

No. 2 of 2006.

Autonomous Bougainville Government Contracts Act 2006.

Certified on: 29th March 2006.

AUTONOMOUS REGION OF BOUGAINVILLE.

No. 2 of 2006.

Autonomous Bougainville Government Contracts Act 2006.

ARRANGEMENT OF SECTIONS.

1. Execution of Autonomous Bougainville Government contracts.
2. Authority to precommit expenditure.
3. Certain contracts null and void.
4. Disappliance of Sections 47, 47B and 47C of the *Public Finances (Management) Act*.

AUTONOMOUS REGION OF BOUGAINVILLE.

No. 2 of 2006.

AN ACT

entitled

Autonomous Bougainville Government Contracts Act 2006,

Being an Act to provide for the manner of execution of contracts by the Autonomous Bougainville Government and for other matters related to contracts, and for related purposes,

MADE by the House of Representatives.

1. EXECUTION OF AUTONOMOUS BOUGAINVILLE GOVERNMENT CONTRACTS.

(1) Where there is no provision in any law as to the person or authority empowered to execute a contract or agreement on behalf of the Autonomous Bougainville Government, that contract or agreement may be executed -

- (a) by the President, acting with, and in accordance with, the advice of the Bougainville Executive Council; or
- (b) where the amount of the consideration does not exceed K1,000,000.00, by the Minister; or
- (c) where the amount of the consideration does not exceed K500,000.00, by the Chairman of the Supply and Tenders Board which considered the tender leading to the contract or agreement; or
- (d) where the amount of the consideration does not exceed K100,000.00 and the appropriate supply and tenders procedures have been followed, by the Divisional Head of the Division to the functions of which the subject matter of the contract or agreement relates.

(2) Where a contract or agreement was executed by -

- (a) the President, acting with, and in accordance with, the advice of the Bougainville Executive Council; or
- (b) a Minister or the Minister; or
- (c) the Chairman of a Supply and Tenders Board,

any variation thereto may be executed by the Minister or by the President, acting with, and in accordance with, the advice of the Bougainville Executive Council.

(3) Where a contract or agreement was executed by or on behalf of the Bougainville Interim Provincial Government and was transferred to the Autonomous Bougainville Government by virtue of Section 69 (*saving of contracts, etc.*) of the ***Organic Law on Peace-Building in Bougainville - Autonomous Bougainville Government and Bougainville Referendum***, any variation thereto may be executed by the President, acting with, and in accordance with, the advice of the Bougainville Executive Council or by the Minister.

(4) Where the amount of the consideration of a contract or agreement or of a variation to a contract or agreement to which the Autonomous Bougainville Government is a party exceeds K500,000.00, the Minister shall cause a copy of the

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contract or agreement to be laid before the first sitting of the House of Representatives after executing of the contract or agreement or variation thereof.

2. AUTHORITY TO PRE-COMMIT EXPENDITURE.

(1) The Divisional Head of the Division responsible for financial management may issue to a Divisional Head an Authority to Pre-commit Expenditure in relation to the purchase of property or stores or to the supply of goods or services where the Divisional Head of the Division responsible for financial management is satisfied that –

- (a) In the case of proposed expenditure exceeding K100,000 –
 - (i) the provision of Part VII of the *Public Finances (Management) Act 1995* of the National Parliament have been complied with in relation to the purchase or supply; and
 - (ii) funds will be available to meet the proposed schedule of payments for the purchase or supply; and
- (b) in the case of proposed expenditure not exceeding K100,000.00, the circumstances of the proposed expenditure are such that it is appropriate to authorize the Division, to the Divisional Head of which the Authority to Pre-Commit Expenditure was granted, to enter into a contract for the purchase of property or stores or for the supply of goods and services notwithstanding that the full amount of funds to meet the payment required under the contract is not immediately available but it is within the appropriation for the year to which the Authority to Pre-Commit Expenditure relates for the item to which it relates.

(2) An Authority to Pre-Commit Expenditure under Subsection (1) shall specify –

- (a) the purchase of property or stores or the supply of goods or services to which it relates; and
- (b) the maximum amount to which the Authority extends.

3. CERTAIN CONTRACTS NULL AND VOID.

(1) In this Section-

"Authority to Pre-Commit Expenditure" means an Authority to Pre-Commit Expenditure issued under Section 2;

"Integrated Local Purchase Order and Claim (ILPOC)" means Finance Form 4A - Integrated Local Purchase Order and Claim issued in accordance with the Financial Instructions, issued under the *Public Finances (Management) Act 1995* of the National Parliament.

(2) A contract for the purchase of property or stores or for the supply of goods or services entered into, or purported to have been entered into, by or on behalf of the Autonomous Bougainville Government, in respect of which

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purchase or supply no Authority to Pre-commit Expenditure has been issued or no Integrated Local Purchase Order and Claim has been issued, is null and void.

(3) The provisions of this section apply in respect of contracts entered into, or purported to have been entered into, by or on behalf of the Autonomous Bougainville Government, on or after the date of coming into operation of this Act.

4. DISAPPLIANCE OF SECTIONS 47, 47B AND 47C OF PUBLIC FINANCES (MANAGEMENT) ACT.

Sections 47, 47B and 47C of the *Public Finances (Management) Act 1995* of the National Parliament does not apply to contracts or agreements to which this Act applies.

I hereby certify that the foregoing is a fair copy of the *Autonomous Bougainville Government Contracts Act 2006* which has been made by the House of Representatives.

Acting Clerk of the House of Representatives.

I, NICHOLAS PENIAI, Speaker of the House of Representatives, hereby certify that the *Autonomous Bougainville Government Contracts Act 2006* was made by the House of Representatives on 29th March 2006.

Speaker of the House of Representatives.