

NATIONAL PROCUREMENT & TENDER ADMINISTRATION SECRETARIAT

1.0 Human Resources

Organisational Structure

1. The Organisational Structure of the Secretariat comprises:
 - Chairman of the National Board
 - Vice Chairman
 - A Chief Executive Officer (CEO)
 - Two (2) Procurement Specialist
 - One (1) Head, Information Technology (IT) Section
 - Four (4) Procurement Officers
 - Three (3) Clerk II
 - One (1) Office Assistant
 - One (1) Cleaner
2. The position of Chief Executive Officer (CEO) has been vacant since mid-January, 2013, following the demise of Mr. Lloyd Forde.
3. The positions of two (2) Procurement Officers and one (1) IT Officer are vacant. Advertisements regarding the filling of these vacancies will be issued and the positions should be filled soon.
4. The **National Board**, in consultation with the **Minister**, shall establish a Secretariat to be responsible for the operational management of the administration. The day-to-day activities of the Secretariat shall be managed by a professional staff of proven experience and capability (Article 18[1] of the Act).
5. The following **steps** are **taken when recruiting the professional staff for the NPTA Secretariat**:
 - the positions are advertised
 - candidates are required to possess a Degree in Economics, Management, Public Administration, Finance or Computer Science or any equivalent qualification. Experience and knowledge in public procurement is clearly an advantage.
 - candidates are subjected to interviews and are selected by means of merit-based competition
 - successful candidates are placed on fixed year contracts which provide details of:
 - *the term of engagement*
 - *duties*
 - *salary*
 - *other benefits*
 - *leave sick and vacation*
 - *dismissal*
 - *determination of engagement*
 - *liability to make good damage*
 - *gratuity*

2.0 Training

Capacity Building

- **Capacity building**, was identified as a key element for improving the **efficiency** and **transparency** of the procurement process.
- **training** was identified as key for promoting efficiency
- The NPTAB has identified **the following procurement related officials to receive continuous training in public procurement:**
 - *Trainers* to provide support to the external procurement trainers as well as the NPTA staff trainers to implement the programme
 - *Policy Group* – (Heads of Budget Agencies and Senior Public Officials who have administrative and supervisory responsibilities in the Public Procurement System)
 - *Strategic Group* – (Procurement Officers and other officials, including Auditors, with operational procurement and procurement related responsibilities)
 - *Tender Board Members* – (Board Members at the National and Regional levels)
 - *Evaluators* – (Individuals identified by the NPTA and Regional Boards to function as Evaluators)
- **Training has been conducted on a yearly basis, since 2005.**
- In preparation for the training programmes **the following procurement tools were developed:**
 - Revised SBDs and their guidelines
 - Procurement Handbook
 - Tender Manuals
- **The areas of training covered are:**
 - Legal and Procedural Framework, Regulations
 - Role and Functions of Procurement Entities, Bodies
 - Methods of Procurement
 - Prequalification & Bid Evaluation
 - IT and E-Procurement
- **Over 400 persons have been trained, with assistance from external consultants at critical stages;**
- **A long term training strategy, aimed at ensuring a sustained system for capacity building in procurement, has been adopted. It includes:**
 - ongoing training support provided through NPTA;
 - a cadre of Procurement Specialists trained as trainers to reinforce the training capacity of the country in Public Procurement;
 - administration of the Training Programme in partnership with the Public Service Ministry;
 - distribution of distance learning CD-ROMs on the Public Procurement process, to allow users to work at their own pace and explore topics of interest at any time, in any order, and as often as needed.
- **Evaluation** was planned for each training session in a three-step process through questionnaires, before the training session, just after the session and within 3 to 6 months of the training.

- **Fifteen (15) Local Procurement Specialists were trained in June, 2009, as Trainers for the National Procurement and Tender Administration Board's Training Programme, and certified by the UWI Cave Hill School of Business.**

- **Procurement, as a distinct profession**, is gaining recognition and in 2012, twenty-four (24) persons commenced Level 2 of a Certification Programme in Procurement, offered by the Chartered Institute of Purchasing and Supply (CIPS) UK, sponsored by the UNDP, with assistance from the Inter-American Development Bank. The IDB has advised that the success rate for the student was over 95%. Steps are being taken through the IDB for persons who were successful at the UNCIPS - Level 2, to participate in the Advanced Certification Programme (Level 3) in July 2013.

Sensitization Workshops with Evaluators and the Private Sector

In addition to the foregoing, sensitization workshops with Evaluators and the Private Sector, were held in August, 2012, suppliers, contractors, consultants and the public were invited to attend, through letters and public notices.

Participants were informed about the NPTA's website, and over 400 CDs containing the following information, were distributed at the symposium:

- The Procurement Act 2003 & Regulations
- Guyana Public Procurement Guideline – Handbook
- Evaluation Criteria Handbook
- Guyana Procurement Planning Manual
- New Revised Standard Bidding Documents
- Guidance Notes for the New Revised Standard Bidding Documents

The NPTA has agreed to hold sensitization workshops with the Private Sector on an annual basis, and participated in the Small Business Empowerment Seminar, hosted by the Private Sector, in April, 2013, at which the NPTA was invited to make a presentation on public procurement.

In addition, the Private Sector Commission and the NPTA have agreed to meet during 2013, to discuss public procurement matters of interest to the Private Sector.

3.0 Internal Control Mechanism

All members of the National, Regional and Ministerial Tender Boards, as well as each member of the National Procurement and Tender Administration Secretariat, have been reminded of their obligation under Section 16(8), 18(3), 19(6) and 22(4) of the Procurement Act 2003, to declare their assets to the Integrity Commission, vide a memoranda from the National Board.

4.0 Accountability Mechanism

Article 17 (2)(d) requires that the NPTAB report annually to the Minister of Finance on the effectiveness of the procurement process, and recommend therein, any amendment to the Act that may be necessary to improve the effectiveness of the procurement processes, **but does not require that the reports be made public.**

The NPTAB, since its establishment, has been reporting to the Minister of Finance on the effectiveness of the public procurement system, as required under the Act. This has been the basis for many of the actions taken to make the public procurement system more effective.

Key recommendations aimed at making the Public Procurement System more effective were:

- The revision of the SBDs to make them more user friendly
- Capacity Building
- Staffing needs
- Need to make the website more secure
- Design of an implementation plan for e-procurement;
- Assistance in drafting laws to facilitate the implementation of e-procurement
- Drafting and approval of Debarment Regulations in order to protect the public procurement system against unscrupulous bidders and suppliers.
- data security (back up information on a daily basis and stored off-site in order to avoid loss of information should the MIS crash or in event of a fire or other disaster)

Among action taken based on the recommendation were:

- **Training of over 500 procurement related officials**
- **Revised SBDs have been mandated for use with effect from September, 2012. These documents:**
 - were reviewed by international consultants
 - meet international standards, while taking into account our local circumstances
 - are the result of widespread consultations (Cabinet, Permanent Secretaries, Regional Executive Officers, and other Heads of Budget Agencies, Consultants and Contractors, in April 2009).
 - In addition:
 - they are more user friendly
 - their introduction will result in greater participation in the bidding process
 - the preparation and submission of bids would be less time consuming and costly, due to their user friendliness and size
 - The capacity to store more documents will increase.
- The preparation of draft Debarment Regulations

➤ IDB's approval is being sought for funding consultancies to :

- revise of the Procurement regulation to reflect policy on Framework Contract and revised contract value limits with Regulations No 4
- the Development of a database at NPTAB to address the reporting requirements and develop the reporting formats for all stakeholders, including analytic report for the Minister of Finance
- the Conduct Training on Procurement Planning Methodology, develop 3 pilot procurement plans (sea defence, MOH and MOE, and strategy to rollout to other Agencies)

5.0 Budgetary Regime

BUDGETARY ALLOCATION FOR NATIONAL PROCUREMENT AND TENDER ADMINISTRATION (NPTA)

YEAR	NATIONAL BUDGET (G\$'000)	AMOUNT APPROPRIATED (G\$'000)	NPTA'S SHARE OF THE NATIONAL BUDGET	AMOUNT EXPENDED (G\$'000)
2008	119,255,088	27,588	0.02%	30,000
2009	129,882,529	35,888	0.03%	36,888
2010	142,775,395	39,438	0.03%	41,375
2011	161,430,156	44,778	0.03%	41,249
2012	192,781,281	47,000	0.02%	45,355

6.0 Difficulties in attaining the goals of the NPTA with respect to the creation of a list of debarred firms/ individuals

Pending the establishment of the PPC, the NPTAB is responsible for adjudicating debarment proceedings [Section 17(2)(f) of the Procurement Act].

While **debarment** is a penalty that a public procurement system can use to protect itself against unscrupulous Bidders and Suppliers, **there is no formal procedure/mechanism for debarring contractors.**

In the absence of Suspension and Debarment Regulations, clients have to apply the following **penalties to Contractors** (covered in Standard Bidding Documents), **for defective works and delays in the execution of contracts:**

- In order to address situations of **defective work**, Clause 48 of the General Conditions of Contract states as follows:

48.1 The Employer shall retain from each payment due to the Contractor the portion stated in the Special Conditions of Contract until completion of the whole of the Works.

48.2 On completion of the whole of the Works, half the total amount retained shall be repaid to the contractor and half when the Defects Liability Period has passed and the Project Manager has certified that all defects notified by the Project Manager to the Contractor before the end of this period have been corrected."

- **Delays by contractors** in the execution of contracts are addressed by Clause 49.1 of the General Conditions of Contract of the Standard Bidding Document for the Procurement of Works which states as follows:

The contractor shall pay liquidated damages to the Employer at the rate per day stated in the Special Conditions of Contract for each day that the Completion Date is later than the intended Completion Date. The total amount of liquidated damages shall not exceed the amount defined in the Special Conditions of Contract. The Employer may deduct liquidated damages from the contractor.

done by the client

The debarment mechanism should include safeguards against the abusive or unjustified application of the debarment penalty and should be set out in the Regulations instituted under the Procurement Act 2003.

The creation of a list of debarred firms/individuals will not materialize until Debarment Regulations come into effect.

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In order to facilitate this establishment of this mechanism, the consultancy firm, **Centre for Policy Analysis & Institutional Development** was contracted to draft Debarment Regulations. They have since completed the draft and it is currently being examined by the GoG.

done for audit

The draft Debarment Regulations, cover the following areas:

- Grounds for debarment
- Exercise of Debarment
- Debarment Application
- Notice of Proposed Debarment
- Response of Supplier/ Contractor
- Hearing Procedure
- Suspension
- Debarment Decision
- Debarment Period Notice of Debarment
- Scope of debarment or suspension order
- Implementation of existing contracts
- Restrictions on subcontracting
- Reduction or termination of debarment period
- Judicial Appeal
- Publication of decision
- Excluded Parties Registry:
- Record of debarment proceedings
- Notices

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difficult -
80% of
100% of*