

NEW REGULATIONS OF THE PUBLIC PROCUREMENT LAW ARE PUBLISHED

On December 12, 2024, Decree No. 661 of the Ministry of Finance was published, approving the Regulation of Law No. 19,886 on the bases on administrative contracts for the supply and provision of services, which renders null and void Supreme Decree No. 250 of 2004 of the Ministry of Finance ("New Regulations of the Public Procurement Law").

Regulated matters

In view of the modifications introduced to Law 19,886 on Public Procurement by [Law No. 21,634](#), the New Regulations of the Public Procurement Law update the regulation on this matter. By way of reference only, the New Regulations of the Public Procurement Law regulate the following:

- **Chapter I – General Provisions:** regulates the scope of application, obligated subjects, establishes definitions, among other topics.
- **Chapter II – Administrative probity and transparency in public procurement:** regulates duties and prohibitions of public procurement, integrity of suppliers, complaint channel and complaint platform in administrative contracting processes.
- **Chapter III – Determination and requirements of the purchasing and contracting processes:** refers to the suitability of the suppliers, the goods and services to be acquired, the consultation of the circular economy platform and framework agreement catalogue, the technical and economic analysis of the offers, the obligations of the purchasing entities in bidding procedures, among others.
- **Chapter IV – Public Bidding:** regulates general elements of bidding processes, bidding rules, the call for bids, bids and the closing and opening of bids, guarantees, evaluation of bids, awarding, and rules for bids of less than 500 UTM.
- **Chapter V – Private Bidding:** regulates the main conditions of the calls for Private Bidding.
- **Chapter VI – Direct Dealing or Exceptional Direct Contracting with Publicity:** refers to the special causes and rules that regulate this type

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of public procurement.

•**Chapter VII – Special Procurement Procedures:** regulates Framework Agreements, Agile Purchasing, Purchase by Quotation and Electronic Reverse Auction.

•**Chapter VIII – Information and Management System for State Procurement and Contracting:** refers to the obligation to use the system, the guiding principles of the system, and rules related to each type of contracting.

•**Chapter IX – Supply and Service Contract:** regulates general provisions, requirements for contracting, guarantees of faithful and timely performance, assignment and subcontracting, modifications and early termination, payment to suppliers, and the effects of contractual breach.

•**Chapter X – Registry of State Suppliers:** refers to general aspects of the registry, the categories of the registry, the application for registration of suppliers, evaluation of suppliers, file of registered suppliers, activities after registration, disqualifications to belong to the registry, and suspensions and eliminations from the registry.

•**Chapter XI – Annual Purchase and Contracting Plan and Electronic Buyer's File:** regulates matters related to deadlines for preparing the plan, modifications, and evaluation, among others.

•**Chapter XII – Classification of the provision of Personal Services and their contracting:** refers to the type of services and contract conditions.

•**Chapter XIII – Promotion of the participation of smaller companies and cooperatives in the Public Procurement System:** regulates general aspects and the Temporary Union of Suppliers.

•**Chapter XIV – Public Procurement of Innovation and Sustainability:** refers to contracts for innovation and competitive dialogue on innovation.

Validity of the rule

This new regulation will come into force as of its publication in the Official Journal, with some exceptions. Thus, deferred validity is established for the following matters:

- Provisions relating to supplier qualification: 18 months after publication.
- Provisions relating to categories of suppliers: 12 months after publication.
- Provisions contained in paragraph 4 of Chapter VII (Electronic

Reverse Auction) and in paragraphs 1 and 2 of Chapter XIV (Contracts for Innovation and Competitive Innovation Dialogue): 18 months from the publication of Law No. 21,634.

Supplier Registration

Finally, we [recall that](#), as of the publication of the New Regulations of the Public Procurement Law, it is mandatory for suppliers to sign the affidavit of the Suppliers' Registry, completing the information on their partners, shareholders, administrators, and final beneficiaries, through the electronic forms provided for this purpose.

In accordance with the provisions of the New Regulations of the Public Procurement Law, Suppliers will have a period of 45 calendar days to update said declaration. That is, until January 25, 2025.

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