

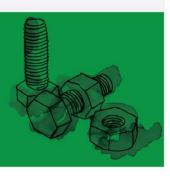
Secretariat Unit

Bill Essentials

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

An Act to provide for public procurement, and for the retention and disposal of public property, in accordance with the principles of good governance, namely transparency, integrity and value for money, the establishment of the Office of Procurement Regulation, the repeal of the Central Tenders Board Act Chap. 71:91 and related matters.

Bill no: HOR Bill 19 of 2014 Introduced in: The House of Representatives Introduced on: August 4, 2014



The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

Table of Contents

| BACKGROUND | . 3 |
|--|-----|
| Purpose of the Bill | 3 |
| Relative Legislation mentioned in the Bill | 4 |
| Key Features of Proposed Legislation | 4 |
| CONSIDERATIONS | 21 |
| COMPARATIVE LEGISLATION IN OTHER JURISDICTIONS | 22 |
| UTILIZED REFERENCE MATERIAL | 24 |

BACKGROUND

Pursuant to resolutions passed in the House of Representatives and in the Senate in October 2010 a Joint Select Committee was appointed to consider and report on Legislative Proposals to provide for public procurement and disposal of public property and on the repeal and replacement of the Central Tenders Board Act." ¹This Committee completed its mandate over the course of two (2) years and a final report comprising recommendations to guide the drafting of the legislation and the implementation of policy initiatives for the reform of the public procurement system in Trinidad and Tobago was presented to both Houses in June, 2012.

The Public Procurement and Disposal of Pubic Property Bill, 2014 was introduced and read a First Time on April 2nd, 2014 in the Senate by Senator the Hon. Dr. Bhoendradatt Tewarie, Minister of Planning and Sustainable Development. The Bill lapsed on July 30th, 2014.²

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014 was introduced and read a First Time in the House of Representatives on August 4th, 2014 by the Hon. Dr. Bhoendradatt Tewarie.

Purpose of the Bill

The Bill seeks to reform the procurement laws of Trinidad and Tobago by making provisions for the following in keeping with the principles of good governance, such as accountability, transparency, integrity and value for money:

- ✓ public procurement
- ✓ the retention and disposal of public property;
- ✓ the establishment of the Office of Procurement Regulation;
- ✓ the repeal of the Central Tenders Board Act, Chap. 71:91 and related matters.

¹ <u>http://www.ttparliament.org/reports/p10-s2-J-20120615-PROC-r1.pdf</u>

² <u>http://www.ttparliament.org/publications.php?mid=28&id=688</u>

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

To achieve these objectives, the Bill will provide for the establishment of an Office of Procurement Regulation to act as the governing body. The Bill also provides for the decentralisation of certain decisionmaking powers to local government.

Relative Legislation mentioned in the Bill

Central Tenders Board Act Chap. 71:91³ Tobago House of Assembly Act Chap. 25:03⁴

Key Features of the Proposed Legislation

The Bill consists of seventy (70) clauses which are divided into eight (8) parts and two (2) Schedules. The following is a summary of the provisions in the Bill.

PART I – PRELIMINARY

- 1. Provides that the Act will have effect even though inconsistent with sections 4 and 5 of the Constitution.
- 2. Outlines the objects of the Act as it pertains to public procurement and the disposal of property which entails, the promotion of:
 - a. the principles of accountability, integrity, transparency and value for money;
 - b. efficiency, fairness and equity, public confidence; and
 - c. local industry development, sustainable procurement and sustainable development.
- 3. Provides for the establishment of a public body to discharge the functions of public procurement and disposal of public property according to the objects outlined in the Bill.
- 4. Makes void and illegal any:
 - a. procurement of goods, works or services or retention or disposal of public property that is not done in accordance with the Bill; and

³ http://rgd.legalaffairs.gov.tt/Laws2/Alphabetical List/lawspdfs/71.91.pdf

⁴ <u>http://rgd.legalaffairs.gov.tt/Laws2/Alphabetical_List/lawspdfs/25.03.pdf</u>

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

- b. procurement contract or agreement that is not entered into in accordance with the Bill.
- 5. Protects the rights of an innocent third party in cases of impropriety caused as a result of procurement acts/activities not being done in compliance with the Bill.
- 6. Provides that the Act will apply to public bodies, public-private partnership agreements and to procurement concerning Trinidad and Tobago arising out of:
 - a. a treaty or other form of agreement with one or more other states;
 - b. an agreement with an international development financing institution; and
 - c. an agreement for technical or other cooperation with the government of a foreign state, particularly where the treaty or agreement provides for rules or regulations regarding the procurement of goods, works or services.
- Provides that the requirements of a treaty/agreement will prevail to the extent that the Act conflicts with those obligations. However, the procurement of goods and services would be governed by the Act.
- 8. Provides that the Act binds the State.

PART II- THE OFFICE OF PROCUMENT REGULATION

- 9. Provides for the establishment of an Office of Procurement Regulation and makes provision for the Office to be managed by a Board comprising eight (8) to eleven (11) members.
- Provides for the Regulator to be appointed for seven (7) years and be eligible for reappointment.
 However, he shall not serve more than two (2) consecutive terms.
- 11. Prohibits a Regulator (Chairman) who has served for more than two consecutive terms from becoming a member of the Board.
- 12. Provides that three (3) members be appointed under section 10(1)(b)-(a)

- for a term not exceeding six years and shall be eligible for reappointment;
- three (3) members be appointed for a term not exceeding five years and shall be eligible for reappointment
- Provides that under section 10(1)(h), members be appointed for a term not exceeding four (4) years.
- 14. Permits the Regulator to resign via letter addressed to the President which shall take effect on the date the resignation letter is received by the President.
- 15. Permits a member to resign via letter addressed to the Regulator who in turn will forward the letter immediately to the President.
- 16. Provides for a member's resignation to take effect on the date the resignation letter is received by the Regulator.
- 17. Provides for the salaries and allowances of the Regulator and other members to be determined by the Minister, subject to the approval of Parliament.
- 18. Provides for all expenses incurred by the Office to be charged to the Consolidated Fund.
- 19. Outlines the various circumstances under which the President may remove a member from office.
- 20. Outlines the functions of the Office of Procurement Regulations which include:
 - establishing a comprehensive database of information on public procurement as well as data on tenders received the award, and value of contracts and any other information as the Office thinks fit regarding the public's interest;
 - b. setting training standards, competence levels and certification requirements to promote best practices in procurement;

- c. issuing and reviewing guidelines in relation to public procurement and the retention and disposal of public property, inclusive of model guidelines for special guidelines under Sections 30(1)(b) and 54(1) (b);
- d. preparing, update and issue model handbooks, incorporating standardised bidding documents, procedural forms and relevant documents for use in public procurement and the retention and disposal of public property.
- 21. To ensure compliance with the Act, the Office may:
 - a. monitor the procurement of goods, works and services and the disposal of public property, by public bodies;
 - b. conduct audits and periodic inspection of public bodies; and
 - c. issue directions to public bodies.
- 22. Provides that a public body/person who fails to comply with a direction issued under the Act without reasonable justification is liable on summary conviction to a fine of one hundred thousand dollars (\$100,000.00)
- 23. Mandates the Office to act in an objective and non-discriminatory manner
- 24. Mandates the Board to hold a meeting at least once per month and as often as required.
- 25. Empowers the Office to appoint Committees comprising of persons who are **not** members of the Board to:
 - a. inquire into and advise the Office on any matter within the scope of the Board's functions;
 - b. exercise such powers of the Board as is delegated to it in writing; or
 - c. perform other duties assigned to it by the Board.
- 26. Provides that the Board appoint a chairperson of a committee.
- 27. Provides that a committee be subject to the control of the Board.

- 28. Permits a Committee to regulate its own procedure, subject to any directions given by the Board.
- 29. Mandates a Board/committee member to disclose any direct/indirect interest in a matter under consideration at the earliest opportunity. He shall not participate in the consideration of/vote on any question relating to the matter.
- 30. Where a Board/committee member knowingly/wilfully fails to disclose his interest, he us liable on summary conviction to a fine of five hundred thousand dollars (\$500,000.00) and imprisonment for one (1) year.
- 31. Allows for a public officer or any person employed in a public office to be **seconded** to the service of the Office once approval is sought from the appropriate Service Commission or public body and consent is given by the person to be seconded.
- 32. Provides that the Office shall make arrangements to reserve an officer's rights to superannuation benefits.
- 33. Mandates the Office to establish a Pension Fund Plan within five years of the date of assent to the Act
- 34. Provides that the funds of the Office consist of monies appropriated by Parliament.
- 35. Provides that the Office be exempt from stamp duties, corporation taxes, customs duties, value added taxes, motor vehicle taxes and all other taxes, charges, levies and imposts.
- 36. Mandates the Regulator to submit annual reports to the Speaker of the House of Representatives, the President of the Senate and the Minister.
- 37. Specifies the matters to be addressed in the report as it relates to contracts with the exception of:

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

- i. those less than fifty thousand dollars; or
- ii. contracts for the settlement of legal liability other than the total number and quantum.
- 38. Provides that the financial year of the Board be the 12 month period ending 30th September each year.

PART III – GENERAL PROVISIONS

- 39. Provides for the establishment of a publicly accessible database to be known as the "Procurement Depository" wherein suppliers or contractors can submit information on their qualifications and experience
- 40. Provides that suppliers or contractors be responsible for ensuring that information submitted to the Procurement Depository is accurate.
- 41. Allows a procuring entity to request a supplier or contractor to confirm the accuracy of the information submitted.
- 42. Mandates a procuring entity to publish on its website or in any other electronic format information regarding all planned procurement activities for the following t twelve (12) months no later than six (6) weeks after the approval of the National Budget.
- 43. Allows the procuring entity to charge a fee for a printed copy of the information on its planned procurement activities.
- 44. Provides for a complaint to be made to the Office where information regarding impending procurement activities of a procurement entity is unavailable.
- 45. Allows a procuring entity to limit participation in procurement proceedings in order to promote local industry development and local content.

- 46. Provides that a declaration limiting participation shall not be altered.
- 47. Outlines the due diligence a procuring entity is required to perform when engaging suppliers and contractors.
- 48. Provides that a procuring entity ensure suppliers or contractors provide documentary evidence to prove their qualifications.
- 49. Provides that a procuring entity disqualify a supplier or contractor if qualifications submitted are materially inaccurate or incomplete so as to constitute a misrepresentation
- 50. Provides that a procuring entity disqualify a supplier or contractor who presents inaccurate or incomplete qualifications and said supplier or contractor fails to promptly remedy such.
- 51. Provides that a procuring entity require a supplier or contractor to demonstrate his qualifications in some instances.
- 52. Provides that a procuring entity shall disqualify a supplier or contractor who fails, without reasonable cause, to demonstrate his qualifications when requested to do so.
- 53. Provides that a procuring entity promptly notify each supplier or contractor whether it has demonstrated its qualifications to the satisfaction of the procuring entity.
- 54. Mandates procuring entities to act in accordance with the guidelines and handbooks pertaining to public procurement as issued by the Office of Procurement Regulation.
- 55. Allows a procuring entity to prepare Special guidelines and handbooks in relation to public procurement to be approved by the Office.
- 56. Prohibits a procuring entity from splitting procurement requirements to avoid obligations under the Act.

- 57. Prohibits an entity from opening any tenders or proposal subsequent to cancelling the procurement.
- 58. Requires a record to be made in the procurement proceedings of the reasons for cancelling a procurement.
- 59. Requires a procuring entity to immediately publish a notice of the cancellation and return any tenders or proposals that remain unopened.
- 60. Provides that where a submission is abnormally low, a procuring entity shall request from the supplier or contractor details of the submission that cause concern.
- 61. Where the procuring entity is still of the opinion that the submission is abnormally low in relation to the subject matter of the procurement, it may reject the submission.
- 62. Provides that such a decision and its reasons be promptly communicated to the supplier or contractor.
- 63. This decision, its reasons and all communication with the supplier or contractor must be included in the record of procurement proceedings.
- 64. A procuring entity must accept the successful submission unless the supplier or contractor is disqualified in accordance with section 29, the procurement is cancelled in accordance with section 33, or the submission is rejected as being abnormally low in accordance with section 34.
- 65. A procuring entity must notify all suppliers or contractors who presented submissions of its decision to accept a successful submission at the end of the standstill period.
- 66. Provides that this notice must contain the following:
 - the name and address of the supplier or contractor that presented the successful submission;

- the contract price; and
- the duration of the standstill period.
- 67. Provides that in the public interest, a procurement proceed without a standstill period.
- 68. Provides that this decision and its reasons must be included in the record of procurement proceedings.
- 69. Provides that after the standstill period, a procuring entity must promptly dispatch a notice of acceptance to the successful supplier or contractor.
- 70. Provides that a procurement contract enters into force when notice of acceptance is delivered to the successful supplier or contractor, provided that a written contract is not required.
- 71. Provides that where a written procurement contract is required, the procuring entity and the supplier or contractor must sign within a reasonable period after notice of acceptance is dispatched.
- 72. Provides that the procurement contract enters into force when it is signed.
- 73. Provides that a procuring entity must withdraw an award if a supplier or contractor fails to sign a procurement contract as required or fails to provide security as required for the contract.
- 74. Provides that the procuring entity must select the next highest ranked submission or terminate the procurement proceedings.
- 75. Provides that when a procurement contract enters into force or a framework agreement concluded, the procuring entity must publish notice of the award. This notice must be published on the procuring entity's website or other electronic format.
- 76. Provides that the notice must include the following:
 - the name of the supplier or contractor;

- the good and services to be supplied;
- the works to be effected; and
- the date the contract was awarded and the contract price
- 77. Provides that where this information is unavailable, a complaint may be made to the Regulator.
- 78. Provides that a procuring entity must submit to the Office, no later than three weeks after the end of each quarter, a report of all contracts awarded during the immediately preceding quarter.
- 79. Provides that under this Act, procurement may be done using electronic means.
- 80. Provides that during communication with suppliers or contractors a procuring entity shall not disclose information necessary for the protection of essential security interests of the state.
- 81. Provides that no information shall be disclosed during communication with suppliers or contractors that would:
 - be contrary to law;
 - impede law enforcement;
 - prejudice the legitimate commercial interests of suppliers or contractors; or
 - impede fair competition.
- 82. Provides that such information will be disclosed if a court so orders.
- 83. Provides that a procuring entity treat submissions in a manner so as to avoid disclosure to competing suppliers, contractors or other persons not authorized to have said information.
- 84. Provides that discussions, communications, negotiations or dialogue between a procuring entity and a supplier or contractor be confidential unless disclosure is ordered by a court or required by law.
- 85. Provides whistleblower protection to a person who provides information regarding noncompliance with the Act.

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

PART IV – INVESTIGATION AND ENFORCEMENT

- 86. Provides that the Office may investigate any alleged breaches of the Act.
- 87. Provides that persons wishing to make a complaint or allege breaches of the Act may do so in writing to the Office.
- 88. Provides a fine of five hundred thousand dollars and imprisonment for one year for a person who wilfully and mischievously makes or causes to be made a false report to the Office.
- 89. Provides that the Office possess the power to obtain information and documents necessary to exercise its functions, powers and duties under the Act.
- 90. Provides that the Office may, by written notice served on any person, require said person to provide any book record, document or information specified in the notice.
- 91. Provides that the Office may require a person to provide information on an oath or affirmation at any place whether orally or in writing.
- 92. Provides that a person from whom information is requested may be represented by counsel and may claim any privilege to which he/she is entitled.
- 93. Provides that where a person fails to give information or appear before the Office without lawful justification, the Office may apply to the High Court to compel compliance.
- 94. Provides for any authorised officer of the Office to conduct investigations into any alleged or suspected breaches of the Act.
- 95. Provides that an authorized officer shall not enter the premised of a public body or person without first making an application *ex parte* for an authorization order.

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

- 96. Provides that an authorized officer submit a full and complete written report of the investigation including any transcript of statements and any material in his possession relating to the investigation.
- 97. Requires the Office to inform the affected parties and person having responsibility for that body of the outcome of the investigation including any recommendations if any.
- 98. Provides that the Office report to the Director of Public Prosecutions if of the view that an offence has been committed
- 99. Provides that the Office must give reasonable notice to a public body or person of any alleged failure to fulfil a duty or obligation under the Act. The Office must give a full opportunity to be heard before concluding that a public body or person has failed without reasonable justification to fulfil a duty or obligation under the Act.

PART V- CHALLENGE PROCEEDINGS

- 100. Provides that a supplier or contractor may bring challenge proceedings where it is alleged that a procuring entity made a decision or took an action in contravention of the Act which will cause or is likely to cause loss or injury.
- 101. Provides that a supplier or contractor may apply to the Office for review of a decision or an action taken by a procuring entity.
- 102. Provides the time periods within which an application for review may be submitted to the Office in writing.
- 103. Provides that the Office publish the application for review within three (3) days of its receipt in at least two (2) daily newspapers, on its website or any other electronic format.
- 104. Provides that within three (3) days of receipt of the application, the Office may

- suspend the proceedings at any time before a procurement contract enters into force; or
- suspend the performance of a procurement contract or operation of a framework agreement.
- 105. Provides that the Office shall promptly notify the procuring entity of the application for review. The procuring entity must provide the Office with access to all documents it possesses relating to the procurement proceedings.
- 106. Provides that within seven days of the receipt of an application for review, the Office must notify the procuring entity and all qualified suppliers/contractors.
- 107. Provides that where the Office decides to suspend procurement proceedings, a procurement contract or a framework agreement, it shall specify the period of suspension.
- 108. Provides that if the Office decides against suspension, this decision and its reasons must be communicated to the applicant and the procuring entity.
- 109. Authorises the Office to dismiss an application if of the view that it is without merit or not presented within stipulated deadlines. This decision and its reasons must be promptly communicated to the applicant, the procuring entity as well as all qualified suppliers and contractors.
- 110. Outlines the considerations the Office may take into account when making a decision on an application for review.
- 111. Provides that the Office's decision be issued within twenty (20) working days after receipt of the application for review. Further, the Office must provide written reasons for its decision no more than twenty (20) working days thereafter.

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

- 112. Provides that any supplier or contractor participating in procurement proceedings as well as any public body whose interests could be affected, shall have the right to participate in challenge proceedings.
- 113. Provides that any supplier or contractor who is notified of an application for review and fails to participate in the review is barred from subsequently challenging the eventual decision or any action taken.
- 114. Outlines the various grounds for confidentiality in challenge proceedings.

PART VI- DISPOSAL OF STORES AND EQUIPMENT OF A PUBLIC BODY

- 115. Provides that a public body act in accordance with general guidelines, special guidelines and handbooks regarding the retention and disposal of stores and equipment of a public body.
- 116. Provides that a public body establish a Disposal Committee of no less than three officers to recommend the best method of disposing of unserviceable, obsolete or surplus stores or equipment.
- 117. Provides that all a public body must refer all matters relating to the disposal of unserviceable, obsolete or surplus stores or equipment to its disposal committee.
- 118. Prohibits a public body from discarding of public property to an employee, Board or Committee member of the public body unless expressly allowed in the Regulations.

PART VII – MISCELLANEOUS

- 119. Defines an ineligibility list to mean a list of suppliers or contractors who cannot participate in procurement proceedings.
- 120. Provides that the Office shall prepare and maintain the ineligibility list.

- 121. Outlines the circumstances wherein a supplier or contractor may be placed on the ineligibility list.
- 122. Authorises the Minister of Planning and Sustainable Development to make Regulations specifying the mechanism and manner for adding a supplier or contractor to the ineligibility list including the procedure for removal therefrom.
- 123. Provides that a supplier or contractor to be given an opportunity to be heard subsequent to his name being added to the ineligibility list.
- 124. Forbids a person from gaining an advantage or concession for himself or any other person by offering a gift of money or other valuable thing or approaching:
 - any member or an associate of a member of a procuring entity;
 - any consultant or an associate of any consultant providing services to a procuring entity; or
 - any person or an associate of any person providing services to a procuring entity.
- 125. Forbids a member, officer or employee of a public body from accepting a bribe whether in the form of a gratuity, any offer of employment, service or any other thing of value.
- 126. Prohibits a procuring entity from procuring goods, works or services from a member of its staff or a person who has direct influence on the decision of a procuring entity. Furthermore such a member of staff is required to declare any interest in any tender and not attend the proceedings.
- 127. Provides for the rejection or revocation of a tender or proposal where the procuring entity detects that a bribe has taken place. Furthermore, a report on the matter is to be submitted to the Office and the supplier or contractor added to the ineligibility list for a period of ten years subsequent to the date of rejection or revocation and all public bodies must notified in writing of the disqualification.

- 128. Provides that a person who contravenes the provisions of section 59 commits an offence and is liable on conviction to a fine one million dollars and five years' imprisonment.
- 129. Provides that a person who is involved in or participates in bid rigging or directly or indirectly influences or attempts to influence any procurement proceedings to win an award of a procurement contract commits an offence and is liable to a fine of five million dollars and ten years' imprisonment.
- 130. Provides that a person who alters any procurement document in order to influence the outcome of procurement proceedings commits and offence and is liable to a fine of two million dollars and seven years' imprisonment.
- 131. Provides that a person who contravenes a section listed in column one of Schedule 1 commits an offence and is liable on conviction to a penalty specified in column 3.
- 132. Provides that a public body shall have a procurement officer responsible for public procurement and the disposal of public property.
- 133. Provides that references to commission of an offence by a public body shall be construed as commission of the offence by the procurement officer or any officer who purports to act in such capacity.
- 134. Provides that no prosecution of an offence under this Act be instituted without the written consent of the Director of Public Prosecutions.
- 135. Provides that no personal liability attach to any member of the Board, a committee, staff of the office or any authorized officer for anything done, omitted or permitted in the course of the operation of the Office unless it is shown that the act or omission was reckless or in bad faith.
- 136. Gives the Minister power to make regulations regarding the conduct of challenge proceedings and the addition to or removal from the ineligibility list.

- 137. Provides that regulations made under section 63 may provide that contravention of any regulation constitutes an offence and may prescribe penalties for any offence not exceeding a fine of one million dollars and imprisonment for five years.
- 138. Provides that regulations made under section 63 be subject to affirmative resolution of Parliament.
- 139. Repeals the Central Tenders Board Act. However, actions relating to a procurement or disposal of public property commenced prior to the proclamation of this Act proceed as though the Central Tenders Board Act is still in effect. References to the Director of Contracts or the Central Tenders Board Act will be interpreted as a reference to the Office or this Act respectively.
- 140. Provides that procurement proceedings in force upon the commencement of this Act be deemed in conformity of this.

PART VIII- TRANSITIONAL

- 141. Allows an officer holding a permanent appointment or a temporary appointment with two years continuous service to within three months of the date of assent of this Act to either:
 - a. Voluntarily retire from the Public Services on terms and conditions agreed between him or his union and the CPO; or
 - b. Transfer to the Office with approval from the PSC on terms and conditions no less favourable than those enjoyed by him in the Public Service; or
 - c. Remain in the Public Service provided that a similar position previously held by him is available in the Public Service.
- 142. Provides that where an officer chooses the option to be transferred to the Office that:
 - a. his superannuation benefits accrued will be preserved at the date of his employment by the Office and he will continue to accrue retirement benefits under the Pension Act at the salary he received immediately before his employment in the Office until the Pension Fund Plan is established;

- b. if the employee dies or retires before the establishment of the Pension Fund Plan and he was receiving a higher salary in the Office his retirement benefits will be based on the higher salary;
- c. the difference between the superannuation benefits based on the higher salary and those payable under the Pensions Act shall be paid by the Office; and
- d. where the Pension Fund Plan is established, his pensionable salary applicable to him will be calculated with the amounts from the fund and from the Public Service combined.

CONSIDERATIONS

- The Bill repeals the Central Tenders Board Act and section 28 of the Tobago House of Assembly Act.
- The Bill provides whistleblower protection to a person who provides information regarding noncompliance with the Act.
- The Bill provides that the salaries and allowances of the Regulator and other members of the Board be determined by the Minister subject to the approval of Parliament.
- The Bill will require members of the Board or a committee to disclose any interest they may have in any matter under consideration.
- The Bill allows a procuring entity to withdraw an award where the supplier or contractor fails to sign any written procurement contract or fails to provide security for the performance of the contract.
- The Bill will allow the Office to make an application to the High Court to compel a person to give information or appear before the Office if he/she refuses to do so without lawful justification.
- The Bill will allow a contractor or supplier to bring challenge proceedings.
- The Bill provides penalties for offences involving collusion and attempting to influence members or associates of procuring entities.
- The Bill will grant immunity to members of the Board, a committee, staff of the Office or any authorised officer.
- The provides that written consent of the Director of Public Prosecutions will be required to prosecute any offence under the Act

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

| Country | Legislation | Remarks |
|------------------------|---|---|
| United Kingdom | Public Contracts Directive 2004/18/EC ⁵ Utility Contracts Directive 2004/17/EC ⁶ | Provides for the award of public works contracts, public supply contracts and public service contracts Provides for entities operating in the water, energy, transport and postal services sectors |
| | Defence and Security Directive 2009/81/EC ⁷ | Provides for entities operating in the fields of defence and security |
| Antigua and Barbuda | The Procurement and Contract Administration Act, 2011 ⁸ | AN ACT to reform the procurement and contract administration procedures of the Government, to repeal the Tenders Board Act and to provide for incidental and connected purposes. |
| Australia | Australian Capital Territory Government Procurement Act, 2001 ⁹ | The Australian Capital Territory Government Procurement Act, 2001 establishes a government procurement board and make provision for the procurement of goods and services by Territory entities, and for other purposes |
| Canada | Ontario Broader Public Sector Accountability Act, 2010 ¹⁰ | Section 12 provides for the Management Board of Cabinet to issue directives governing the procurement of goods and services by designated broader public sector organizations. The directives may incorporate by reference a Government of Ontario policy or directive, in whole or in part, as amended from time to time |
| | | Provides that every designated broader public sector organization to which the directives applies shall comply with said directives |

COMPARATIVE LEGISLATION IN OTHER JURISDICTIONS

⁵ <u>http://eur-lex.europa.eu/legal-</u>

content/en/ALL/;ELX_SESSIONID=GL72JRgM3BHcPQsL2HP3zD8ytCwXBnp7KL6RJjgc2kqfXGcFJGwF!-837314370?uri=CELEX:32004L0018

⁶ <u>http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2004:134:0001:0113:en:PDF</u>

⁷ http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:32009L0081:EN:NOT

⁸ <u>http://laws.gov.ag/bills/a2011-1.pdf</u>

⁹ http://www.legislation.act.gov.au/a/2001-28/20010524-539/pdf/2001-28.pdf

¹⁰ http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_10b25_e.htm

| Grenada | Public Procurement and Contract Administration Act 25, 2007 ¹¹ | Provides for the general requirement in relation to procurement, and establishes a Public Procurement Authority. |
|--------------|---|--|
| Finland | Finland Act on Public Contracts (348/2007) ¹² | An Act to increase the efficiency of the use of public funds, promote high-quality procurement and safeguard opportunities for companies and other communities in offering supply, service and public works contracts under competitive bidding for public procurement. |
| Jamaica | Contractor General's Act ¹³ | Provides for a Commission of Parliament to be known as the Contractor-General whose function is to monitor the award and implementation of government contracts with a view to ensuring that: (i) such contracts are awarded impartially on merit and (ii) the circumstances in which each contract is awarded or terminated do not involve impropriety. |
| Kenya | The Public Procurement and Disposal Act, 2005 ¹⁴ | An Act to establish procedures for efficient public procurement and for the disposal of unserviceable, obsolete or surplus stores, assets and equipment by public entities and to provide for other related matters. |
| Singapore | Government Procurement Act (CHAPTER 120) ¹⁵ | An Act to give effect to the Agreement on Government Procurement and other international obligations of Singapore relating to procurements by the Government and public authorities, and for purposes connected therewith. |
| South Africa | Constitution of The Republic of South Africa, Act 108 of 1996 ¹⁶ | Section 217 provides: (1) When an organ of state in the national, provincial or local sphere of government, or any other institution identified in national legislation, contracts for goods or services, it must do so in |

¹¹ <u>http://www.oas.org/juridico/spanish/grd_public_proc_admin.pdf</u>

¹² http://www.finlex.fi/en/laki/kaannokset/2007/en20070348.pdf

¹³ <u>http://www.oas.org/juridico/spanish/jam_res9.pdf</u>

¹⁴ http://nationaloil.co.ke/pdf/public procurement and disposal act 2005.pdf

¹⁵ <u>http://statutes.agc.gov.sg/aol/search/display/view.w3p;page=0;query=DocId%3A%22b7fd903f-8889-49e2-9178-</u>

³ae88e93b835%22%20Status%3Ainforce%20Depth%3A0;rec=0

¹⁶ <u>http://www.constitutionalcourt.org.za/site/theconstitution/thetext.htm</u>

| The Public Procurement and Disposal of Public Property (No.2) Bill, 2014 |
|--|
|--|

| | Preferential Procurement Policy Framework Act No. 5 of 2000 ¹⁷ | accordance with a system which is fair, equitable, transparent, competitive and cost-effective. (2) Subsection (1) does not prevent the organs of state or institutions referred to in that subsection from implementing a procurement policy providing for- (a) categories of preference in the allocation of contracts; and (b) the protection or advancement of persons, or categories of persons, disadvantaged by unfair discrimination. (3) National legislation must prescribe a framework within which the policy referred to in subsection (2) must be implemented. An act to give effect to section 217 (3) of the Constitution by providing a framework for the implementation of the procurement policy contemplated in section 217 (2) of the Constitution; and to provide for matters connected therewith. |
|--------|--|---|
| Uganda | The Public Procurement and Disposal of Public Assets Act, 2003 ¹⁸ | Section 2 provides that the Act shall apply to all public procurement and disposal activities and in particular to all public finances originating from the Consolidated Fund. |

UTILIZED REFERENCE MATERIAL

Articles

 A Modern Public Procurement Law For Trinidad and Tobago a Necessity for Good Governance Parts I and II <u>http://chamber.org.tt/?p=7754</u> <u>http://chamber.org.tt/articles/a-modern-public-procurement-law-for-trinidad-and-tobago-a-necessity-for-good-governance-2/</u>

¹⁷<u>http://www.nhbrc.org.za/files/Tender/procurement/Preferential%20Procurement%20Policy%20Framework%20</u> <u>Act%5B1%5D.pdf</u>

¹⁸ <u>http://www.assetrecovery.org/kc/resources/org.apache.wicket.Application/repo?nid=94014101-5e44-11dd-b82b-91894576584e</u>

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

- Vinogradov, Dmitri, Elena Shadrina, and Larissa Kokareva. 2014. "PUBLIC PROCUREMENT MECHANISMS FOR PUBLIC-PRIVATE PARTNERSHIPS." Journal of Public Procurement 14, no. 4: 538-566.
- Nugroho, Rino. "Electronic Government Procurement Adoption in Developing Economies: How Corruption Influence System's Adoption." Proceedings of the European Conference on E-Government (January 2014): 344-351.
- Çetinkaya, Özhan. 2014. "Evaluation of Public Procurement System Considering the Principles of Competition, Transparency and Equal Treatment." Business & Economics Research Journal 5, no. 3: 97-112.
- Hunsaker, Kelly. 2009. "ETHICS IN PUBLIC PROCUREMENT: BUYING PUBLIC TRUST." Journal of Public Procurement 9, no. 3/4: 411-418.
- Thiankolu, Muthomi. 2011. "RECONCILING INCONGRUOUS POLICY OBJECTIVES AND BENCHMARKING KENYA'S PUBLIC PROCUREMENT LAW: A REVIEW OF THE SELEX CASE." Journal of Public Procurement 11, no. 4: 451-481.
- Republic of Ghana "Guidelines for Disposal of Goods & Equipment" Public Procurement Board Accra, Ghana
- Public Procurement Oversight Authority "Public Procurement and Disposal General Manual" first edition march 2009 Kenya
- Kiama, Gikonyo Peter. "Factors Affecting Implementation of Public Procurement Act in SACCO Societies in Kenya"

Newspaper References

- Trinidad Express Newspapers, January 25th, 2014 *Public procurement pressure* <u>http://www.trinidadexpress.com/commentaries/Public-procurement-pressure-241987521.html</u>
- Trinidad Express Newspapers, September 2nd, 2014- *Modern public procurement law for T&T* <u>http://www.trinidadexpress.com/business-magazine/Modern-public-procurement-law-for-tt-</u> <u>273674891.html</u>

- Trinidad and Tobago Newsday Newspapers, September 25 2014 The National Budget and Public Procurement http://www.newsday.co.tt/businessday/0,200857.html
- Now Grenada, August 26th, 2014 Opposition Supports Public Financing Management Legislation <u>http://nowgrenada.com/2014/08/opposition-supports-public-financing-management-legislation/</u>

Other Useful Information

- Ministry of Finance, REFORM OF THE PUBLIC SECTOR PROCUREMENT REGIME A White Paper August 2005 <u>http://finance.gov.tt/wp-content/uploads/2013/11/pub50.pdf</u>
- Joint Consultative Council Policy Initiatives: PUBLIC PROCUREMENT <u>http://www.jcc.org.tt/policy.htm</u>
- Caribbean Procurement Institute Ltd & Caribbean Association of Procurement Professionals Preliminary: Comments on The Public Procurement & Disposal of Property Bill No. 2 of 2014, 24th May 2014 <u>http://caribbeanprocurementinstitute.com/wp-content/uploads/2014/08/CPI-__Review-Public-____Procurement-Bill-2014.pdf</u>
- House of Commons Library, Public Procurement: 31st January 2014 <u>http://www.parliament.uk/Templates/BriefingPapers/Pages/BPPdfDownload.aspx?bp-id=SN06029</u>
- Revised Handbook of Public Sector Procurement Procedures (March 2014). Ministry of Finance, Jamaica <u>http://www.mof.gov.jm/procurement-policy/revised-handbook-public-sector-procurement-procedures-march-2014</u>
- The Public Procurement disposal of Public Assets Authority, Uganda http://www.ppda.go.ug/
- Ethiopia Ministry of Finance and Economic Development, Public Procurement & Property Administration Agency http://www.mofed.gov.et/English/Pages/GovernmentProcurementAgency.aspx

The Public Procurement and Disposal of Public Property (No.2) Bill, 2014

• Nigeria Bureau of Public Procurement http://www.bpp.gov.ng/

Legislation

- Kenya The Public Procurement and Disposal Act Chapter 412C Revised Edition 2010 (2005) <u>http://www.kenyalaw.org:8181/exist/rest/db/kenyalex/Kenya/Legislation/English/Acts%20and</u> <u>%20Regulations/P/Public%20Procurement%20and%20Disposal%20Act%20Cap.%20412A%20-</u> <u>%20No.%203%20of%202005/docs/PublicProcurementAndDisposalAct3of2005.pdf</u>
- Nigeria -PUBLIC PROCUREMENTACT, 2007 <u>http://www.right2info.org/resources/publications/laws-</u> <u>1/Public Procurement Act Document.pdf</u>
- Tanzania the Public Procurement Act, 2004
 <u>http://www.tanzania.go.tz/egov_uploads/documents/PublicProcurementAct2004_sw.pdf</u>



Parliament Secretariat Parliament of the Republic of Trinidad and Tobago Levels G-7, Tower D, Port of Spain International Waterfront Centre #1A Wrightson Road, Port of Spain TRINIDAD

October 29, 2014