Circular No. 2 of 2019

From: Chief Executive, Central Procurement Board

To: Supervising Officer in Charge of Ministries/Departments and Chief Executive Officers of Public Bodies

Non-Responsive Bids

The objective of this Circular Letter is to apprise public bodies of some issues, which the Central Procurement Board (CPB) would wish them to consider, to ensure a fair and cost-effective procurement for the benefit of all stakeholders.

2. Recently, CPB has undertaken an analysis of some bids that were declared non-responsive. The results from that sample point to the fact that the requirements contained in the bidding documents either with regard to qualification of personnel or with regard to specific experience of bidders are too stringent and/or do not reflect market realities. In other instances, bidders have submitted higher priced bids which are substantially above cost estimates presented by Public Bodies to CPB. Other issues relate to non-submission of relevant documents by bidders, i.e., financial statements or bank documents.

3. It is imperative that solutions be found to such situations as much resources both human and financial as well as time (an average of four-man months) are spent in bidding documents preparation, vetting, floating, evaluating bids which are thereafter found to be non-responsive.

4. We are confident that, at the level of Public Bodies, should the following be attended to, many of our difficulties with regard to non-responsive bids will be alleviated, namely:

   (a) more research work should be undertaken at time of preparation of the project;

   (b) the concept & design be in accordance with the needs of the public body, without ambiguity;

   (c) as much details as possible be provided, e.g., with regard to the magnitude of the project, the services required, the profile of the builders/service providers, the resources needed (are they readily available in Mauritius?), before specifying a profile of professionals, to ascertain level of education/qualification/experience to match the assignment; the reasonableness of the documents such as bank guarantees/security bonds required;

2/…
(d) Market surveys and engaging with the markets be undertaken; and

(e) the preparation of a realistic Bill of Quantities based on market prices. The Public Procurement Act, 2006 as amended is clear on the fact that bids in excess of 15% of updated cost estimates are considered as excessive.

5. The CPB hopes that you will give us the opportunity to discuss and clarify the points made at para (5) so that together we ensure to resolve the constraints impeding a smooth and well-structured public procurement in Mauritius and an unnecessary wastage of resources.

6. It would be appreciated if the contents of the circular could be disseminated to all officers of your organisation dealing with procurement of major projects.

CENTRAL PROCUREMENT BOARD
22 July 2019

Note: Paragraph 5, second line: “para (5)” should read “para (4)”.