



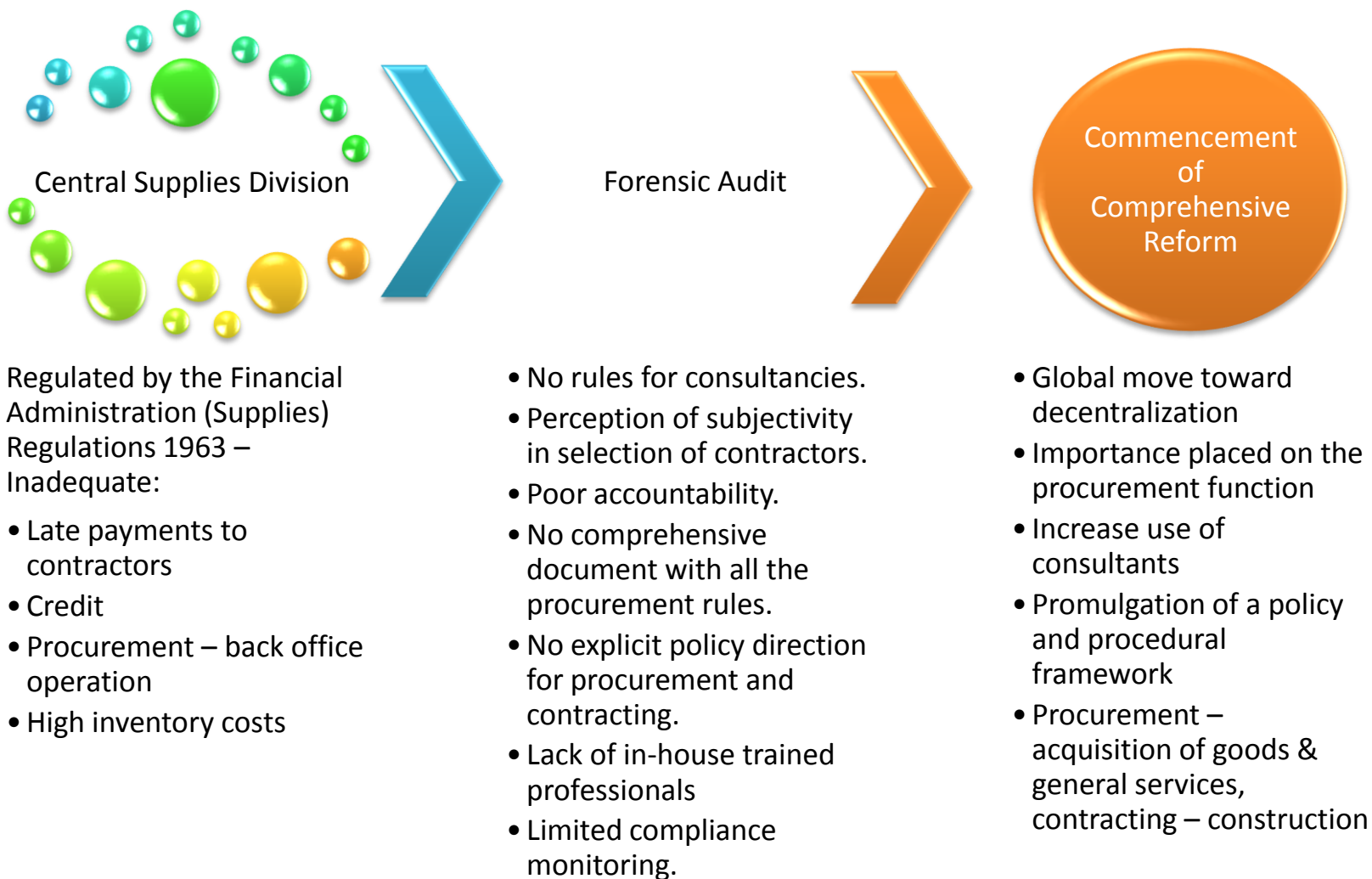
# **XI Annual Conference on Government Procurement in the Americas**

**October 28-30, 2015**

**Santo Domingo, Dominican Republic**

## **“Jamaica’s Public Procurement Reform Programme”**

# PUBLIC PROCUREMENT REFORM





# Public Procurement Reform

- ☐ Additional reforms due to free trade treaties, new technologies, good governance aims, transparency and anti-corruption.
- ☐ Aggressive pursuit of anti-corruption programmes promoted by international partners such as:
  - ✓ United Nations (UN)
  - ✓ Organisation for Economic Co-operation and Development (OECD)
  - ✓ International Financial Institutions such as World Bank, Inter-American Development Bank (IDB), International Monetary Fund (IMF) etc.



# Public Procurement Expenditure Fiscal Year 2014/15

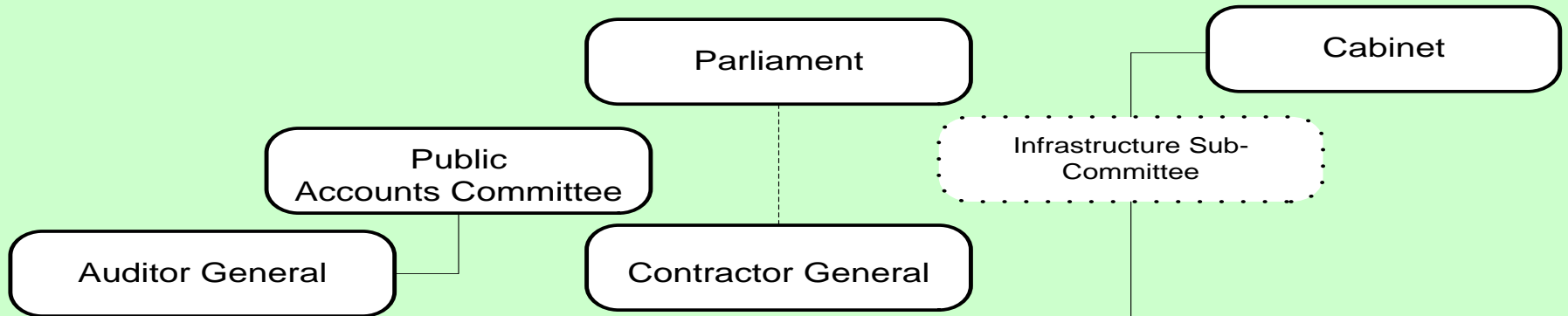
Procurement Category	No. of Contracts	Total Value of Contracts	
		JD	USD
Consultancy Services (local and foreign)	378	1,459,998,134.99	12,166,651.12
Goods	5127	48,427,301,974.17	403,560,849.78
Services	2108	8,492,902,924.84	70,774,191.04
Works	1285	8,791,493,188.89	73,262,443.24
Insurance Services	34	773,377,033.84	6,444,808.62



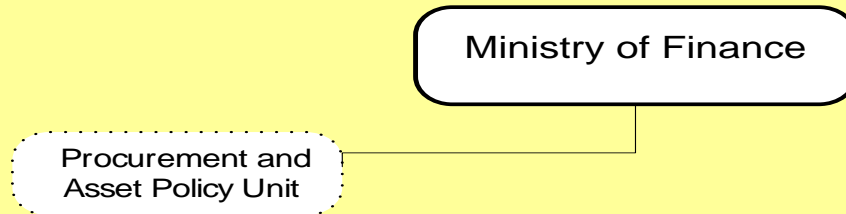
# Public Procurement

- ☐ Key policy instrument (approximately 30% of GDP).
- ☐ Single government activity most susceptible to waste, mismanagement, fraud and corruption.
- ☐ Integrity in public procurement is a benchmark for good governance, national progress and an economic driver.
- ☐ This growing significance has influenced reform of the legal framework and establishment of regulatory institutions with oversight responsibilities.

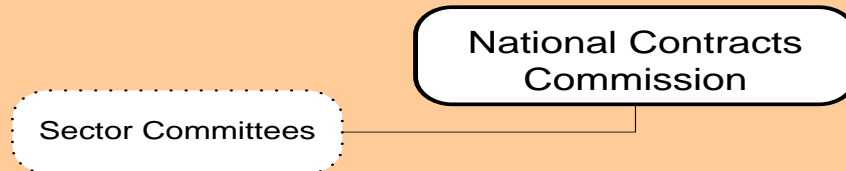
## Oversight Responsibilities



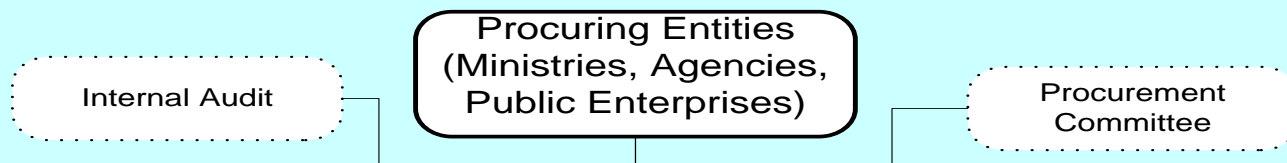
## Procurement Policy



## Normative and Functional Responsibilities



## Procurement Implementation





# Progress: 1999 - 2001

- ☐ Development of a national procurement policy Statement, 2001
- ☐ Development of a Handbook of Public Procurement Procedures, 2001
- ☐ Development of an Environmental Guide to Public Sector Procurement, 2001
- ☐ Public Sector training programme



# PROGRESS: 2002 - 2011

- ❑ Comprehensive Public Procurement Policy, 2008
- ❑ Public Procurement Regulations, 2008
- ❑ Revised GoJ Handbook of Public Sector Procurement Procedures, 2008/2010/2012
- ❑ Standard Bidding Documents, 2008
- ❑ Electronic Government Procurement (eGP), 2005 - 2011
  - ❑ eGP Readiness Assessment & Road Map
  - ❑ eTendering: Technical Cooperation GoJ/IDB





# PROGRESS: 2012 - 2015

- ☐ Handbook of Public Procurement Procedures (Revised in 2012 and most recently in March, 2014);
- ☐ Implementation of Electronic Government Procurement (eGP) System, 2014;
- ☐ Hosting of an inaugural Annual National Public Procurement Conference, 2014;
- ☐ Public Procurement Certification Programme, 2014;
- ☐ Weekly publication of the National Public Procurement Page in the Saturday Gleaner and the Tuesday Observer, 2013;
- ☐ Establishment of a Procurement Appeals Board, 2012; and
- ☐ Classification of Procurement Practitioners in the Public Service (Underway).



# Current Complaints and Appeals

**Review by the Procuring Entity**

**Review by the National Contracts Commission (NCC)**

**Review by the Procurement Appeals Board**

**Review by the Financial Services Commission (FSC) – insurance matters.**

**Judicial Review**



# The Public Procurement Act, 2015





# Legislative Reform

- ☐ Borne out of an absence of a single comprehensive legal instrument for public procurement in Jamaica.
- ☐ The legal and regulatory framework has been segregated into different pieces of legislation, which have specific applicability to the procurement process:
  - ✓ The Financial Administration and Audit Act (FAA Act)
  - ✓ The Contractor General Act, 1983 (Amendment 1999)
  - ✓ The Public Sector Procurement Regulations, 2008
- ☐ UNCITRAL Model Law was used as a guide.



# Legislative Reform

- ❑ The promulgation of the Public Procurement Act will therefore:
  - promote economic development by ensuring value for money in public expenditure and the participation in public procurement by qualified suppliers of goods, works and services.
  - strengthen and expand the functions of the institutional arrangements; in relation to public procurement policy - to establish the Procurement Policy Office and the regulatory arms - the Public Procurement Commission and the Procurement Review Board that will ensure adherence to the public procurement processes.
  - modernise the law relating to public procurement by replacing the existing out-dated and fragmented legislative framework with an updated comprehensive law containing provisions that reflect new policy thinking and international best practice.



# Legislative Reform

- ❑ The Objectives of the Public Procurement Act are:
  - To maximize economy and efficiency in public procurement;
  - Obtain value for money;
  - Foster transparency;
  - Encourage participation;
  - Provide for the fair and equitable treatment of all persons participating in the public procurement process; and
  - Promote economic development; competition in the supply of goods, works and services; integrity and engender public confidence in the process.



# Administration

## Under the Public Procurement Act, 2015:

- ☐ GoJ's public procurement regulatory and institutional frameworks will be restructured and strengthened.
- ☐ Modernization to further align with international best practices relating to institutional arrangements.
- ☐ Reformation of operational and management structure.
- ☐ Establishment of binding obligations supported by all levels of government to strengthen commitment to openness, transparency and accountability.
- ☐ Improve the interconnectedness between GoJ regulators, procuring entities, the state and citizenry.



# Institutional Arrangements

- ☐ The Procurement and Asset Policy Unit (PAPU), MOFP will become The Office of Public Procurement (The Office).
- ☐ The National Contracts Commission (NCC) will become the Public Procurement Commission (PPC).
  - Supported by specialist Sector Committees
    - ✓ Consultancies
    - ✓ Insurance
    - ✓ ICT
    - ✓ Works
    - ✓ Goods and General Services
- ☐ Procuring Entities
  - Supported by:
    - ✓ Specialist Procurement Unit
    - ✓ Procurement Committees





# The Office

- ❑ Responsible for developing and informing public procurement policy, legislation and procedures.
- ❑ Functions:
  - Monitor the operation of the procurement process and compliance with the provisions of the Act and regulations;
  - Review the methods, procedures and processes used in procurement and recommend any modifications;
  - Periodically issue administrative guidance and directives, guidelines, instructions, technical notes or manuals relating to execution of procurement;
  - Develop a code of conduct for procuring entities;
  - Develop standard forms of contract, bidding documents, pre-qualification documents and other procurement related documents;
  - Establish and manage an electronic procurement system;
  - Develop and maintain a database of public procurement statistics;
  - Undertake research and statistical analysis to inform policy development; and
  - Prepare and conduct training programme for at stakeholders.



# Public Procurement Commission

## ❑ Functions:

- Approve or endorse the award of procurement contracts above the Head of procuring entity's contract approval limit.
- Register & classify suppliers and approve unregistered suppliers.
- Assess suppliers on an ongoing basis to ensure the consistency of capacity and performance with registration and classification requirements.
- Establish and maintain a register of suppliers.
- Establish, manage and oversee the activities of sector committees as reconstituted based on specialization.



# Head of Procuring Entity

- ☐ Ensure compliance with all procurement processes.
- ☐ Ensure the establishment of a Specialist Procurement Unit staffed by competent, adequately trained practitioners.
- ☐ Constitution of Procurement Committee.
- ☐ Ensure the preparation and publication of the Annual Procurement Plan.



# Public Notice of Award

- ❑ Procuring Entity will be required to:
  - publish a notice of the award of procurement contract specifying –
    - ✓ name of awardee; and
    - ✓ contract price.



# Reconsideration, Review and Appeal

- ☐ Under the PPA, any aggrieved party has the right to seek a reconsideration or review of any procurement proceeding if there is a claim of injury or suffered loss due to any action or decision of the PE taken in a procurement proceeding.
- ☐ If an aggrieved bidder fails to get adequate redress from the administrative review process the final option is for a judicial review.



# Reconsideration, Review and Appeal

## ❑ Who can apply?

- **Suppliers** – matters relating to registration.
- **Bidders** – matters relating to a procurement proceeding.
- **Procuring Entities** – decision of the Commission.



# Reconsideration, Review and Appeal

- ❑ The PRB can take any action it sees fit:
  - Prohibit the PE or the Commission as the case may be from acting or taking decision or following a procedure.
  - Confirm decision of the PE or the Commission.
  - Order that procurement proceedings be terminated.
  - Dismiss the application.
  - Require payment of compensation.
  - Convene a public hearing.



# Reconsideration, Review and Appeal

## □ Who can participate in hearings?

- Any person, firm or entity with sufficient interest in the procurement proceedings to which an application is made.
- Any other person, firm or entity the PRB sees fit, which includes:
  - ✓ technical, legal or any other assistance deemed necessary;
  - ✓ Any officer of the PE or Commission, summoned and examined by the Board; and
  - ✓ Any other person involved in the procurement proceeding





# Electronic Procurement





# Project Background

- ☐ Readiness Assessment for e-GP adoption
  - Conducted 2005-2007
- ☐ Findings
  - Jamaica ready for e-GP
  - Projected annual 2% savings on total procurement
- ☐ Key Recommendations
  - Phase 1: e-Tendering & Contract Management
  - Phase 2: Purchasing (e-Catalogue) module
  - Operate all modules (including registration) through a single Portal
  - Develop a Supplier activation strategy



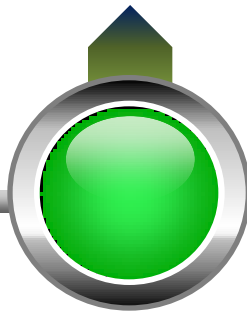
# Status and Timelines

**Go-Live**



**July 2015** - Go-Live target achieved.

**Pilot**



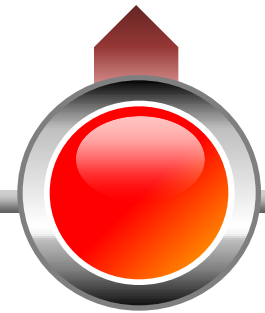
**July – Dec 2015** – Pilot in 5 MDAs

**Roll-out**



**Jan 2016 – Mar 2017** MDAs' On-boarding.

**Phase 2**



**Jul 2016 – Nov 2016**  
Startup Jul 2016

Commence Pilot in Nov 2016

**eTendering & Contract Management**

**eCatalogue**



# Expected Benefits

- ☐ Standardization of the Procurement Process
- ☐ Easy access to information
- ☐ Leveraging of Framework Agreements
- ☐ Procurements only through use of integrated APP feature
- ☐ Compliance with Procurement Laws & Regulations
- ☐ Greater efficiency in the Procurement Process
- ☐ Expected Cost & Time Savings



# Key System Features



## Suppliers

- Self registration
- Automatic alerts
- Electronic collaboration
- Electronic bid submission



## Procuring Entities

- Online Annual Procurement Plan Management
- Tender Management
- Framework Agreement



## Regulators & Policy Office

- Single Procurement Db
- Standard Classification (CPV)
- Audit access on all procurement activities

# Live Demonstration

<https://www.gojep.gov.jm/epps/home.do>



ePPS - eTendering System

Cecile

← → ↺

https://www.gojep.gov.jm/epps/home.do

☆ ☰



Government of Jamaica Electronic Procurement (GOJEP)

Homepage | About | User guides | Help | Contact us

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Search: Select

Log in

Username:

Password:

→ Forgot your password?

→ Register as a Supplier

Information

→ Annual Procurement Plan Publication

→ Current competitions

→ Bidding advertisements

→ Opened bid details

→ News

→ User guides

eTendering System

e-PPS is a web-based, collaborative system to facilitate the full lifecycle of a tendering process, for both buyers and suppliers. It offers a secure, interactive, dynamic environment for procurements of any nature, complexity or value, enforcing (where appropriate) and encouraging recognised best practices.



e-PPS supports the process of procuring works, services and supplies electronically. Different public procurement procedures are supported for both one-off or repetitive purchases through several dedicated sub-modules providing facilities for user registration, competition notification, bid preparation and submission, online bid evaluation, contract awarding, creation and management of catalogue-based information, placement of electronic purchase orders, electronic Invoicing and order tracking.

First-visit guide

- [Register](#) yourself and your organisation in the system
- Obtain access to the [user manuals](#)
- View the [latest competition](#) publications
- Find a specific competition by [searching](#) the competition registry
- View the details of a competition and navigate through all the available documentation
- Download available documentation


Why register?

- Become a pre-qualified supplier and receive email notifications for new competitions
- Obtain full and unrestricted access to documentation of published competitions
- To receive reminders and notifications for important competition activities
- Participate actively in competitions. Submit your bids and request for clarifications




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# Next Steps: 2016/2017

- ☐ Continuation of Public Procurement Reform Awareness and Sensitization Campaign.
- ☐ Promulgation of the Public Procurement Act and attendant Regulations.
- ☐ Continuation of eGP Implementation:
  - Public Sector-wide implementation of the Electronic Tendering System
  - eCatalogue and Framework Agreements Modules
  - eRegistration System
  - eContract Management Module
- ☐ Revision of the:
  - GOJ Handbook of Public Sector Procurement Procedures; and
  - Standard Bidding Documents – simplify and expand catalogue.



# Next Steps: 2016/2017

- ☐ Career Development in Public Procurement – alignment of procurement professionals in the civil service to ensure due regard for the function.
- ☐ Training & Certification of Procurement Professionals.
- ☐ Training of Suppliers and other stakeholders.





# Contact Details

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# Thank You