



Presentation on Government Procurement in Barbados

Chairman and Deputy
Chairman of Tenders
Committee

Current Legislation

- S.I. 2011 No. 54 - Financial Management and Audit Act (Act 2007-11) Financial Management and Audit (Financial) Rules, 2011 - section 222 (4)
- Tenders should be invited where the expenditure in respect of goods, services or works exceeds BDS\$200 000.00 (CDN\$360 000).

Need for Advertisement

Goods, works and services costing BDS \$200 000.00 or more need to be advertised in order to source the supplier of those goods; the contractor for building that road, school, office complex etc. or the service provider for transporting staff or cleaning offices etc.

Funding of Expenditure

- The funding of Government's expenditure is covered by Government itself, regional funding agencies and international funding agencies. Examples of regional and international funding agencies are:
 - The Caribbean Development Bank
 - The Inter- American Development Bank
 - The World Bank
 - Commonwealth Fund for Technical Cooperation

Advertising of Tenders

- For locally funded projects, the advertisement is placed in at least one of the local newspapers. The closing date for the tender is normally six weeks after the first advertisement was placed.
- For purchases or expenditure funded by **International Financial Institutions (IFI's)**, the advertisement for the Tender is placed in the local papers as well as on the websites of the IFI's. The advertisements are also placed on Development Business (online).

Tenders Committees

- The Tenders Committees as established by the Financial Management and Audit (Financial) Rules 2011 have oversight of the tendering process.
- There is the General Tenders Committee which deal with expenditure funded by the Government of Barbados
- The Special Tenders Committee which deals with expenditure funded by IFI's.

Tender Notices

- contain a subject heading which must include the name of the Ministry or Department advertising the Tender;
- inform of the source of the funding for the expenditure being undertaken;
- outline the nature of the project being undertaken in the first paragraph. If construction is being undertaken an outline of the project should be stated as well as the address of the proposed project;
- state the manner in which members of the public shall make the tenders;

Tender Notices

- provide the period in which the services are to be completed;
- state the department where additional information concerning the required services or required supplies may be obtained and the times at which the information may be available;
- state where applicable that the Labour Clauses (Public Contracts) Act applies to the subject of the tenders;
- state that the members of the public shall address the tenders to the Chairman of the Tenders Committee;

Tender Notices

- state where the members of the public shall submit the tenders;
- state that the tender shall not be considered unless it complies with the conditions set out in the notice inviting the tenders or the letter inviting the tenders;
- state that the Certificate of Incorporation should be included with the Tender;
- inform that the Government is not bound to accept any tender

Instructions to Tenderers

- The Instructions to Tenderers should inform as to how the Tender should be completed;
- how it would be evaluated;
- conformity requirements;
- matters that may result in disqualification of tender; deadlines for raising queries; deadlines for submission of Tender.

Instruction to Tenderers

- In addition it must be noted that where additional information is to be furnished to tenderers, other than what was stated in the Instructions to Tenderers it should be entitled “Addendum 1, 2 etc”.
- Similarly if a Tenderer raises a query it must be recorded and the response as well as the query should be sent to all prospective Tenderers.
- This information would also be considered Addenda. Tenderers should also be advised to acknowledge receipt of the Addenda.

Terms of Reference

- With regard to Consultancy Services, a clear statement must be made as to the type of service to be provided and the required outputs;
- the known issues to be addressed and the expected solutions;
- a payment schedule with associated deliverables; reporting requirements;
- procuring entity's inputs.

Submission of Tenders

- All Tenders are closed at 4:30pm on Wednesdays.
- Tenders **must be placed** in the Tenders Box since they are not to be handled by staff of the Central Purchasing Department.
- Tenders are therefore addressed to the **Chairman, Tenders Committee and not the Chief Supply Officer.**
- The Tenders Box is locked and removed from public access by the Secretary to the Tenders Committee at 4:30 pm.
- Hence if someone comes at 4:31pm the box would not be available for submission of Tenders.
- If the Tender is dropped in the box on the following day it would not be considered because it would be late. Late Tenders are **not** considered. They are returned to the intended tenderer.

The Tenders Committee – Rule 218(1) and Rule 218(2)

- The Tenders Committee is comprised of:
- The Chief Supply Officer (Chairman);
- The Solicitor General or another legal officer in the Public Service nominated by the Solicitor General and
- Five other officers appointed by the Minister.
- One person other than the Solicitor General's representative is elected Deputy Chairman at the first meeting in the Financial Year;
- The Tenders Committee must also have a Secretary who is appointed by the Director of Finance.
- The quorum of the Committee is four persons.
- A member of the Tenders committee shall hold office for three years.

Special Tenders Committee

- A Special Tenders Committee is convened when procurement is funded through the proceeds of a loan or grant from an (IFI). When the IFI's funding is used, the funding agencies procurement guidelines and Standard Bidding Documents are used. If there is a conflict between the guidelines and the laws of Barbados, the laws of Barbados would take precedence over the guidelines.

Composition of the Special Tenders Committee

- The Special Tenders Committee is comprised of:
- The Chief Supply Officer (Chairman);
- The Solicitor General or another legal officer in the Public Service nominated by the Solicitor General;
- Five officers appointed by the Minister;
- Other persons not exceeding five persons as the Director may appoint with the approval of the Minister.
- The Deputy Chairman of the Tenders Committee shall be the Deputy Chairman of the Special Tenders Committee.
- A member of the Special Tenders Committee shall hold office for such time as the Director specifies.
- The quorum of the Special Tenders Committee is two thirds (2/3) of its members including the Chairman and Deputy Chairman.

Functions of the Tenders Committee

- The functions of the Tenders Committee are:
- to receive and open tenders;
- to ensure that the tendering process is carried out in a fair and transparent manner;
- to ensure that Government gets value for money;
- to ensure that all laws, policies and guidelines are adhered to;
- to assess evaluation reports and analyses;
- to make recommendations for award of contracts.

Lowest Evaluated Tender

- When a recommendation has to be made to the procuring entity, usually it is the lowest evaluated tender that is recommended for the award of the contract. The difference between the lowest priced tender and the lowest evaluated tender is that the lowest price does not always translate into the lowest long term cost outlays to the entity.

Lowest Evaluated Tender

- Other than price the lowest evaluated tender takes into account issues such as:
- product or contractor reliability;
- performance history;
- maintenance and operating requirements and cost;
- delivery schedules etc.

Annulment of Tender Process

- The Tender process may be annulled at any stage for any of the following reasons:
- lack of transparency;
- favouritism or unfair advantage to benefit a particular tenderer;
- lack of confidentiality;
- conflict of interest;
- insufficient competition;
- lack of responsiveness of tenders to the tender requirements;
- tender prices inconsistent with pre-budget estimates;
- failure to follow established procedures;
- undue influence.

Completion of the Tender Process

- Tenders are opened and recorded by the Tenders Committee and referred to the Evaluation Committees for evaluation.
- The Evaluation Reports are then sent back to the tenders Committee in order that a recommendation for award, continuation of the process or queries raised to be answered or for the matter to be re-advertised.
- Ministries and departments not in agreement with the Tenders Committee's recommendation have the option of referring the matter to the Cabinet of Barbados.

Centralised Purchasing System

- Generally quotations are requested from approved suppliers.
- However for overseas purchases, suppliers are not only selected from a list of approved suppliers but are usually selected from catalogues received, the internet or by the client Ministries and departments.

Problems Encountered With Overseas Suppliers

- In spite of the fact that quotes may be faxed or emailed, some quotes are received after deadlines even though deadline was stated;
- Banking information not submitted since payments are to be made by wireless transfer;
- Email addresses or overseas numbers are not stated or at times they are outdated;
- Payment terms are excessive;
- Some suppliers request payment in full before goods are shipped and then there is a need to track them down for the goods;
- Some suppliers say they have all the goods, then ship what they have and then the CPD is waiting for the balance to be shipped even though all the money has been paid.

Modernisation and Proposed Legislation

- Modernisation of all systems is on-going with the assistance of the IADB who has provided funding for the programme;
- The Government of Barbados is proposing to enact the Public Procurement legislation this year;
- Initially the Bill was to be passed by April 1st 2014 but there were some amendments and it had to go back to the Chief Parliamentary Counsel.

Modernisation and Proposed Legislation

- The staff is currently being trained to operate in the modernised environment;
- The new systems to be used are being initiated;
- Provision is being made for electronic procurement with the EPIS to register suppliers on-line, to accept quotations and tenders online;.
- Prospective tenderers must register on-line. Applications to become approved suppliers will be done on-line.

Modernisation and Proposed Legislation

- Framework Agreements will be used; Barcoding system will be implemented in the warehouse and some aspects of the centralised procurement system will be decentralised.

Modernisation and Proposed Legislation

- It is proposed that the Government Procurement Department (new name of the department) would issue RFQ's, to approved suppliers, select suppliers for the financial year, inform the Ministries and Departments of the selection and these suppliers would be the ones used throughout the financial year.
- Ministries and Departments must now submit procurement plans to Chief Procurement Officer before the end of the current financial year.

Modernisation and Proposed Legislation

- The new legislation will allow the Tenders Committees to decide on matters rather than make recommendations as is the case now.
- The proposed legislation also makes provision for a tribunal that will investigate matters referred by persons, not satisfied with the decisions of the Tenders Committees.

Standard Bidding Documents

- The proposed legislation and the accompanying Rules also make provision for Standard Bidding Documents and standard Form Contracts which are not currently in use for locally funded contracts. The use of these standardised documents would allow for ease of use and more timely preparation of documents.

SUPPLIERS	ITEMS
INRO	SOFTWARE
KETCHUM MANUFACTURING	RESTRAINING POLES
LEAF SYSTEMS LTD.	SOFTWARE
LED ROADWAY LIGHTING LTD.	LIGHTS/LAMPS
MCGILL MARITIME SERVICES INC.	BA TIDE TABLE VOL. 2, 2014 STAR ALMANAC FOR LAND SURVEYOR
MOBILE INNOVATIONS CORP.	PROFESSIONAL FEES-FOR INSTALLATION & SUPPORT FOR SERVER & BLACKBERRY SERVICES
1436577 ONTARIO INC./GLOBAL REFRIGERATION	PARTS OF ICE MACHINE COMPRESSORS COMPRESSORS & ACCESSORIES
PULSE INSTRUMENTATION	LAB SUPPLIES
SAFTPAK	TRAINING CD'S
SOLINST CANADA LTD.	3001 LEVELoader GOLD COMPLETE WITH CABLES
VEN-REZ PRODUCTS LTD.	SCHOOL FURNITURE

Purchases from Canada

- Purchases of approximately Cdn\$263 202.00 were made through the Overseas Section during the previous financial year (2013.04.01-2014.03.31) through the centralised purchasing system.
- Other sections- Painting companies purchase painting accessories like paint brushes, roller trays and the colorant for the paint (figures were not readily available).

Names of Persons who Tendered

- Memorial University of Newfoundland
- St. Francis Xavier University
- Canadian Cooperative Association
- University of New Brunswick





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THANK YOU