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BPP SAVES N216 BILLION FROM INFLATED CONTRACTS

The Bureau of Public Procurement (BPP) has disclosed that for the 2010 Budget implementation alone, it saved for the Federal Government the sum of N216 billion resulting from over-invoicing by contractors for jobs done.

The BPP's Director-General, Emeka Ezeh Eze, also said that five ministries, departments and agencies (MDAs) found to have been referred to the Economic and Financial Crimes Commission (EFCC) for investigation and possible prosecution for contravening the provisions of the Procurement Act. He however declined to name the affected agencies.

Ezeh was speaking at the fourth national procurement forum organized in Abuja by the BPP, as part of activities



to commemorating its 10th anniversary.

The DG used the forum to list the issues facing the effective implementation of the Act by the Agency to include political interference and corruption; resistance from the relevant stakeholders; among others.

President Goodluck Jonathan who was represented by the SGF, Chief Anyim Pius Anyim, warned the newly appointed ministers and other political appointees, to adhere strictly to the provision of the PPA while noting that it has been observed that public officials continue to abuse their offices in contravention of the provisions of the Act through selfish acts like contract splitting; manipulation of prequalification processes and disregard for bidding regulations and payment guidelines, among others and warned that any of them caught flouting the its provisions would be severely dealt with.

FG POISED TO ERADICATE CORRUPTION IN PUBLIC PROCUREMENT

The Federal Government has reiterated its determination to eradicate corruption completely in public procurement. Director-General of the Bureau of Public Procurement (BPP), Mr Emeka Ezeh, disclosed this in Abuja at the opening ceremony of 2011 Interactive Session with contractors and consultants. The BPP boss, who was represented at the event by the Director,

Infrastructure Department, Mr Nebolisa Emordi, stated that contractors and consultants were important elements in the procurement process, hence they were being carried along as the government stepped up interactions with stakeholders in the implementation of the Public Procurement Act. He said the BPP believed that if the public contracting system was governed

by the principle of integrity, transparency, competence and competitiveness as national ethos, a good ground would have been provided for the social, cultural and technological advancement of the nation.

<http://tribune.com.ng/index.php/tribune-business/25404-fg-poised-to-eradicate-corruption-in-public-procurement>

CORRUPT POLITICIANS, OFFICIALS MUST BE JAILED - OBASANJO

Former President Olusegun Obasanjo has recommended maximum prison sentence for public officials found violating the provisions of the Public Procurement Act.

The former president who was speaking at the opening of the Fourth National Procurement Forum to mark the 10th anniversary of the public procurement reform in Nigeria in Abuja on Monday, said the penalty for such breach should be in tandem with the Public Procurement Act 2007 and further noted that the Public Procurement Act 2007 was a law which should be taken seriously.

“Like other laws, breaches should earn sanctions as a way of letting people know that we mean business. And those who should protect and defend the law must not be involved in the breach of it.

Otherwise, we may as well forget the touted new era of public procurement. Once sanctions are implemented through imprisonment and why not, or in accordance with other legal prescriptions, it should serve as a deterrent to others. Breaches without sanctions, combinations of culprits and shortcuts are sure ways to kill reforms and make the law useless,”

Chief Obasanjo, who also promised to support the actions of the BPP to enable it to sustain and improve on the achievements it has recorded thus far, urged the bureau to remain fair, firm and resolute and resist any form of intimidation or inducement in its resolve to enthrone a procurement regime that is open, competitive and cost-efficient and delivers value for money without compromising faster budget implementation.

“You are responsible for the implementation of the Public Procurement Act and will be held responsible for any failure. You must look within to ensure

that you guard against internal collusion to undermine the law,” he said.

Also speaking, the Director-General of Bureau of Public Procurement (BPP), Mr Emeka Ezeh, declared that the bureau had saved N216.7 billion for 2010.

Ezeh regretted that the bureau was still having challenges, because most of the power brokers that resisted the bureau at inception were still around.

<http://tribune.com.ng/index.php/front-page-news/25637-corrupt-politicians-officers-must-be-jailed-obasanjo-5-agencies-to-face-efcc-icpc-as-jonathan-vows-to-punish-offenders>

CORRUPTION – FEDERAL GOVERNMENT TO ASSESS MINISTRIES, AGENCIES

The federal government said it will embark on a Corruption Risk Assessment of some Ministries, Department and Agencies (MDAs) next month to identify vulnerabilities to corruption which impede service delivery.

The SGF, Senator Anyim Pius Anyim said this yesterday at the launch of the Technical Unit on Governance and Anti Corruption Reforms (TUGAR) Scoping Survey and Gap Analysis of Anti-Corruption initiatives in Abuja. He

said the exercise will be carried out by TUGAR, ICPC and the Bureau for Public Procurement.

Nigeria like many other countries has encountered the damaging effects of corruption, inefficiency, dishonesty and all sorts of vices which are by-products of corruption constitute the biggest obstacle to national development, Anyim said.

The Executive Secretary of NEITI, Zainab Shamsuna Ahmed said the fact

that Nigeria is now compliant does not suggest that NEITI has achieved 100 percent transparency in the extractive sector. Rather, what this means implies is that Nigeria has accepted in principle and policy to open itself to public scrutiny in the management of revenue flows in the extractive sector.

SOURCE: <http://allafrica.com/stories/wo1107071148.html>

REPS PROCUREMENT COMMITTEE STORMS AVIATION SECTOR

The House of Representatives Committee on Public Procurement, on Wednesday, commenced the oversight of the aviation agencies with a view to looking into various contracts awarded to see if the Public Procurement Act established in 2007 under the government of late President Umaru Yar'Adua was adhered to.

In a brief chat with aviation journal-

ists at the Murtala Muhammed Airport, Ikeja, chairman of the committee, Alhaji Yussuf Tuga, said the committee was in the aviation sector to track how public funds were used in line with procurement and bidding.

<http://www.tribune.com.ng/index.php/news/7628-reps-procurement-committee-storms-aviation-sector>

INFORMATION DESK:

The Bureau of Public Procurement (BPP) has produced a publication on:

FEDERAL EXECUTIVE COUNCIL (FEC)

APPROVED CONTRACTS

FOR FINANCIAL YEAR 2011

Please visit the office of the Bureau of Public Procurement or PPDC to obtain copies.

JONATHAN APPOINTS COMMITTEE TO AUDIT NDDC

President Goodluck Jonathan has approved the appointment of a presidential committee to look into the problems that have hindered the operations of the Niger Delta Development Commission (NDDC) and generated several concerns among stakeholders.

The Secretary to the Government of the Federation (SGF), Senator Anyim Pius Anyim, announced that the committee had Mr Steve Oronsaye as chairman; Mr Raymond U Brown, secretary and Mr Bamidele Aturu, Mr B. O. N. Oti, representative of the Bureau for Public Procurement (BPP), Senator Bassey Ewa Henshaw, Mrs Kori-pamo-Agari and Alhaji Mohammed Ibrahim as members.

The terms of reference of the committee, according to the SGF, among others, are to take, assess and evaluate a sample inventory of some NDDC projects; to evaluate the con-

tractor's pre-qualification process in the commission; to evaluate the roles and relationship of the board, management and staff of the commission and to evaluate the procurement practices of the commission and its compliance to the letter and spirit of the Public Procurement Act.

The main purpose of its assignment was to review the process and challenges facing the NDDC, with a view to making recommendations to the government to address institutional weaknesses and guide on constructive intervention to address various issues

The committee has two weeks to conclude its assignment, which takes off on Monday, August 1.

<http://tribune.com.ng/index.php/news/25781-jonathan-appoints-committee-to-audit-nddc-contracts>

The Bureau of Public Procurement has published the Procurement Plans of Ministries, departments and agencies for the year 2011. Soft copies of the procurement plans are available in pdf format on the BPP website via the following link:

<http://www.bpp.gov.ng/?News&aid=83>

INTEREST ON DELAYED PAYMENTS COSTS GOVERNMENT N49B

The Federal Government's failure to meet its contractual payment obligations to contractors handling various procurement jobs and contracts last year resulted in the payment of about N49 billion as accumulated interests.

Director General, Bureau of Public Procurement (BPP), Emeka Ezeh, said at an interactive session during the one-day Policy Dialogue on Eliminating Corruption in Business Processes of Government organised by the Nigerian Economic Summit Group (NESG) in Abuja that those interests were, in some cases, for jobs that were done for which no appropriation was made some four to five years ago.

According to Mr Ezeh, the delay in payments were

either due to non-availability of funds at the time of completion of such projects, or failure of the relevant government officials mandated to certify the contracts and jobs to provide such certifications on time.

To eliminate undue bureaucracy and delays in contract implementation and completion, the BPP boss said the agency has issued a circular to empower Ministries, Departments and Agencies (MDAs) to go ahead and pay for projects duly awarded and properly executed without recourse to their supervising ministries, as a way of eliminating corruption and undue delays in the procurement process.

Mr Ezeh, who presented a paper titled, 'Issues in Poor Business of Government: the BPP Perspective in Enhancing Transparency', bemoaned

the present high level of corruption in public contracts and procurement, saying this has remained a huge drain pipe to government funds, adding that the overall purpose of the current efforts of the agency is to address the problem and ensure cost efficiency in all public procurement and contract jobs.

SOURCE:

<http://234next.com/csp/cms/sites/Next/Money/Business/5736145-147/interest-on-delayed-payments-costs-government.csp>

net meetings around the country.

John Hutchison, chairman of environmental and visitor management charity Nevis Partnership, called for more public-sector support for local groups after revealing his organisation lost out on a lottery grant worth up to £4 million to the local economy.

Mr Neil said: "We are not allowed to decide economic impact when deciding whether to award a contract. So, for example, if we receive a tender from a company in Ireland, against

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a slightly higher tender from a company in Fort William, we have to take the Irish one even though by doing that we will make local people redundant."

He added: "There is a reform programme for procurement being discussed in the European Union. There are proposals that will be put forward to the European Parliament this year in which we will argue very strongly that economic impact should be taken into consideration - not just the price - before awarding the contract.

SOURCE:

<http://www.heraldscotland.com/news/politics/best-value-is-not-always-cheapest-1.1114649?localLinksEnabled=false>

BEST VALUE 'IS NOT ALWAYS CHEAPEST'

Government should be allowed to award contracts to companies that provide the greatest benefit to local communities rather than the lowest price, according to a senior Scottish minister.

Alex Neil, Cabinet Secretary for Infrastructure and Climate Change, has said that a rift

has emerged between Scotland and Westminster over European regulations on public procurement projects.

Senior ministers in the Scottish Government were grilled by locals in Fort William during the first of four summer cabi-

PARTNERS:

