

# Circular Letter on the Effect of COVID-19 Epidemic on Public Procurement Contracts

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In order to prevent the COVID-19 epidemic and reduce its effects, some measurements regarding social and economic life are being taken in our country and worldwide.

In this context, in the contracts signed as a result of the tenders held under the Public Procurement Law numbered 4734 and dated 4/1/2002 ("Law") (including exceptions)\* and the regulations exempted from this Law, the applications stating that the fulfillment of the work subject to the contract has become temporarily or permanently, partially or completely impossible due to the COVID-19 outbreak, shall be made by the contractors to the administration, which is a party to the contract, by documenting such situation.

These applications shall be examined by the administrations within the framework of Article 10 of the Public Procurement Contracts Law numbered 4735 and dated 5/1/2002 and the provisions of other legislation and the evaluation of the Ministry of Treasury and Finance shall be obtained by the administrations before such decision is taken.

As a result of the evaluation made by the administrations, it may be decided to provide time of extension or terminate the contract upon determining that the conditions that i) the resulting situation did not arise from a defect caused by the contractor, ii) the resulting situation is preventing the contractor from fulfilling its contractual obligations and iii) the contractor is unable to overcome such impediment have occurred jointly.

Kindly submitted for your information.

**Recep Tayyip ERDOĞAN**

President

\* The main exceptions stated in the Law are as follows;

- a) Goods, services and works procurement which are decided by the President or the relevant ministry that are related to defense, security or intelligence fields or shall be treated confidentially;
- b) Procurements of goods, services or works, which are to be realized with foreign financing pursuant to international agreements, and in the financing agreement of which it is stated that different tender procedures and principles will be applied;
- c) All kinds of consultancy and loan graduating services with regard to borrowings from international capital markets;

- d) Procurements of goods, services or works of branches of administrations in foreign countries;
- e) Purchases of freight, passenger and port services from the Republic of Turkey General Directorate of State Railways and purchases of fuel and transportation from the General Directorate of Liquidation Works Revolving Fund Administrations;
- f) Purchases of goods and services necessary for research and development projects executed and supported by national research and development institutions and procurements of all kinds of research and development services excluding those where the authorities covered by this law meet the whole financing and exploit the outputs only in executing their own activities.