



CENTRAL PROCUREMENT BOARD

*Report of Activities
January – June*

2015

Republic of Mauritius – December 2015

Table of Contents

Chairperson’s Statement2

Composition of the Board4

Organisation Structure5

Amendments to the Public Procurement Act 20066

Highlights of Activities at the CPB.....7

 Procurement Exercise 8

 Board Meetings..... 8

Vetting of Bid Documents9

Public Opening of Bids Received 10

Evaluation of Bids11

 Evaluation Duration 12

 Evaluation per Procurement Type 13

Approval of Award of Contracts 14

Challenges and Appeals 15

Live Projects as at 30th June 2015..... 16

Operation Costs of the CPB..... 17

Chairperson's Statement



As per the requirement at section 8A of the Public Procurement Act 2006, as subsequently amended, I am happy to present this report on the activities of the Central Procurement Board (CPB) covering the period January to June 2015.

His Excellency the President of the Republic of Mauritius reconstituted the Board at the beginning of the year 2015 with myself as Chairperson, Mr. H. Rambhojun and Mr. K.M. Mauremootoo as Vice Chairpersons and Mr. K.E. Bagwan, Mrs. S.D. Dindoyal and Mr. D.M.A. Zmanay, OSK as Members.

On assuming office, the new Board ensured continuity in operations, after having taken cognizance of past activities of CPB and of all the procurement projects in the pipeline, pending challenges by bidders to decisions of the Board, and applications by aggrieved bidders for review of CPB decisions by the IRP.

The new Board then prepared the annual report on the activities of the CPB in the previous financial year 2014 and submitted same to the Minister of Finance and Economic Development as per provisions of the Public Procurement Act.

The new Board also studied the Public Procurement Act and in consultation with the Procurement Policy Office, suggested certain amendments to be brought to the Act for the sake of more transparency in public procurement and in the award of contracts as well as to relieve certain constraints in public procurement activities.

The proposed amendments were passed by Parliament on 13th May 2015 as per section 43 of the Finance (Miscellaneous Provisions) Act No. 9 of 2015.

In the six months ending June 2015, the Board vetted 22 bidding documents for the procurement of goods, works and services, and approved award of contracts of a total value of Rs 1.9 billion in respect of 16 projects.

The Board held 106 meetings in all during the period. A total of 204 bids were received at 24 public bid opening meetings. These bids were subsequently evaluated by Bid Evaluation Committees and after consideration by Management and on its recommendations the Board approved the award of contracts by the Public Bodies concerned.

During the period, 20 challenges were received from aggrieved bidders after notification of award of contracts. Of these, 6 bidders appealed to the Independent Review Panel for review of the proposed awards while 14 cases were resolved after supply of relevant information by the Board to the aggrieved bidders through the Public Bodies concerned.

As at 30th June 2015, there were 19 live projects at the CPB. Of these 8 projects were at vetting stage, 7 projects at bidding stage, 3 at evaluation stage and 1 project for which the public opening session was held on the 30th June 2015 itself. As at same date, there were 9 appeals awaiting decision of IRP and also 6 court cases.

Two officers of the African Development Bank paid visits to the Central Procurement Board during the period. The visits were in relation to the Central Electricity Board's project of Redevelopment of St. Louis Power Station for which the bank has agreed to provide financing.

In June 2015, Ms L.N. Ravaorimino, Senior Procurement Specialist of the World Bank Group visited the CPB and informed the Board of the methodology of the Performance Measurement Framework under the Public Expenditure and Financial Accountability Programme.

I wish to place on record, the cooperation received from all members of the Board and my appreciation of the collaboration of the Secretary and staff of the CPB. I extend my thanks to all stakeholders, members of the Bid Evaluation Committees, Public Bodies and bidders.

Season's greetings,

Madhukarlal BAGUANT, C.S.K.

Chairman

21st December 2015

Composition of the Board

The Board was reconstituted as hereunder at the beginning of the year 2015.



VICE-CHAIRPERSON
Mr. Krishna Menon
MAUREMOOTOO



CHAIRPERSON
Mr. Madhukarlal
BAGUANT, CSK



VICE-CHAIRPERSON
Mr. Hirendranath
RAMBHOJUN



MEMBER Mr.
Kirsley Errol
BAGWAN



MEMBER Mrs.
Sharda Devi
DINDOYAL



MEMBER
Mr. Dawood Mamode Ally
ZMANAY, OSK

Organisation Structure

The Board was assisted by a team of 46 officers headed by Mr. K. Dosieah, Secretary of the CPB.



- OMA Office Management Assistant
- MSO Management Support Officer
- SFO/FO Senior Financial Officer / Financial Officer
- HOCA Head Office Care Attendant
- SOCA Senior Office Care Attendant
- OCA Office Care Attendant
- *Deputy Secretary will be re-styled to Deputy Chief Executive

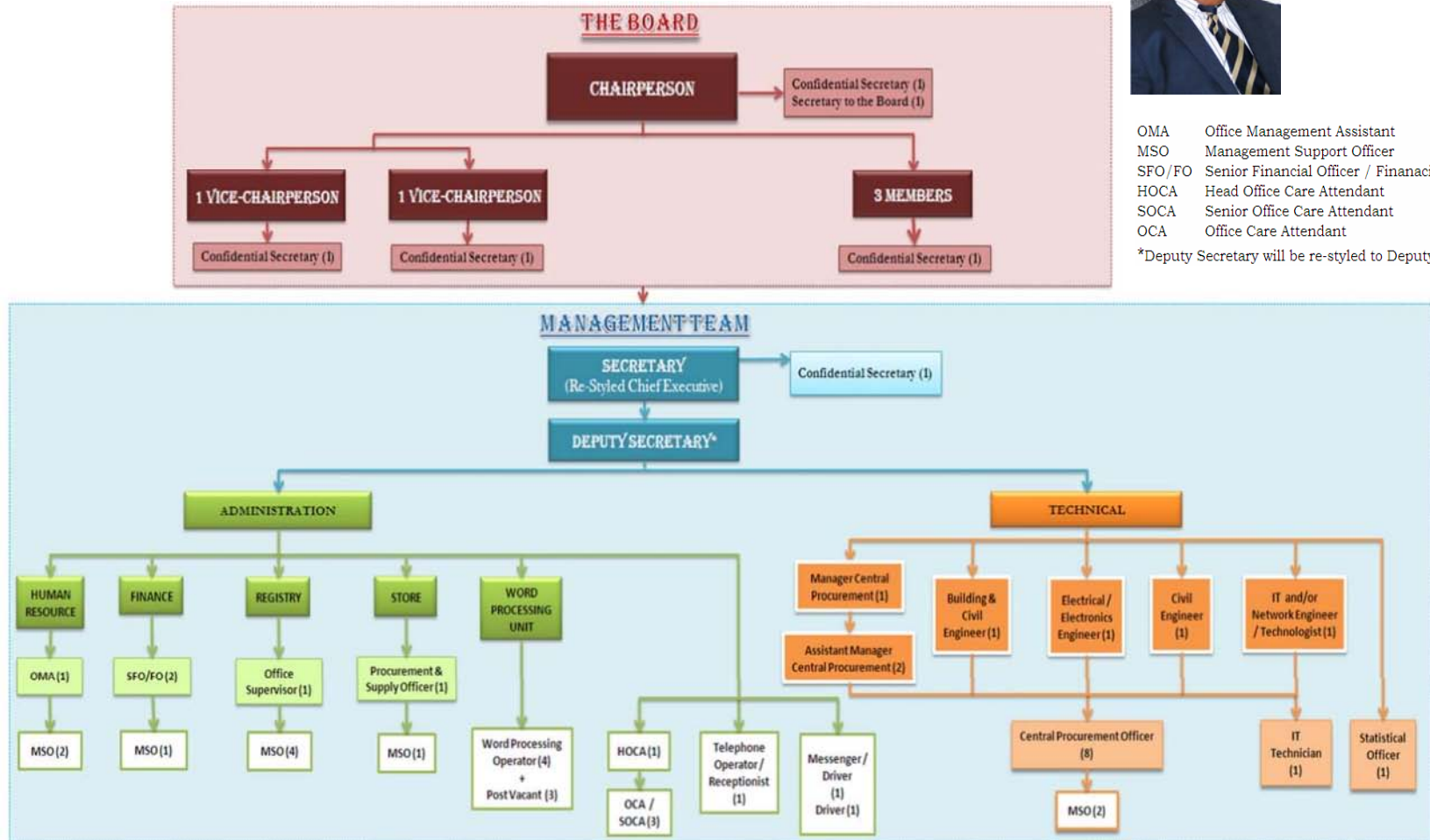


Figure 1: Organisation Structure of the Central Procurement Board as at 30 June 2015

Amendments to the Public Procurement Act 2006

The Board took note that the amendments to the Public Procurement Act as per clause 43 of the Finance (Miscellaneous Provisions) Act 2015 are meant to provide for the following, as mentioned by the Minister of Finance and Economic Development in Parliament –

- i. the Chief Executive of the Central Procurement Board to conduct compliance audit and certify, before the review of the Evaluation Committee report by the Board, that all procurement rules at the level of the Board have been complied with in accordance with the Act;
- ii. for the Chief Executive Officer of a public body to conduct compliance audit and certify, prior to award of a contract, that the procurement rules under the Act have been complied with;
- iii. enabling CPB to set up another Bid Evaluation Committee when the initial one does not comply with the CPB's requirements;
- iv. for the determination of cases for review by the Independent Review Panel (IRP) within a period of time to be prescribed after which suspension of procurement proceedings will lapse, thus allowing the public body to award the contract while the IRP can continue with the determination of the review, and
- v. for an increase in the procurement value threshold for Rodrigues Regional Assembly not requiring the approval of CPB from Rs15 m. to Rs25 m.

Highlights of Activities at the CPB

During the period 1st January to 30th June 2015, the Board of the Central Procurement Board (CPB) held a total of 106 meetings out of which 51 were for regular board meetings, 31 for special board or other meetings and 24 for public bid opening.

The Board handled a total of 22 projects for 16 public bodies. A total of 18 evaluation exercises were supervised by the Board and ultimately 16 projects were approved for award. At 30th June 2015, 19 major projects were still open at either vetting, advertising or evaluation stage.

In May 2015, the Board welcomed two representatives of the African Development Bank (AfDB) namely Messrs. Malik Fall, Regional Procurement Coordinator and Ram Babu, Task Manager. The visits were related to the Central Electricity Board's project "Redevelopment of Saint Louis Power Station".

Mrs. Lova Niaina Ravaoarimino, Senior Procurement Specialist of the World Bank Group visited the CPB in June 2015. The meeting was mainly to apprise the CPB on the new methodology of the Performance Measurement Framework under the Public Expenditure and Financial Accountability (PEFA).

Procurement Exercise

	<u>Vetting</u>	<u>Evaluation</u>	<u>Approval</u>
Number of Projects	22	18	16
Time taken (days)	329	450	150
Average Time Taken (days)	15	25	9

Table 1: Summary of procurement exercises during the period January to June 2015

Board Meetings

Regular board meetings are held on Mondays and Thursdays, other meetings including public opening meetings are held as required.

	Regular Board Meetings	Public Openings	Other Meetings	Total No. of Meetings
January	10	6	3	<i>19</i>
February	6	2	3	<i>11</i>
March	9	9	1	<i>19</i>
April	9	2	7	<i>18</i>
May	8	2	6	<i>16</i>
June	9	3	11	<i>23</i>
January to June 2015	51	24	31	106

Table 2: Board meetings during the period January to June 2015

Vetting of Bid Documents

The objective of the vetting exercise is to ensure that the principles of accountability, transparency, fairness, competition and value for money embedded in the PPA are well reflected in the bidding documents, and there are no clauses that go against these principles. Standard bidding documents as issued by the Procurement Policy Office are used for this purpose.

The total time devoted for the vetting of 22 projects, including the preliminary stages of thorough examination by the Central Procurement Officers and Technical Engineers, was spread over a period of 329 days thus showing an average duration of 15 days for each vetting exercise.

	No. of Projects Vetted	Total Vetting Duration (Days)	Average Vetting Duration (Days)
January	7	127	18
February	3	38	13
March	2	23	12
April	2	13	7
May	4	53	13
June	4	75	19
January to June 2015	22	329	15

Table 3: Vetting duration during the period January to June 2015

Public Opening of Bids Received

With a view to inspiring trust and confidence of bidders in the integrity of the procurement process, Public Bid Opening sessions are held in the presence of bidders and/or bidders' representatives(s);

- a) assuring them that bids deposited in the Tender Box or otherwise received are securely kept and can in no way be tampered with; and
- b) ensuring transparency of the process by opening sealed bids in the presence of bidders and/or their representatives and announcing, *inter-alia*,
 - (i). the name of the bidder;
 - (ii). the total amount of each bid;
 - (iii). any discount offered; and
 - (iv). the presence or absence of bid security /bid securing declaration (where applicable).

The Board opened 204 bids at 24 different public bid opening sessions, all held in the conference room of the CPB at Julius Nyerere Road, Rose Hill. No major issues were raised by representatives of bidders at the public bid opening sessions held during the period January to June 2015.

	No. of Public Openings	No. of Bids Received
January	6	61
February	2	5
March	9	58
April	2	18
May	2	39
June	3	23
January to June 2015	24	204

Table 4: Public openings during the period January to June 2015

Evaluation of Bids

In respect of each procurement undertaken through the CPB, a Bid Evaluation Committee (BEC) is set up for the evaluation of bids. As per Regulation 4 of the Public Procurement Regulations 2008, the BEC is made up of at least 3 members plus a Secretary, the latter being provided by the public body concerned.

Proposals for the composition of a BEC are made by a Technical Committee (TC) of the CPB and approved by the Board, taking into account the following factors, amongst others:

- the complexity of the project and the need for an enlarged BEC;
- the subject matter of the procurement and the expertise required;
- the need for an appropriate mix of expertise;
- the need for ensuring proper rotation of evaluators;
- the urgency of the project and the need to expedite evaluation by having recourse to ‘full time’ evaluators;
- any potential conflict of interest; and
- availability of the evaluator.

Prior to the evaluation exercise, members of the BEC are briefed during a formal session on the subject under evaluation by a sub-committee of the Board. The BEC members are introduced to the Procurement Officer who will act as liaison officer for the evaluation. The BEC members are informed of the general rules applicable, the discipline and discretion, and the ethical aspects of the evaluation exercise.

The evaluation exercises are carried out under strict security and confidential conditions and any clarification required from bidders during evaluation stage is sought and obtained by the Board.

Evaluation Duration

For the period under review, a total of 18 evaluation exercises have been completed at the CPB for a total duration of 450 days.

Evaluators' fees disbursed for the same period amounted to MUR 3,190,509

	No. of Projects Evaluated	Total Evaluation Duration (Days)	Average Evaluation Duration (Days)
January	3	88	29
February	2	39	20
March	3	108	36
April	8	159	20
May	-	-	-
June	2	56	28
January to June 2015	18	450	25

Table 5: Evaluation duration during the period January to June 2015

Evaluation per Procurement Type

The table below depicts evaluation by procurement type. 10 projects were evaluated for Works, 4 for Goods and 2 for both Consultancy and Other Services.

	No. of Evaluations				
	Works	Goods	Consultancy Services	Other Services	Total
January	-	3	-	-	3
February	2	-	-	-	2
March	1	-	2	-	3
April	6	-	-	2	8
May	-	-	-	-	-
June	1	1	-	-	2
January to June 2015	10	4	2	2	18

Table 6: No. of evaluations per procurement type during the period January to June 2015

Approval of Award of Contracts

The Board approved award of contract for 16 major projects during the period under review. Out of those 16 projects, 4 projects had been initiated by the CPB in the previous period, i.e. year 2014.

The Board confirms that the evaluation exercises have been carried out in strict compliance with qualification and evaluation criteria laid down in the bidding documents as well as regulations, directives and circulars issued by the PPO.

	No. of Projects Approved for Award	Total Approval Duration (Days)	Average Approval Duration (Days)	Total Contract Value (MUR)
January	-	-	-	-
February	2	11	6	540,000,000.00
March	4	63	16	367,299,649.28
April	5	45	9	398,607,602.55
May	4	20	5	390,826,868.65
June	1	11	11	199,599,750.00
January to June 2015	16	150	9	1,896,333,870.48

Table 7: Approval duration and contract value of projects approved for award during the period January to June 2015

Challenges and Appeals

	No. of Cases	
	Challenges made by Bidder	Applications for Review by IRP
January	-	-
February	4	2
March	3	-
April	3	-
May	5	2
June	5	2
January to June 2015	20	6

Table 8: No. of challenges and IRP cases during the period January to June 2015

Out of the 20 challenges received for the period under review, 6 went to IRP and 14 were resolved through explanations supplied to the bidders by the CPB through the public body.

At 30th June 2015, the decision from the IRP was awaited in the case of four applications for review, namely for the projects “Extension to MIE Building” for the Mauritius Institute of Education, “Design and Construction of 6x6500m³ HFO Storage Tanks at Les Grandes Salines” for the Central Electricity Board, “Construction of a Recreation Centre for Senior Citizens at Riambel” for the Ministry of Social Security and “Procurement of Services for Street Cleaning, Refuse Collection and Disposal including carting away of post cyclonic waste” for Black River District Council. Two applications for review had been withdrawn by the respective bidders.

However, a total of 9 cases were awaiting a decision from the IRP as at 30th June 2015. This figure includes 5 applications for review made prior to January 2015.

Live Projects as at 30th June 2015

As at 30th June 2015, the CPB had 8 projects for which the vetting exercise was still in progress, 7 projects at advertising stage, 3 evaluation exercises in progress and 1 project with public bid opening having been held on the 30th June 2015 itself.

The re-evaluation exercise for the project “Construction of Bagatelle Water Treatment Plant” was underway and two completed evaluation exercises were being reviewed by their respective Bid Evaluation Committee before an eventual approval of award by the Board.

	Vetting	Advertising	Evaluation
No. of Live Projects as at 30 th June 2015	8	7	3

Table 9: No. of live projects as at 30th June 2015 for vetting and evaluation

Operation Costs of the CPB

Item	Amount (MUR)
Staff Costs	16,612,323
Evaluation Fees	3,190,509
Rent, Equipment, Furniture and Other Utilities Costs	2,894,726
Sundries and Postage	947,295
Maintenance of Building, Equipment, Vehicle	1,192,600
Printing and Stationery	369,102
Other Expenditure	6,275
TOTAL	25,212,830

Table 10: Operation costs of the CPB for the period January to June 2015

Central Procurement Board

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