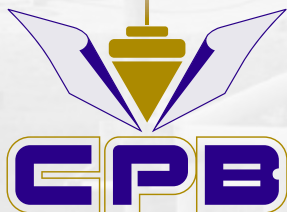




Republic of Mauritius

ANNUAL REPORT

July 2018 - June 2019



CENTRAL PROCUREMENT BOARD

Ministry of Finance,
Economic Planning & Development

ACRONYMS

AfDB	African Development Bank
BEC	Bid Evaluation Committee
BOC	Bid Opening Committee
BOT	Build Operate Transfer
CIDB	Construction Industry Development Board
CCM	Competition Commission of Mauritius
CPB	Central Procurement Board
CTB	Central Tender Board
CPO	Central Procurement Officer
DBD	Draft Bidding Documents
EOI	Expression of Interest
ICAC	Independent Commission Against Corruption
IFC	International Finance Corporation
IRP	Independent Review Panel
MCSAR	Ministry of Civil Service and Administrative Reforms
MUR	Mauritian Rupee
MOFED	Ministry of Finance and Economic Development
ONB	Open National Bidding
OIB	Open International Bidding
PB	Public Body
PCPO	Principal Central Procurement Officer
PPA	Public Procurement Act 2006 as subsequently amended
PPO	Procurement Policy Office
PPP	Public Private Partnership
RB	Restricted Bidding
RRA	Rodrigues Regional Assembly
SBD	Standard Bidding Document
SIL	State Informatics Limited
TC	Technical Committee

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CHAIRMAN'S STATEMENT



It is with much pleasure that I present this Annual Report, in compliance with the requirements of Section 8A of the Public Procurement Act 2006 as amended, describing the activities of the Central Procurement Board (CPB) in respect of the previous financial year (1st July 2018 to 30th June 2019).

The period under consideration was full of initiatives and challenges with a view to improving the services provided by CPB both in terms of timely delivery and value for money.

In fact, CPB has revisited its objectives with the aim to benchmark its level of service to the very best in the world. In this context, it has taken the initiative to request for and enroll the assistance of the European Union with a view to have an international expert of repute to revisit the processes in place and to suggest improvements so that CPB may become an undisputed institution of international repute comparable with the very best and be recognised as a reference.

CPB continues to collaborate very closely with all the local stakeholders to ensure 1) an excellent understanding of the Public Procurement Act, 2) an in-depth knowledge of the various Directives 3) use and compliance of the standard bidding documents prepared by the PPO. This goal is achieved by engaging with them through regular meetings and workshops; ad hoc meetings. Furthermore, CPB also ensures that all vetting is done within a targeted timeframe of 15 days as well as carry out the evaluation of bids and make recommendations for award. Time taken depends on the level of complexity of the project to be evaluated.

CPB leaves no stone unturned in its sustained effort to ensure that all tenders floated are in line with good international practice, fair, reasonable, and will represent best value for money and will be subject of the best and most competitive bids.

We continue to be inspired and guided by the values of integrity, equity, fairness, transparency and accountability in the execution of our duties.

CPB believes in providing a service which is measurable and

comparable with the very best. One of the ways of doing so is to get itself certified to ISO 9001: 2015. A dedicated team of staff members at the CPB is working on this project.

In line with the Public Sector Anti-Corruption Framework (PSACF), initiated by the ICAC in 2009, CPB has set up its own in-house Anti-Corruption Committee whose responsibilities are 1) Formulation of an Anti-Corruption Policy, 2) Development of a Corruption Prevention Plan and 3) development and implementation of an integrated Corruption Risk Management Plan.

Environmental concern and action. Over and above the national E-Procurement initiatives, CPB has decided to embrace a policy on paperless whereby all documents for information, review and evaluation purposes are circulated electronically. As CPB has an obligation to safekeep tons of tender documents as records (which takes up much room), it is now embarking on the digitalization of same. This initiative will have many advantages such as saving in space, easier access and retrieval of archives material.

As its social responsibility and contribution, CPB has taken the lead for the collection of waste papers for recycling at the Social Security Building in Rose Hill.

Communications and information sharing: CPB has continued with its quarterly newsletters, sharing information on its activities and initiatives. CPB has also organised monthly talks for its staff on subjects such as artificial internet of things and operation of the Mare Chicose landfill, amongst others.

Furthermore, to improve collaboration with its sister institutions, CPB has held regular periodic meetings with PPO, CCM and IRP as well as organised a workshop for public bodies. Training sessions were organised in collaboration with PPO for evaluators on e-evaluation as well as for staff at the CPB.

To conclude I wish to thank Board Members, for their exemplary collaboration, professionalism and their mastery of intricate and complex matters. I also wish to thank the Chief Executive, his staff and the Secretary of the Board who have provided the Board with their unflinching support.

Last but not least, I recognize the highly valued collaboration of the Procurement Policy Office, the Public Bodies who entrust the CPB with their projects, the evaluators who provide services of very high standards for vetting and evaluation of bids.

I am grateful and thankful to all who have contributed to the successful discharge of CPB's responsibilities in line with the Public Procurement Act.

Raj Hemansing Prayag PDSM
Chairman

CHIEF EXECUTIVE'S REPORT



For the financial year 2018-2019, the CPB received 74 projects (out of which 5 were on e-procurement) with a total estimated cost of around MUR 18 billion. The majority of the received projects (47) pertained to Works projects distributed as follows: 29 for the construction of buildings, 8 into bridges, roads and grade separated junctions, 2 for public utilities and 8 for other works. This is a clear illustration of the realization of the vision of the Government to modernize the infrastructural landscape of the island.

The CPB has incurred operational costs of MUR 54.7 million for the 2018-2019 financial year (around MUR 2 million higher than in 2017-2018). While there has been a decrease in staff costs as compared to the previous financial year, fees paid to evaluators have increased slightly.

At human resource level, the CPB has filled a number of vacant posts during the financial year under review, detailed as follows: 1 Office Management Assistant, 6 Management Support Officers, 5 Principal Central Procurement Officers, 9 Central Procurement Officers/Senior Central Procurement Officers, 1 Statistician (Service to Mauritius Intern) and 3 Engineers.

Throughout the past financial year, the CPB has undertaken a number of endeavours to improve its standard operating procedures as well as to strengthen its relations with its various stakeholders. A workshop was organized for the various public bodies to discuss the issue of sub-standard/incomplete bid documents. The CPB hosted another workshop aimed at evaluators with a view to improving the evaluation process. Moreover, training sessions have been held in collaboration with the PPO for both CPB staff and evaluators on the implementation of the new e-procurement system. The CPB has also embarked on the adoption of the ISO 9001:2015 Quality Management Standards to harmonize its current procedures –

preliminary training has been dispensed to this effect to CPB staff by the Mauritius Standards Bureau (MSB).

In line with the Public Sector Business Transformation Strategy Paper issued by the MCSAR, the CPB has furthered its SWOT analysis initiated last year. The main strength of the CPB remains its well-trained and dedicated staff, qualified engineers and Board Members possessing immense experience in various fields. The increase in staff has also helped the CPB to improve on efficiency and delivery. In this context, I am pleased to announce that there has been a improvement in our Key Performance Indicators, Vetting Time and Evaluation Time, over the last 2 quarters under review. Furthermore, our monthly meetings with PPO and CCM have contributed to reduce resolution-time of issues discussed. However, the lack of appropriate IT infrastructure coupled with the current location of the CPB premises and its office layout and space represent major weaknesses.

E-procurement is becoming more prominent within the public procurement landscape in Mauritius. CPB staff has been given training to handle the various projects coming through the e-procurement platform. The implementation of ISO 9001:2015 Quality Management Standards also promises to improve the efficiency and output quality of the CPB.

The main threats identified this year still include sub-standard bid documents in complex procurement projects, poor quality Bid Evaluation Reports and frivolous challenges.

There are numerous challenges awaiting us for the coming financial year. To ensure the proper implementation of the e-procurement system, CPB will have to get all its major stakeholders (CPB staff, PPO, public bodies and evaluators) on board. The collaboration of public bodies is required regarding the provision of complete sets of bidding documents for their projects and their prompt assistance at vetting and clarification stages.

I take this opportunity to acknowledge the full support that I received from the Chairman, Board members and staff of the CPB at all levels. It is my sincere wish that this report proves useful to all stakeholders and gives a full insight on the performance and activities of the CPB.

Kreetykant Dosieah

Chief Executive

CENTRAL PROCUREMENT BOARD

1.1 OVERVIEW OF THE CENTRAL PROCUREMENT BOARD

The Central Procurement Board (CPB) has been established under the Public Procurement Act (PPA) 2006. Section 8 of the Act provides that *“There is established a Central Procurement Board, which shall be a body corporate, to be responsible for the approval of the award of major contracts by public bodies...”*

The Public Procurement Act (PPA) 2006 confers upon the CPB the responsibility to approve the award of major contracts by public bodies, the value of which exceeds the prescribed amount.

The prescribed amount applicable to public bodies varies in the range of Rs 15m – 100m, depending on the category in which the public body is listed in the Schedule of the Act.

Accordingly, any procurement in the estimated value of which exceeds the prescribed amount has to be referred to the CPB.

The Act provides that, in respect of major contracts, the CPB shall, inter alia:

- Vet bidding documents and procurement notices submitted by public bodies;
- Receive and publicly open bids;
- Select persons from a list of qualified evaluators maintained by it to act as members of Bid Evaluation Committees and oversee the examination and evaluation of bids;
- Review the recommendations of a Bid Evaluation Committee and approve the award of the contract; or require the Evaluation Committee to make a fresh or further evaluation on specialized grounds;
- Accept or reject requests for variation.

It is also provided that, in the discharge of its functions, the Board may

- Call for such information and documents it may require from any public body;
- Examine such records or other documents and take copies or extracts from them;
- Commission any studies relevant to the determination of the award of major contracts;
- Request any professional or technical assistance from any appropriate person in Mauritius or elsewhere.

The Board is also responsible for the approval of award of contracts under the Public-Private Partnership (PPP) Act 2004.

CENTRAL PROCUREMENT BOARD

1.1 OVERVIEW OF THE CENTRAL PROCUREMENT BOARD (cont'd)



The Board

The mission, vision and core values of the CPB are as follows:

VISION:

To be the Model for
Efficient and Effective
Public Procurement in
Mauritius

MISSION:

To Ensure Value for Money
in Public Procurement and
Timely Acquisition through
a Fair and Transparent
Process

VALUES:

Accountability
Ethical Practices
Equality / Fairness
Integrity
Quality
Transparency

CENTRAL PROCUREMENT BOARD

1.2 ORGANIZATIONAL STRUCTURE

The structure of the Central Procurement Board consists of the Board and the Management Team (organigram on next page). The Board is composed of appointed members for a fixed term while the Management Team, which constitutes the core of the staff of the CPB, comprises the administrative and technical cadres of the public service. The Management Team is headed by the Chief Executive who is also responsible for the execution of the policy of the Board and is assisted in his function by the Deputy Chief Executive.

THE BOARD



**Mr. Raj Hemansing
PRAYAG**
Chairperson



**Mr. Krishna Menon
MAUREMOOTOO**
Vice-Chairperson



**Mr. Hirendranath
RAMBHOJUN**
Vice-Chairperson



**Mr. Kirsley Errol
BAGWAN**
Member



**Mrs. Sharda Devi
DINDOYAL**
Member



**Mr. Abdool Sattar
ABOUBAKAR**
Member

CENTRAL PROCUREMENT BOARD

1.2 ORGANIZATIONAL STRUCTURE (cont'd)

THE MANAGEMENT



Kreetyant DOSIEAH
Chief Executive



Dinesh MANNICK
Deputy Chief Executive

CPB Staff Structure

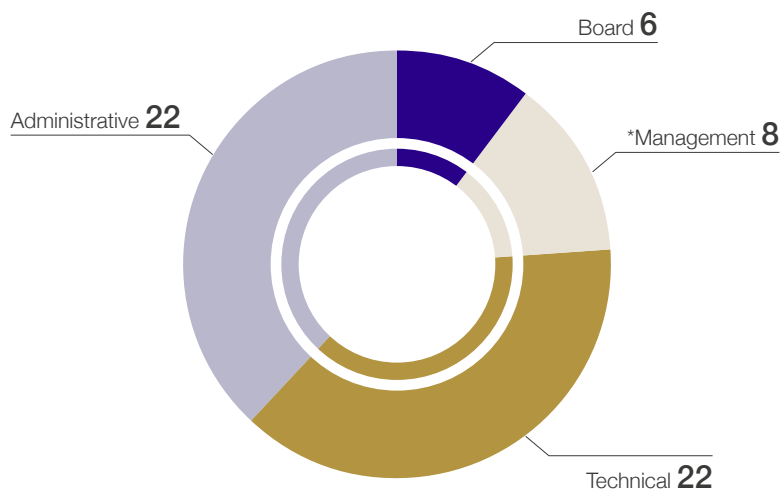
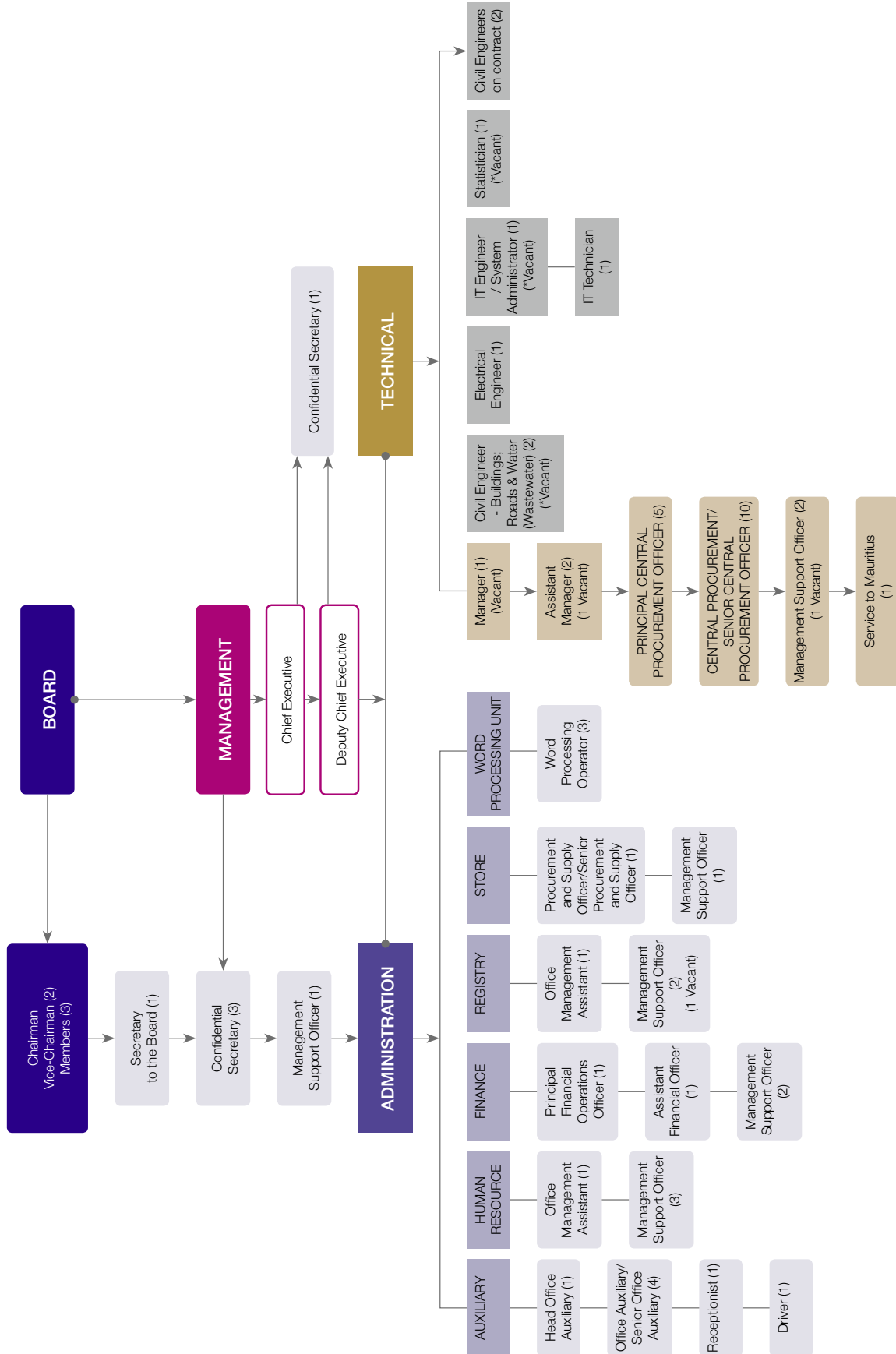


Figure 1 - Distribution of CPB Staff as at 30 June 2019

*Includes 4 Confidential Secretaries working with Chairperson, Vice-Chairperson and Members of the Board and Management.

CENTRAL PROCUREMENT BOARD



■ Officers on adhoc basis (*Contract Officers)

CENTRAL PROCUREMENT BOARD

1.3 HUMAN RESOURCES

The Management Team of the CPB, which constitutes the core staff of the department, is made up of the Administrative and Technical units, as illustrated on the previous page.

Planning, coordination, supervision and performance of functions relating to human resource management, budgeting, information technology, supplies, registry and records management (among others) fall under the purview of the administrative department. For the financial year 2018-2019, there were 23 established posts, inclusive of 1 vacant post.



Acting Manager of CPB



Acting Assistant Managers of the CPB



Principal Central Procurement Officers of CPB

The technical unit is responsible for a wide range of activities in respect of procurement documents of major contracts. The unit consists mainly of the Acting Manager, Acting Assistant Managers, Principal Central Procurement Officers (PCPO), Central Procurement Officers/ Senior Central Procurement Officers (CPO/SCPO), qualified engineers and other professionals. A total of 22 officers were involved in performing related activities under the supervision of the Chief Executive and the Board.

CENTRAL PROCUREMENT BOARD

1.3 HUMAN RESOURCES (cont'd)

For the financial year 2018-2019, the following vacant posts were filled:

NUMBER OF OFFICERS	GRADE	POSTING
1	Office Management Assistant	HR Section
6	Management Support Officers	HR, Registry, Stores, Technical Sections
5	Principal Central Procurement Officers	Technical Unit
9	Central Procurement Officers / Senior Central Procurement Officers	Technical Unit
1	Service to Mauritius	Technical Unit
3	Engineers - Civil (2)	Technical Unit



Central Procurement Officers of CPB

CENTRAL PROCUREMENT BOARD

1.4 OPERATIONAL COSTS

The CPB has incurred operational costs of MUR 54.7 million for the 2018-2019 financial year. Staff costs constitute the major part (60%) of the CPB's operational costs. A reduction of approximately MUR 1 million has nevertheless been noted for this expenditure item as compared to financial year 2017-2018. Fees paid to members of Bid Evaluation Committees – another significant component of CPB's expenses - have gone up from MUR 7.9 million in 2017-2018 to MUR 9.1 million in 2018-2019.

Table 1 - Operational Costs

ITEM	AMOUNT (MUR)	
	2017-2018	2018-2019
Staff Costs	34,060,723.00	32,981,168.00
Evaluation Fees	7,908,603.00	9,152,811.00
Rent Equipment and Other Utilities Costs	5,466,559.00	7,431,095.00
Sundries and Postage	2,460,000.00	659,300.00
Maintenance of Building, Equipment, Vehicles & Others	1,435,903.00	1,598,852.00
Printing and Stationery	853,826.00	990,925.00
Other Expenditure	186,729.00	1,882,681.00
TOTAL	52,372,343.00	54,697,332.00

1.5 MEETINGS AND WORKING SESSIONS

105 Board Meetings were held during the financial year 2018-2019. There were 94 ad-hoc meetings and 45 meetings with public bodies. Monthly general staff meetings have also been held on the last Friday of each month of the financial year.

To further improve the procurement process, the CPB has engaged actively with other public institutions during the financial year ended 30 June 2019. To this end, 9, 4 and 1 meetings were held with the PPO, the CCM and the IRP respectively.

The CPB welcomed 5 overseas delegations, as detailed below:

Table 2 - Delegations at the CPB

DELEGATION	NO. OF DELEGATES	DATE
Estonia	3	18 July 2018
Complaints Review Board, Gambia	5	11 October 2018
AfDB	2	18 October 2018
Central Procurement Technical Unit, Bangladesh	4	13 November 2018
World Bank	1	9 May 2019

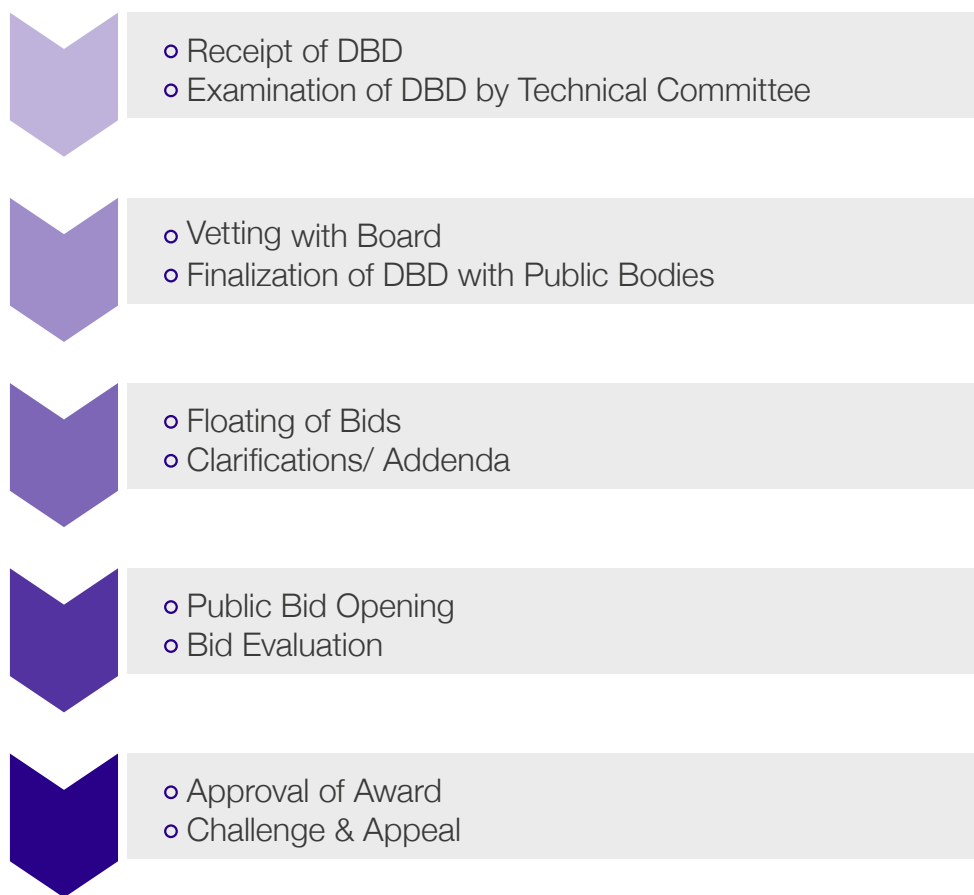
ACTIVITIES DURING THE FINANCIAL YEAR

It is mandatory for public bodies to submit the following information with respect to major projects as highlighted in the circular No. 1 dated 12 January 2012 from the CPB:

1. Draft Bidding Document for Incumbent projects
2. Detailed Estimated Cost
3. Procurement Plan
4. Soft Copy of Draft Bidding Document
5. Checklist for Vetting

Draft bidding documents (DBD) received from public bodies are scrutinized by the technical staff of the CPB. These are further examined by management and the board for final vetting. Public bodies are thereafter convened for discussion and finalization of the draft bidding document before invitation to bid.

A simplified sequence of activities depicting the main steps with respect to each procurement project as handled at the CPB is shown in Chart 1.



ACTIVITIES DURING THE FINANCIAL YEAR

2.1 PROJECTS RECEIVED

During the 2018-2019 financial year, the CPB received 74 projects out of which 5 were on e-procurement. The total estimated cost of the received projects was MUR 18.3 billion, distributed as follows:

Table 3 - Projects Received by Type

TYPE OF PROJECT	TOTAL	Estimated Cost (MUR MILLIONS)
WORKS	47	14,315.60
A. Buildings	29	4,887.20
B. Roads & Bridges & Grade Separated Junctions	8	1,814.40
C. Public Utilities	2	261.30
D. Other Works	8	7,352.70
GOODS	18	3,102.40
CONSULTANCY	2	125
OTHER SERVICES	7	770.40
TOTAL	74	18,313.40

47 of the received projects were Works projects with a total estimated cost of MUR 14.3 billion. Goods projects represent 24.3% of all received projects, with a total estimated cost of MUR 3.1 billion.

As at 30 June 2019, the status of the 74 received projects was as follows:

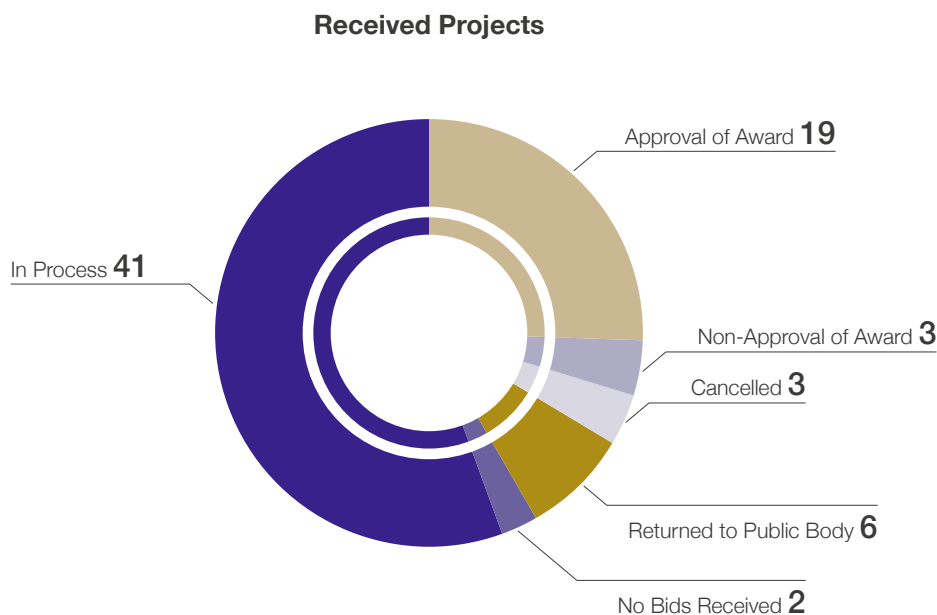


Figure 2 - Received Projects by Status

ACTIVITIES DURING THE FINANCIAL YEAR

2.1 PROJECTS RECEIVED (cont'd)

As shown in Figure 2, 41 projects were still in process as at 30 June 2019 (see Figure 3 for a more detailed breakdown of projects still under progress) either at the vetting, bidding or evaluation stage or were awaiting approval/decision. 3 projects were cancelled during the financial year. Documents for 6 projects were returned to the respective public bodies either at the vetting stage or after the public opening of bids. At the vetting stage, it was observed that the public body did not intend to go ahead with projects on a Design & Build basis as advised by the CPB. At the public bid opening stage, bids received for projects with contract values below the prescribed amount for major contracts were returned to the public body for in-house evaluation and approval of award. No approval for award of contract was conveyed for 3 projects; the bids were non-responsive for 2 of them and the bid price was substantially higher than the cost estimate for the 3rd project. No bids were received for 2 projects.

For the projects still in process at 30 June 2019, 10 were at the vetting stage; 16 were at the advertising stage; 4 were being evaluated and 10 projects were awaiting approval/ decision. The CPB was also awaiting new bidding documents for 1 project.

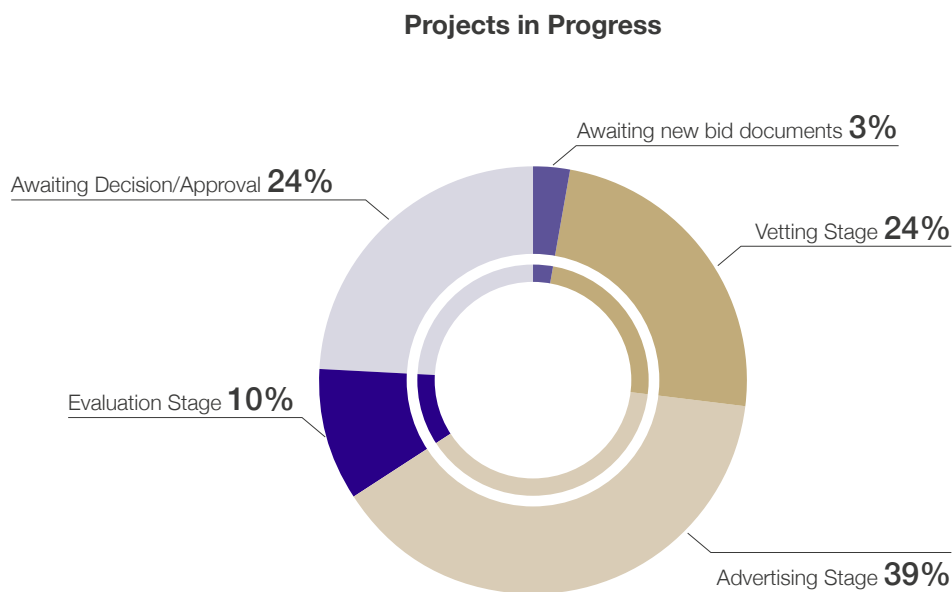


Figure 3 - Projects Still In Process

2.2 VETTING OF BIDDING DOCUMENTS

The purpose of vetting of bidding documents is to ensure that the procurement activity is adhering to the PPA, the regulations made there under, as well as the directives and circulars issued by the Public Procurement Office (PPO) and the CPB. It is at this stage that the CPB through its Board starts ensuring that the exercise is carried out with the highest standards of transparency and equity.

Vetting is not deemed to have started unless all the required documents have been submitted to the CPB. On receipt of the DBD through the registry, the Senior/Central Procurement Officer (SCPO/CPO) ensures that the following checks are made.

1. The procurement is under CPB purview;
2. Use of the appropriate Standard Bidding Document was made as prescribed by PPO;

ACTIVITIES DURING THE FINANCIAL YEAR

2.2 VETTING OF BIDDING DOCUMENTS (cont'd)

3. Appropriateness of proposed procurement method;
4. Complete procurement information as per CPB circular No. 1 dated 12 January 2012 are provided (cost estimates, checklist, procurement plan, DBDs).

Upon submission of complete set of documents, a Technical Committee (TC) examines all the specifications and requirements, qualification criteria, evaluation methodology and criteria so as to ensure that

1. bidders have a clear idea of the requirements of the procurement activity
2. There is no bias in the specifications that may favour or penalize a particular bidder or a particular brand or make; and
3. The evaluation criteria are clear, transparent and fair.

Ad-hoc meetings with representatives of the concerned PBs are regularly held for better understanding and quick decision on eventual amendments to bidding documents. In the case of complex projects, external technical expertise is enlisted to assist in the vetting process. The TC then submits its comments and bidding documents to the Board for approval.

Table 4 - Vetting of Bidding Documents for Financial Years 2018-2019

VETTING OF BIDDING DOCUMENTS	2018-2019
No. of Bidding Documents	66
Total Vetting Duration (Days)	2356
Average Vetting Duration (Days)	36

As per Table 4, a total of 66 bidding documents were vetted during the financial year. The overall total vetting duration, which is measured as the number of days as from the date of receipt of all requested information including complete DBD to its approval by the board, for all 66 projects was 2356 days. The average vetting period per bidding document was 36 days.

2.3 PUBLIC BID OPENING SESSIONS

Following the vetting by the Board, a closing date is communicated to the public body for the floating of bids, and the projects are advertised. Bids are thereafter received, registered and deposited in the tender box at the CPB. A Bid Opening Committee (BOC) is set up consisting of at least one Board Member and other technical staff of the CPB to conduct the bid opening session.

Table 5 - Public Bid Opening Sessions of Project for Financial Year 2018-2019

PUBLIC BID OPENING SESSIONS	2018-2019
Number of Sessions	57
Total No. of Bids received	218
Median	4

ACTIVITIES DURING THE FINANCIAL YEAR

2.3 PUBLIC BID OPENING SESSIONS (cont'd)

A total of 57 bid opening sessions (including 4 under e-procurement) took place during the 2018-2019 financial year. The total number of bids received was 218. The median number of bids received was 4. The lowest number of bids received for a project during the financial year was 0 while the maximum was 9.

The bidding methods used for major contracts for the procurement of Goods, Works, Consultancy Services and Other Services are in accordance with the PPA and are as follows:

- Open Advertised Bidding (OAB);
- Open International Bidding (OIB);
- Open National Bidding (ONB); and
- Restricted Bidding (RB).

Open National Bidding (ONB) was the preferred procurement method for the advertised projects; 58% of all advertised projects used this method. For one project, there was an expression of interest from which a Short List of Consultants was drawn.

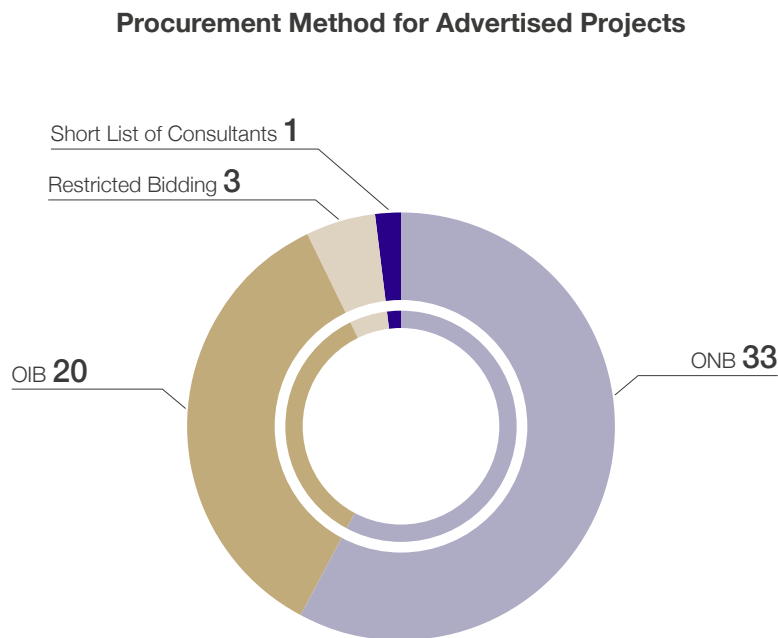


Figure 4 - Procurement Method for Advertised Projects

2.4 EVALUATION

Following a bid opening session, a Bid Evaluation Committee (BEC) is set up consisting of a minimum of 3 evaluators. They are selected by the Board from the list of evaluators maintained by the CPB based on the type of expertise required for the project. Highly technical or complex projects may require the appointment of additional specific expertise.

After the setting up of a BEC, pre-evaluation meetings are held to brief members of the terms of reference of the BEC as well as the requirements to produce a comprehensive bid evaluation report in the stipulated time frame while taking into account values such as fairness, equity and transparency.

ACTIVITIES DURING THE FINANCIAL YEAR

2.4 EVALUATION (cont'd)

During the financial year 2018-2019, bids were evaluated for 54 projects for a total number of 1,386 days. The average number of evaluation days was 26 as per Table 6.

Table 6 - Evaluation of Projects for Financial Year 2018-2019

PROJECTS EVALUATED	2018-2019
Number of Projects	54
Total Evaluation Days	1386
Average Evaluation Days	26

2.5 APPROVAL OF AWARD

Approval of award of contract by the Central Procurement Board is governed by Section 11 (1) (e) of the Public Procurement Act, which provides that the Board shall, in respect of major contracts, 'review the recommendations of a bid evaluation committee and-

- i. approve the award of the contract; or
- ii. require the evaluation committee to make a fresh or further evaluation on 'specified grounds.'

The objective is to ensure that evaluation is done strictly in accordance with criteria laid down in the bidding document and that the bid(s) of the selected bidder(s) is/are in fact the lowest evaluated substantially responsive one(s).

For the financial year ended 30 June 2019, approval of award of contract was conveyed for 41 projects with a total contract value of MUR 9.3 billion. The Board approved award of contract for 27 Works projects with a total contract value of MUR 7 billion. 5 projects for the procurement of Goods with a total contract value of MUR 1.4 billion were also approved for award of contract. The remaining related to Consultancy (1.96%) and Other Services (7.8%).

Table 7 - Approved Projects by Type for Financial Year 2018-2019

TYPE OF PROJECT	Number of Approval of Award	Contract Value (MUR)
WORKS	27	7,033,186,369.89
A. Buildings	12	2,106,581,994.00
B. Roads & Bridges & Grade Separated Bridges	3	614,753,103.66
C. Public Utilities	6	3,677,467,326.58
D. Other Works	6	634,383,945.65
GOODS	5	1,393,028,571.29
CONSULTANCY	3	183,479,950.00
OTHER SERVICES	6	732,431,431.40
TOTAL	41	9,342,126,322.58

ACTIVITIES DURING THE FINANCIAL YEAR

2.6 CHALLENGES AND APPEALS

Bidders may challenge the procurement proceedings within five days from either the invitation to bid or from opening of bids and seven days following notification of award.

Bidders who claim to have suffered, or to be likely to suffer, loss or injury due to breach of a duty imposed by the PPA on a public body or the Board may challenge the procurement proceedings. The challenge has to be submitted to the Public Body (PB), in accordance with the PPA, within the prescribed time. The Board would then provide to the PB materials for reply to the challenge of the aggrieved bidders. In the absence of a decision by the PB within the prescribed time of seven days or if bidders are still not satisfied with the decision of the PB, they may apply to the IRP for a review of procurement proceedings.

During the financial year ended 30 June 2019, challenges were received from aggrieved bidders in respect of 13 major contracts. In 5 cases, aggrieved bidders were satisfied with the replies of the PB. 5 filed applications for review. The IRP found no merit in one case while two cases were recommended for re-evaluation. Decision with respect to the other 2 cases filed for review was still pending as at 30 June 2019. The outcome of the challenges of 3 projects were still unknown as at the end of the financial year.

APPROVED AWARDS OF CONTRACT IN FINANCIAL YEAR 2018-2019

Approval for award of contract was made for a total of 42 projects during the financial year 2018-2019. The complete list of these projects is provided in Table 8 below.

Table 8 - Approvals of Award of Contract

NAME OF PUBLIC BODY	PROCUREMENT DESCRIPTION	CONTRACT VALUE (RS)	CATEGORY
Ministry of Social Security, National Solidarity and Environment and Sustainable Development	Rehabilitation of Mon Choisy Public Beach & Installation of Artificial Reef-Mss	79,746,389	Other Works
Rodrigues Regional Assembly	Selection of Consultant for Global Consultancy Services for Selected Development Projects in Rodrigues	57,425,530	Consultancy
Ministry of Public Infrastructure and Land Transport	Framework Agreement for Maintenance, Repairs and Rehabilitation of Government Buildings (2018-2019)	460,000,000 (Estimated cost submitted by public body)	Buildings
Road Development Authority	Design-Build/Turnkey & Completion of the Construction of A1-A3 Link Road	256,333,308	Buildings
Central Electricity Board	Framework Agreement for Underground Works	175,000,000 (Estimated cost submitted by public body)	Public Utilities
Prime Minister's Office (National Development Unit)	Framework Agreement for Construction & Upgrading of Amenities & Associated Works for a period of Twenty Four Months	326,540,016 (Estimated cost submitted by public body)	Other Works
District Council of Black River	Procurement of Services for Street Cleaning, Refuse Collection and Disposal including Carting Away of Post Cyclonic Waste in the District Council of Black River Area for a period of 36 months	1 - 133,260,000 2 - 111,240,000	Other Services
Ministry of Agro - Industry and Food Security	National Wholesale Market at Five - Ways Belle Rive	338,681,051	Buildings
National Housing Development Company Limited	Construction of Apartments at Cap Malheureux	228,991,742.59	Buildings
Ministry of Social Security, National Solidarity and Environment and Sustainable Development	Operation and Maintenance of La Chaumiere Transfer Station and Transportation of Wastes from La Chaumiere Transfer Station to Mare Chicose Landfill	181,241,060	Other Services
National Transport Corporation	Procurement of Gas Oil for the six depots of the National Transport Corporation (under Framework Agreement)	668,717,009.89	Goods

APPROVED AWARDS OF CONTRACT IN FINANCIAL YEAR 2018-2019

NAME OF PUBLIC BODY	PROCUREMENT DESCRIPTION	CONTRACT VALUE (RS)	CATEGORY
Municipal Council of Curepipe	Procurement of Scavenging Services, Street Cleaning, Refuse Collection and Disposal including Carting Away of Post Cyclonic Wastes for a Period of 36 months starting 01 December 2018 (Lot 1, Lot 2 and Lot 3)	Lot 1 - 73,256,486.00 Lot 2 - 18,053,885.40	Other Services
Municipal City Council of Port Louis	Procurement of Services for Street Cleaning, Refuse Collection and Disposal including Carting Away of Post Cyclonic Wastes for a Period of 24 months (Lot 1 & Lot 2)	Lot 1 - 34,429,000 Lot 2 - 5,100,000	Other Services
Central Water Authority	Framework Agreement for Minor Works for Pipe Laying and Ancillary Works for Zones 1 - 6 for Years 2018-2020	Zone 1: 1 - 24,890,179.88 2 - 26,026,576.40 Zone 2: 1 - 21,936,728.00 2 - 24,990,376.40 Zone 3: 1 - 22,888,179.88 2 - 24,990,376.40 Zone 4: 1 - 23,482,179.88 2 - 26,914,163.10 Zone 5: 1 - 24,000,361.00 2 - 26,914,163.10 Zone 6: 1 - 24,905,001.00 2 - 26,914,163.10	Public Utilities
Ministry of Public Infrastructure and Land Transport	Construction and Installation of Traffic and Road Safety Devices (2018-2019)	149,203,970	Public Utilities
District Council of Pamplemousses	Design and Build of an Administrative Building for the District Council of Pamplemousses	63,100,000 (negotiated sum)	Buildings
Municipal Council of Port Louis	Extension of Office Building on Parking Area and Audio Visual Section at the Municipal Council of Port Louis	34,846,894	Buildings
Ministry of Social Security, National Solidarity and Environment and Sustainable Development	Consultancy Services for the Design and Preparation of Bidding Documents for Vertical Expansion Works, Leachate Treatment Plant and Other measures for increasing Disposal capacity at the Mare Chicose Landfill and supervision of Works and Operations	EUR 942,281 and MUR 15,996,180	Consultancy

APPROVED AWARDS OF CONTRACT IN FINANCIAL YEAR 2018-2019

NAME OF PUBLIC BODY	PROCUREMENT DESCRIPTION	CONTRACT VALUE (RS)	CATEGORY
Municipal Council of Beau Bassin/ Rose Hill	Procurement of Services for Street Cleaning, Refuse Collection and Disposal including carting away of Post Cyclonic waste in the Town of Beau Bassin / Rose Hill	Lot 1 - 40,518,000 Lot 2 - 27,369,000	Other Services
Wastewater Management Authority	Grand Baie Sewerage Project Phase 1B Contract WW 302W - Construction of Sewer Main Reticulation Network, Pumping Stations & Associated Mechanical & Electrical Works	Lot 1 - 1,992,950,181 Lot 2 - 95,303,735	Public Utilities
National Housing Development Authority Ltd	Rehabilitation of Existing Wastewater Network and Ancillary Works on NHDC Housing Estates Lot 1	116,153,804	Other Works
Road Development Authority	Design- Build / Turnkey and Completion for Stabilisation and Repairs Works regarding Landslide along Motorway M3 at Ripailles (Northbound Zone D4)	133,364,024.51	Roads
Ministry of Education and Human Resources, Tertiary Education and Scientific Research	Construction Works at Baichoo Madhoo Government School at Belle Rose	69,296,000	Buildings
Ministry of Public Infrastructure and Land Transport	Framework Agreement for Maintenance / Refurbishment of Electrical Works in Government Buildings (2018-2019)	As per rates submitted with their bids	Other Works
Prime Minister's Office (National Development Unit)	Extension of Lining Works at Canal Kitchry, Tranquebar	USD 1,424,237.73	Other Works
Municipal Council of Curepipe	Renovation of Town Hall Building of the Municipal Council of Curepipe	122,512,512	Buildings
Ministry of Housing and Lands	Consultancy Services for Review of the National Development Strategy for the Republic of Mauritius	72,367,000	Consultancy
Prime Minister's Office (National Development Unit)	Drain Project in Rodrigues - Camp des Rois	62,095,416.10	Other Works
Road Development Authority	Construction of an Interchange at Hillcrest Across Motorway M1 (Design - Build / Turnkey)	276,234,953.07	Roads
Wastewater Management Authority	Pailles Guibies Sewerage Project - Phase 2 Contract WW260 W - Construction of Trunk Sewer, Reticulation Network, House Connections and CWA Pipe Replacement	851,511,698.24	Public Utilities
District Council of Flacq	Design- Build & Turnkey Contract of a New Market Fair at Bel Air Riviere Seche	102,300,000	Buildings

APPROVED AWARDS OF CONTRACT IN FINANCIAL YEAR 2018-2019

NAME OF PUBLIC BODY	PROCUREMENT DESCRIPTION	CONTRACT VALUE (RS)	CATEGORY
Government Printing Department	Construction of a New Building for Government Printing Department at La Tour Koenig	378,106,101	Buildings
Rodrigues Regional Assembly	Maintenance, Upgrading, Resurfacing and Construction of Roads in Rodrigues Year 2018 - 2019 and 2019 - 2020	205,154,126.08	Roads
Rodrigues Regional Assembly	NGO Resource Centre at Mont Plaisir, Rodrigues	26,559,543	Buildings
Central Water Authority	Renewal of Pipeline From La Marie Treatment Plant to La Brasserie Reservoir and Pipeline from La Brasserie Reservoir to Morcellement Pousson and Adjoining Areas	114,645,294.20	Public Utilities
National Housing Development Co Ltd	Construction of 282 Housing Units and Associated Infrastructure Works at Wooton	485,854,842	Buildings
Ministry of Local Government and Outer Islands	Supply, Testing & Commissioning of Compactors and Tipper Lorries	Item 1 - 52,662,975 Item 2: 18,698,490 Item 3: 7,602,000 Item 4: 34,745,100	Goods
Central Electricity Board	Procurement of Lubricating Oil for CEB's Power Stations (under Framework Agreement)	168,146,115	Goods
Municipal City Council of Port Louis	Procurement of Services for Street Cleaning, Refuse Collection and Disposal, including Carting Away of Post Cyclonic Waste for Lot 3 & 5	Lot 3 - 46,764,000 Lot 5 - 61,200,000	Other Services
Ministry of Local Government and Outer Islands	Supply, Testing & Commissioning of Backhoe Loaders, Dumpers and Lorries (mounted with crane)	Item 1 : 26,666,982.40 Item 2: 12,768,350 Item 3: 25,717,874	Goods
Civil Aviation Department	Supply, Installation, Testing, Commissioning and Maintenance of an Advance Passenger Information and Passenger Name Record System	USD 10,780,105	Goods

ENGAGING WITH PUBLIC BODIES

The CPB organized a Workshop on Engaging with Public Bodies (PB) on Friday 29 March 2019 at Caudan Arts Centre, Port Louis. High level officials such as CEOs from various Public Bodies (PB) were invited to this interactive session. The Chairperson of the CPB, in his welcoming speech, elaborated on the need for the CPB and PBs to work together to minimize the vetting time of projects and called for better collaboration.

The workshop focused on the following salient points:

- Shortcomings in submission of bidding documents to CPB for vetting.
- The concept Design & Build and a presentation on Activity Schedule v/s BOQ.
- The concept of Value for Money (VFM).

General discussions were held after the workshop and clarifications to many issues in relation to the Public Procurement Act and its Regulations were provided by the Director of the Procurement Policy Office.

As a follow up to the first workshop, the Board engaged in further discussions with officers responsible for preparation of bid documents at a half-day workshop on 17 May 2019 held at the CPB. The objectives of the interaction were to improve the quality of bidding documents and to minimize the vetting time.

Shortcomings in draft bidding documents:

- Cost Estimates and their importance in Design-Build concept
- The advantages and disadvantages of Activity Schedule v/s BOQ.
- Value for Money concept.

The workshop generated a lot of discussions and participation by the attendees. Q&A which followed raised concern, inter alia, on Communication with CPB, Cost Estimates, Reply to Challenges by Public Bodies and Review at IRP, E-Procurement and Marking Criteria for Evaluation.

At the request of the Ministry of Health and Quality of Life, the CPB organised a similar workshop at Labourdonnais Waterfront Hotel on Friday 14 June 2019 for the benefit of their staff. Some 40 participants attended the workshop and again the workshop covered the various aspects of the tender process which have proven to be constraints leading to delays in the processing. Through open discussions and interactions, much of the recurring shortcomings were addressed.

Officers of the Ministry raised queries on: Estimates and shelf-life of pharmaceutical products, Market surveys, Sole suppliers, tailor-made specifications, Time required for replying to clarifications from bidders, Lifecycle costing, Repairs to equipment, Maintenance cost, etc.

It is hoped that such collaboration with our stakeholders will give the anticipated result in quality of bidding documents and shorten the procurement process.

ENGAGING WITH PUBLIC BODIES



Workshop

COST ESTIMATES

Public Bodies are required to submit **estimates of cost** of their projects at the time of submission of their draft Bidding Documents and, if necessary, to update these estimates prior to opening of bids. The estimates, excluding VAT component, qualify a project as minor or major in respect of the thresholds in the schedules in the Act. Major projects are dealt with by the CPB.

The CPB has noted that, in many cases, the estimation process is not given adequate attention; resulting in many cases of very **high bids** which are rejected and the Public bodies having to launch fresh bids, leading inevitably to delays in project implementation. This has been noted in both bids for Infrastructure Projects (Roads, Building projects...) as well as for procurement of services (Cleaning of toilets, Security services...). Furthermore, in July 2019, the PPO has shed some light on the handling of negotiations where the lowest substantially responsive bid is above the updated cost estimates. The negotiated price, complying with Section 40(2A) of the PPA & Regulation 8, should be brought to 15% or less. Else to cancel the procurement proceedings.

Also, it must be recognized that each project is unique and different from the previous one in varying degrees. Although many projects may be relatively repetitive and “similar”, such as “standard” office buildings or schools, many others are non-standard and individually complex, unique, one-of-a-kind, remotely located, etc., such as historic building renovations, environmentally challenged locations and increasingly green, sustainable, and more innovative structures and systems.

Further, since the preparation of project estimates has typically been based on historical information, such information may be outdated, or perhaps do not even exist for certain individual types of projects; therefore, the associated degree of accuracy of the estimate can be expected to vary accordingly. the CPB understands that a new Schedule of Rates is being worked out by the Construction Industry Development Board (CIDB); this will be a welcome tool to future preparation of cost estimates.

As far as Infrastructure Projects are concerned, bidding documents which provide a detailed Bill of Quantities (BOQ) have shown that:

- Cost estimates are more **accurate**.
- Contractors are on a **level playing field**.
- **Negotiations**, in cases of lowest evaluated bids being above 15% of estimates, can be undertaken in a more scientific way by comparing specific rates.
- During evaluation of bids, it is easier to detect any **front-loading** by the bidder.
- **Certification of Variations** at implementation stage are dealt-with in a transparent and fair manner.
- **Project management** is smoother and certification of claims are transparent.

The CPB has flagged the need for BOQ during many workshops with stakeholders and is actively working in collaboration with the Procurement Policy Office (PPO) to make BOQ's a must for future major projects.

As regards procurement of services projects (Street Cleaning, Security Services, Cleaning of public beaches, etc.), public bodies have been resorting to an indexing on previous contracts in their preparation of cost estimates. The Board has come across a few instances of “abnormally low bids “ and is now ensuring that public bodies take into account existing legislation and Remuneration Orders in submitting a detailed estimate of costs. These will be analyzed in depth by the respective Bid Evaluation Committees (BEC's).

VALUE FOR MONEY (VFM)

In a nutshell vfm aims at achieving “a good deal” in the spending of public money. Public Procurement on the other hand has a statutory obligation to achieve best value for money therefore the “best deal” is the objective.

Section 11.2. (e) of the Public Procurement Act provides that:

“The Board shall strive to achieve the highest standards of transparency and equity in the execution of its duties, taking into account -

... (e) The need to obtain the best value for money in terms of price, quality and delivery, having regard to set specifications”

It therefore follows from the above that there is more than an expectation from the Board to “strive” to achieve vfm in Public procurement.

Understanding this requirement, the Central Procurement Board (CPB) has put in place proper mechanisms, which it is constantly monitoring, updating and realigning, through dynamic processes and intensive interactions with Public Bodies and peer institutions.

Thus, with this constant objective in view the CPB has had throughout 2019 very fruitful collaboration and exchange of information with the Procurement Policy Office (PPO), The Competition Commission (CC), the Independent Review Panel (IRP), the Construction and Industry Development Board (CIDB) and an important number of Public Bodies. Workshops were also held for the benefit of Public Bodies where advocacy of the vfm concept had a central role.

This year also the CPB welcomed in its offices various delegations from peer institutions from the African continent, which although they had come with the intention to benchmark with us, have also provided us with valuable opportunities to compare notes on public procurement best practices.

At this point, it is apposite to mention the efforts of the World Bank in coming up with guidance notes on vfm and to understand our need to benchmark with such institutions which have produced authoritative papers on the subject of public procurement.

In July 2016 the World Bank issued a procurement guidance note on the concept of Value for Money in Public Procurement entitled: “Achieving Vfm in Investment Projects Financed by the World Bank”. At the very outset the paper limits its boundaries within an introductory perspective of the concept whilst directing us to more detailed explanations provided in other guidance notes such as:

- a) “Guidance note - Project Procurement Strategy for Development
- b) Guidance note - Evaluation Criteria
- c) Guidance note - Abnormally low Bids
- d) Guidance note - Contract Management
- e) World Bank Standard Procurement Documents and their associated User’s Guides; The World Bank Procurement Regulations for IPF Borrowers (and in particular Annex I, Vfm)”

As per the guidance Vfm is defined as “the effective, efficient, and economic use of resources, which requires the evaluation of relevant costs and benefits, along with an assessment of risks, and of non-price attributes and/or life cycle costs, as appropriate. Price alone may not necessarily represent Vfm”.

It further defines the Procurement Process “as the process that starts with the identification of a need and continues through planning, preparation of specifications/requirements, budget considerations, selection process, contract award, and contract management.”

To achieve vfm it is therefore mandatory that special attention be given to how resources available to a project are allocated throughout the procurement process.

VALUE FOR MONEY (VFM)

By issuing this guidance the World Bank does not intend to re-invent the wheel; it is only reminding Public Officials of their fiduciary duty of care in spending public money. It is expected that all stakeholders are permitted, through a transparent and fair process, to gauge the extent to which resources are applied economically, efficiently and effectively.

Vfm can only be achieved by ensuring that there is integrity throughout the procurement process. At the conceptualisation stage itself the public body has a duty to ensure that end-users' and other stakeholders' (beneficiaries) needs are clearly identified. These needs have to be factored as the deliverables of the procurement process. Particular attention has to be paid to risk management with proper risks mitigation mechanisms built into the procurement design. The procurement has to be fit for purpose having regard to the complexity of the project, its value, the risks associated to achieving its intended objectives and the availability of supply and market conditions. Where appropriate, suppliers should be allowed to propose innovative and cost-effective solutions. Evaluation of offers should be based on objective where possible measurable or observable criteria having regard to cost of ownership (whole of life cycle costs) where applicable. Finally, an efficient contract management should be put in place to ensure intended deliverables are met.

There is further a strong need to have procurement officials meeting high professional standards. The existence of a dedicated unit for data mining and monitoring procurement performance is also a sine-qua-non.

The challenge now is to get all stakeholders to set aside their bespoke models. They need to stop operating in silos and work together towards a new and innovative solution involving multidisciplinary team strategy. This will then make room for the application and implementation of the steps mentioned above, with at the end, the achievement of vfm.

HIGHLIGHTS OF PROCUREMENT ISSUES DURING THE FINANCIAL YEAR

- The need for the exclusion of bidders convicted of fraud or corruption - To study the provisions of AfDB documents and a Statement of Integrity by bidders.
- Determination of conflict of interest issues with regards to foreign state-owned enterprises and local bidders.
- Preparation of pre-tender estimates of cost for services and works contracts by Public Bodies.
- Post-completion Report with regards to timely completion, cost overruns and performance of all concerned in project implementation.
- Eligibility of bidders undergoing court cases - Litigation history
- PPO guidelines with regards to due diligence on procurement under G2G agreement need to be revised in cases of single service providers with no competition.
- The need for CPB to be provided an opportunity to enlighten the IRP during hearings.
- Need for a Standard Bidding Document for Design/Build (Turnkey) project for works.
- Collaboration with CCM with regard to the following: possible monopolistic situation by contractors, existence of cartel in specific markets, collusion and bid rigging.
- Assistance to CPB on vetting of Bidding Documents for BOT/PPP projects.

GENDER STATUS

Differences between the genders have long been the topic of debate and the subject of many books. A lot of analysis and research on gender inequality is currently being performed for developed countries and developing countries alike which show that it will take a lot of time and numerous changes to reduce gender imbalance. In Mauritius, though much attention is being given to improve gender inequality, there are several issues with respect to the role and status of women in the Mauritian society that need to be addressed.

At the Central Procurement Board (CPB), however, gender status has never been an issue which requires redress measures. In fact, CPB can be cited as a model among Government departments where a majority of women are playing a meaningful role in the area of public procurement, thereby significantly contributing towards the economic and social development of the country.

Women represent around 65% of the workforce at the CPB and are represented at all levels of the hierarchy. Women play a useful role within its organizational structure whether at the Board level, Management, Stores, Registry, Human Resource or Finance.

Most of the procurement officials are women and special focus is being given at the time of selection of evaluators to ensure participation of women in the evaluation process.

It can be stated that CPB takes great interest to enhance workforce competencies and skills development, irrespective of gender, so that each can play its role more effectively.

STAFF OF THE CPB



Procurement & Supply Section



Human Resources Section



Finance Section

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