Ministerial Committee for Economic Indicators and Changes referred to in Article (4) of the Law for study and for preparation of a report on its results and recommendations, which the rapporteur of the committee shall submit to the Council of Ministers for approval and for taking the necessary measures to implement what is stated therein.

Also, by way of exception to the Law, the administrative entity may conclude any of the contracts referred to in the second paragraph of Article (79) of the Law if such contracts achieve its urgent economic and developmental objectives, or if economic or social circumstances require their prompt completion at a specific time.



Subject to the general frameworks, procedures, conditions, and controls prepared by the Committee for Economic Indicators and Changes referred to in Article (4) of the Law—approved by the Council of Ministers and for which a procedural guide is issued regulating the conclusion of any such contracts—the administrative entity, when considering contracting for any of them, shall verify, *inter alia*, the following:

- Completion of needs assessments for the project subject to contracting and the priority of its implementation.
- Availability of accurate and acceptable economic feasibility studies for all concerned parties.
- Creditworthiness studies of partners, sources of financing, and related risks, and other related matters.
- Existence of a clear financial plan or program justifying the project cost, the method of payment, and the amount of capital contributed by those undertaking it.
- Ensuring that standardized technical specifications are available for the project in its entirety.
- Studies of the economics of execution and operation throughout the project duration or contract term.
- The ability to obtain all approvals and licenses required for execution.
- Studies confirming the project's profitability, taking into account maintenance and replacement of aging assets, especially in the later years of the project/contract term.
- Formation of reserves from project revenues to be used for renewal, maintenance, and replacement, in line with the nature of the project and contract.
- Any other related matters connected to the nature of the project.



Contracting for any of these projects shall be conducted either by public announcement, or by sending invitations to a shortlist of candidate investors to submit their offers, or by direct agreement in any of the following cases:

- If no more than one qualified investor applies, or
- If more than one qualified investor reaches the shortlist but only one of them submits an offer that meets the requirements, or
- If there is only one qualified source capable of implementing the project, or
- If there is an urgent need to execute it—such as ensuring the continuity of public services—or other circumstances that make competitive selection procedures impractical.

In all cases, the terms and specifications booklet must contain all technical, financial, and contractual criteria, requirements, and conditions.

The minister competent for the contracting administrative entity shall set the special rules for each project individually, in agreement with the Ministers of Finance and Planning. These special rules must be approved by the Council of Ministers based on the submission of the competent minister, provided that they do not conflict with the general frameworks, procedures, conditions, and controls approved by the Council of Ministers and regulated by the issued procedural guide.

Part Seven – Final and Miscellaneous Provisions

Controls and Procedures for Delegation of Competences

Article (166):

Subject to cases in which the Law prohibits delegation, the competent authority may delegate any of its competences only to holders of leadership positions, provided they are known for efficiency, experience, integrity, trustworthiness, good reputation, and the experience necessary to exercise the delegated powers.



A decision must be issued by the competent authority stating the delegate's name, position, the subject matter of the delegation, its duration, and its terms and requirements. The delegation ends upon cancellation of the decision, expiry of the delegation period, or completion of its purpose.

The delegate is prohibited from further delegating the delegated competences to others. The delegate must prepare reports to be submitted to the competent authority regarding the delegated actions taken. The original competent authority must continuously review the delegate's work results to assess performance and take the necessary measures.

Part Seven – Final and Miscellaneous Provisions: Retention and Confidentiality of Documents

Article (167):

The Contracts Administration shall preserve, document, and archive the documents and data related to the procedures of each process/operation in a regular and orderly manner that enables easy reference, and shall protect the process file from any risks, damage, or loss. The file shall, in particular, include:

- A copy of the needs plan form that includes the process.
- Documents of request for information, expression of interest, prequalification, and competition (if any).
- Report of the committee preparing the technical specifications.
- Report of the committee preparing the estimated value or the base price.
- Copies of approvals, permits, and licenses required for offering (if any).
- The terms and specifications booklet and its annexes.
- The offering memorandum and decisions forming the committees.
- Copy of the decision delegating the competent authority (if any).



- Evidence of publishing the process on the Public Procurement Portal.
- The original newspaper advertisement, or copies of invitation letters, as the case may be.
- Inquiries (if any), responses thereto, and the minutes of the inquiries committee.
- Copies of submitted bids.
- Minutes of opening envelopes.
- Minutes of the award committee, practice/negotiation committee, auction committee, or direct agreement committee, as applicable.
- Evidence of publishing the results of committee decisions on the Public Procurement Portal.
- All notices, correspondence, and letters related to the process.
- Copy of the purchase order or award/order of assignment.
- Copy of the contract.
- Complaints submitted (if any) and responses thereto.
- Documents related to contract execution.
- Contractor evaluation form.
- Contractor survey form regarding dealing with the administrative entity.



Part Seven – Final and Miscellaneous Provisions: Accessibility and Publication of Public Procurement Legislation and the Rules Governing It

Article (168):

All administrative entities and their business counterparts, relevant parties, and others connected to application of the Law and these Regulations must review what the General Authority for Government Services publishes on the Public Procurement Portal, including amendments to the Law and these Regulations, guides, general publications, circulars, and decisions related to their application—aimed at facilitating quick and easy access to public procurement legislation, reinforcing transparency principles, and enabling access to information.

Part Seven – Final and Miscellaneous Provisions: Digitization of Contracting Procedures

Article (169):

Paper documents and records issued by administrative entities or received by them before the date of issuance of the Minister of Finance’s decision on commencing electronic contracting procedures shall retain legal probative value, provided that they are replaced by digital documents and records that perform the same function or serve as copies.

All administrative entities and relevant parties, and others connected to tasks performed through the e-procurement system, must fully comply with the transition to working through that system.

Business counterparts dealing with administrative entities must ensure that their correspondence—regardless of its form or content—is in the form of an electronic document, according to the automated procedures for which a decision is issued by the Minister of Finance.



Part Seven – Final and Miscellaneous Provisions: Content of the Electronic System

Article (170):

Administrative entities must conduct contracting procedures electronically according to the procedures that are automated on the electronic system once it is completed and operating regularly. The General Authority for Government Services shall prepare, supervise, and provide technical support for users.

The system integrates with other systems at the Ministry of Finance and related affiliated entities, including the e-payment system and the Government Financial Management Information System (GFMIS), and the Authority works to link it to other electronic systems in phases.

The system's functions may include, by way of example, the ability to perform the following tasks:

- Completing templates for preparing, publishing, and updating annual procurement plans.
- Consolidating the needs of administrative entities nationwide.
- Preparing standardized automated templates for advertisements, invitations, notices, legally required reports, terms and specifications booklets, and contracts based on unified model patterns; templates for purchase orders/assignment orders; and others.
- Registering and updating data of suppliers, contractors, service providers, and consultants on a central searchable electronic database accessible interactively to administrative entities and other stakeholders.
- Registering other authorized users, including committee members and representatives of the Ministry of Finance, the competent Fatwa Department of the State Council, and the Ministry of Housing.
- Linking and interoperability with other electronic databases for purposes such as verifying company registration and payment of tax and social insurance obligations.



- Registering banks for e-payment and banking transactions, such as electronic payment of bid and performance securities, and other automatable tasks provided in the Law and these Regulations.
- Registering administrative entities, including their delegated officials pursuant to delegation by the competent authority, in accordance with their competences and their roles in tasks executed on the system.
- Market studies, requests for information, requests for expression of interest, prequalification requests, and others.
- Preparing technical specifications and electronically signing them by members of the technical committee.
- Uploading the terms and specifications booklet to the system and enabling electronic payment of its price.
- Secure electronic submission of bids and requests without disclosing bidder identities; secure storage preventing opening or access prior to the submission deadline; and automated acknowledgments of receipt.
- Electronic opening of bids and enabling bidders to follow opening procedures and other meetings which bidders may attend under the Law and these Regulations.
- Evaluation and award, noting that award decisions must be made by natural persons, not by the system.
- Publishing and notifying committee decisions and results.
- Dashboards enabling suppliers, contractors, service providers, consultants, administrative entities, and representatives of the Ministry of Finance, the State Council Fatwa Department, and the Ministry of Housing to access system functions and perform tasks.
- Notifying and nominating representatives of the Ministry of Finance, the State Council Fatwa Department, and the Ministry of Housing to participate in committees pursuant to the Law and these Regulations.



- Task routing and document transmission through workflow cycles, including administrative, financial, and legal reviews.
- Tracking procedures and execution status.
- Preparing and managing framework agreements; registering administrative entities for use; issuing purchase/assignment orders.
- Conducting practices/negotiations and auctions of all types electronically.
- Submitting complaints and publishing outcomes of their review.
- Procedures for notifying award.
- Preparing contracts and signing them electronically when e-signature service is available.
- Procurement statistics, including awards to medium, small, and micro enterprises.
- Contract management and execution tasks, including tracking acceptance/receipt, contract amendments, invoicing, and e-payment.
- Retaining electronic data and records, preserving a contract management information system recording information on each stage and step of each procurement transaction, including identities of concerned employees, decision-makers, approvals, and publishing searchable procurement activity data including upcoming opportunities.
- Preparing reports on steps, timings, and results for each contracting procedure, including information on accepted/rejected bidders and decisions at each stage.
- Aggregating public procurement data to enable automated review, including all system actions and entered data used to create, modify, delete records, or access confidential information, including approvals and the type/time of each action and its actor.



**Part Seven – Final and Miscellaneous Provisions: Technical Support and Capacity
Building for Personnel to Use the System**

Article (171):

The General Authority for Government Services shall provide technical support and necessary training for contracting staff in administrative entities, and shall coordinate in this regard with counterparties and contractors. The Authority shall issue and make available a user guide to all system users. Registration service shall be available continuously. If an applicant does not complete required registration data or procedures, the system shall notify the applicant instantly of the reasons so that missing data, information, or documents can be completed.

The profile of counterparties shall include, at minimum:

- Name of the counterparty.
- National ID number of the establishment owner and other identity data.
- Names of authorized representatives to deal with administrative entities.
- Address as registered in the commercial register and tax card / city / governorate / postal code.
- Email address, landline and mobile of the responsible/authorized person.
- Fax number.
- Website address of the counterparty.
- Other offices or branches.
- Product/service classification code.



Part Seven – Final and Miscellaneous Provisions: Updating Registration Data

Article (172):

All system users must update their personal profile data as appropriate and inform the General Authority for Government Services of any changes in the information on the basis of which registration was granted. If an update applicant does not meet update requirements, the system shall notify the applicant instantly of the reasons so the missing data, information, or documents can be completed.

Part Seven – Final and Miscellaneous Provisions: Confidentiality of System Login Information

Article (173):

System users must maintain the confidentiality of information required to access the system. Each user is responsible for actions taken on the system, and for actions taken by others who used the user's confidential information with the user's authorization, and must ensure no harm is caused through unauthorized use of login information.

The General Authority for Government Services may withdraw system access authorizations in cases specified in the user guide, by written notice sent to the user.

In emergency circumstances, the system may suspend the authorization after sending an electronic notice to the user at the email address recorded in the user's profile.



Part Seven – Final and Miscellaneous Provisions: Register of Registered Contractors

Article (174):

An administrative entity may not deal with persons registered in its own registers or others unless they have registered their data on the Public Procurement Portal, or updated it when changed, and the administrative entity must match and approve such data based on the database. Their data shall include the commercial, industrial, professional, or practice register number (as applicable), the tax card number, and any other data through which dealings may occur. The administrative entity must also observe the circulars issued by the General Authority for Government Services concerning deletion (delisting) or re-registration.

Part Seven – Final and Miscellaneous Provisions: Evaluation of Contractors' Performance

Article (175):

The Contracts Administration must coordinate with the requesting/beneficiary departments, the warehouses administration, or the contract manager in the administrative entity (or the person chosen to supervise contract execution) to ensure that contractor performance is documented continuously. A final evaluation shall be conducted before the end of the financial year or after the contractor completes contract execution, in accordance with the forms and criteria determined by the General Authority for Government Services in coordination with the competent ministries and entities according to their competences and the nature of their work, and made available on the Public Procurement Portal.

The Contracts Administration must notify contractors of their performance evaluation results, publish them on the Public Procurement Portal, and notify the General Authority for Government Services for its purposes. Processes requiring national security considerations to be handled confidentially, as determined by the competent authority, are exempt from publication.



The Contracts Administration must also make available a survey for contractors dealing with the administrative entity to highlight positives and identify negative procedures they faced in dealing with the requesting/beneficiary department or supervising department, and take the necessary actions to improve staff performance according to the model prepared by the General Authority for Government Services.

Part Seven – Final and Miscellaneous Provisions: Real Estate Database

Article (176):

The General Authority for Government Services shall inventory and analyze data on real estate owned by administrative entities, dispositions thereof, the method of disposition, its value, and sufficient data on transferees, and shall prepare annual reports thereon and submit them to the Minister of Finance for presentation to the Council of Ministers.

Part Seven – Final and Miscellaneous Provisions: Required Qualifications for Performing Contracting Functions

Article (177):

The Central Agency for Organization and Administration, human resources committees, and selection committees in administrative entities must ensure that applicants for public procurement positions (or those continuing therein) have passed the necessary training programs prepared by the General Authority for Government Services and approved by the Minister of Finance, and the Agency shall be provided with these programs.



Training program levels for occupying or continuing in public procurement functions shall be:

- Level One: Public procurement fundamentals.
- Level Two: Contracting strategies.
- Level Three: Specialized contracting.

Contracting departments in administrative entities must, six months before the start of the financial year, identify their training needs for candidates for public procurement positions or those required to continue therein, in light of the program levels above.

The Minister of Finance shall approve annual training programs and qualified training centers proposed by the General Authority for Government Services, training conditions, and related organizational arrangements. Upon approval, the Authority shall announce them on the Public Procurement Portal and notify administrative entities.

The General Authority for Government Services, its training center, and other approved training centers shall receive training requests from administrative entities according to procedures pre-determined by the Authority and communicated to entities. Training centers shall coordinate with the Authority to take the necessary administrative and organizational arrangements to satisfy training requests and notify entities of details.

All training centers must, at the end of each training program, assess trainees' performance and provide a report to the General Authority for Government Services, coordinate with it to issue certificates evidencing completion of required training for occupying or continuing in public procurement functions, and provide the competent authority in each administrative entity with the results of the training for those it nominated.

The General Authority for Government Services shall prepare periodic reports including its recommendations concerning the training process for procurement staff in administrative entities and submit them to the Minister of Finance.



Part Seven – Final and Miscellaneous Provisions: Accountability

Article (178):

All parties dealing under the Law and these Regulations must comply with their provisions, other applicable laws, regulations, decisions, and implementing instructions, and any organizational decisions, instructions, bulletins, or circulars issued in this regard, as well as codes of professional conduct for state employees and public procurement personnel. Any violator shall be subject to disciplinary penalties, without prejudice to the right to bring civil or criminal proceedings against violators when appropriate.

Part Seven – Final and Miscellaneous Provisions: Compliance with Standard Documents

Article (179):

Administrative entities must use model contract forms, model terms booklets, guidance manuals, and the like referred to in Article (19) of the Law, which were reviewed by the competent Fatwa Department of the State Council and issued by the General Authority for Government Services. No addition, deletion, or amendment may be made to any of the general conditions contained in model contract forms or model terms booklets except after referring to the said Fatwa Department for review.



Part Seven – Final and Miscellaneous Provisions: Settlement of Disputes and Differences Between the Contracting Parties

Article (180):

Without prejudice to Article (51) of the Law, the contracting parties must exert maximum effort to comply with the contract terms throughout the execution period, in accordance with the contract and in a manner consistent with good faith.

Subject to Article (91) of the Law, the tender conditions and contract may include stages and mechanisms for settling disputes and disagreements between the parties. In such a case, before initiating procedures to terminate the contract with the contractor, the administrative entity must take the following measures:

- Carefully review the contract terms and adopt the appropriate solution to the issue.
- The Contracts Administration shall prepare a conceptualization of the dispute and submit a technical, financial, and legal opinion to the competent authority; it may engage a specialized consultant to assist in studying the dispute and providing an opinion.
- Settle disputes amicably without prejudice to the parties' rights and obligations; if the amicable settlement entails any financial burdens, they must be agreed and submitted to the competent authority for approval after providing all supporting documents, data, and justifications.
- Invite the contractor to a meeting with the contract manager or the administrative entity's representative (as applicable) within fifteen days from the date the dispute arises for discussion.
- If no agreement is reached, recourse shall be made to the judiciary or arbitration, as provided in the contract terms.



Part Seven – Final and Miscellaneous Provisions: Prohibited Categories for Contracting

Article (181):

The General Authority for Government Services shall register those it is notified have had final judgments issued against them for any of the crimes stipulated in Chapter Four of Book Two of the Penal Code, or for tax evasion crimes or customs evasion crimes, in the register of names prohibited from dealing, in addition to publishing their data on the Public Procurement Portal.

