

Republic of Mauritius

ANNUAL REPORT

2017/2018

PROCUREMENT POLICY OFFICE

MINISTRY OF FINANCE AND ECONOMIC DEVELOPMENT



RF 162

MS ISO 9001:2015



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Section 7B of the Public Procurement Act 2006 requires the Procurement Policy Office to submit a report of its activities for the previous financial year to the Minister responsible for finance, who shall at the earliest opportunity lay a copy of the report before the National Assembly.

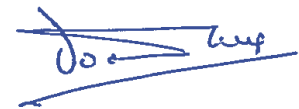
In compliance thereto, I herewith submit the Annual Report of the Office for the year 2017/18.

The report highlights quick facts on public procurement contracts for the preceding year and progress made in the use of the e-Procurement System (e-PS) by public bodies to carry out procurement transactions electronically.

The e-PS obtained international recognition through the Certificate of Distinction in "Innovation in Public Service Management" by the Commonwealth Association of Public Administration and Management (CAPAM), awarded to the Central Water Authority. Its implementation of e-Procurement was recognized as one of the 2018 International Innovation Award finalists and came out ahead of Singapore but just behind India in the finals.

On the other hand, Procurement Policy Office, through rigorous review of its operations, is ISO 9001:2015 certified since 30 June 2018 giving credibility that its management processes meet the required international quality standards to deliver on its mandate.

On way forward, the Office will ramp up its e-Procurement capacity building to enable most of the major spending public bodies to carry out their procurement electronically by July 2019. In this respect, public bodies must seriously recognize that time is a scarce resource and there is urgency to deepen the use of ICT to reap its benefits while embedding sustained digital transformation in the way they would carry out procurement.



M. Dhoorundhur

Director

November 2018

VISION, MISSION AND STRATEGIC OBJECTIVES



Vision

“A world class procurement system for Republic of Mauritius”



Mission

“Promote the development of a modern and efficient public procurement system for Mauritius based on international best practices through close monitoring, regular audits, review, capacity building and research”

Maximise economy and efficiency in public procurement and obtain best value for public expenditures



Promote competition and foster participation in public procurement proceedings

Strategic

Promote integrity, fairness, accountability and public confidence in the public procurement process



Objectives



Contribute to the economic development of the Republic of Mauritius through an efficient public procurement system and capacity building

Provide equal opportunity and fair and equitable treatment to all suppliers and bidders



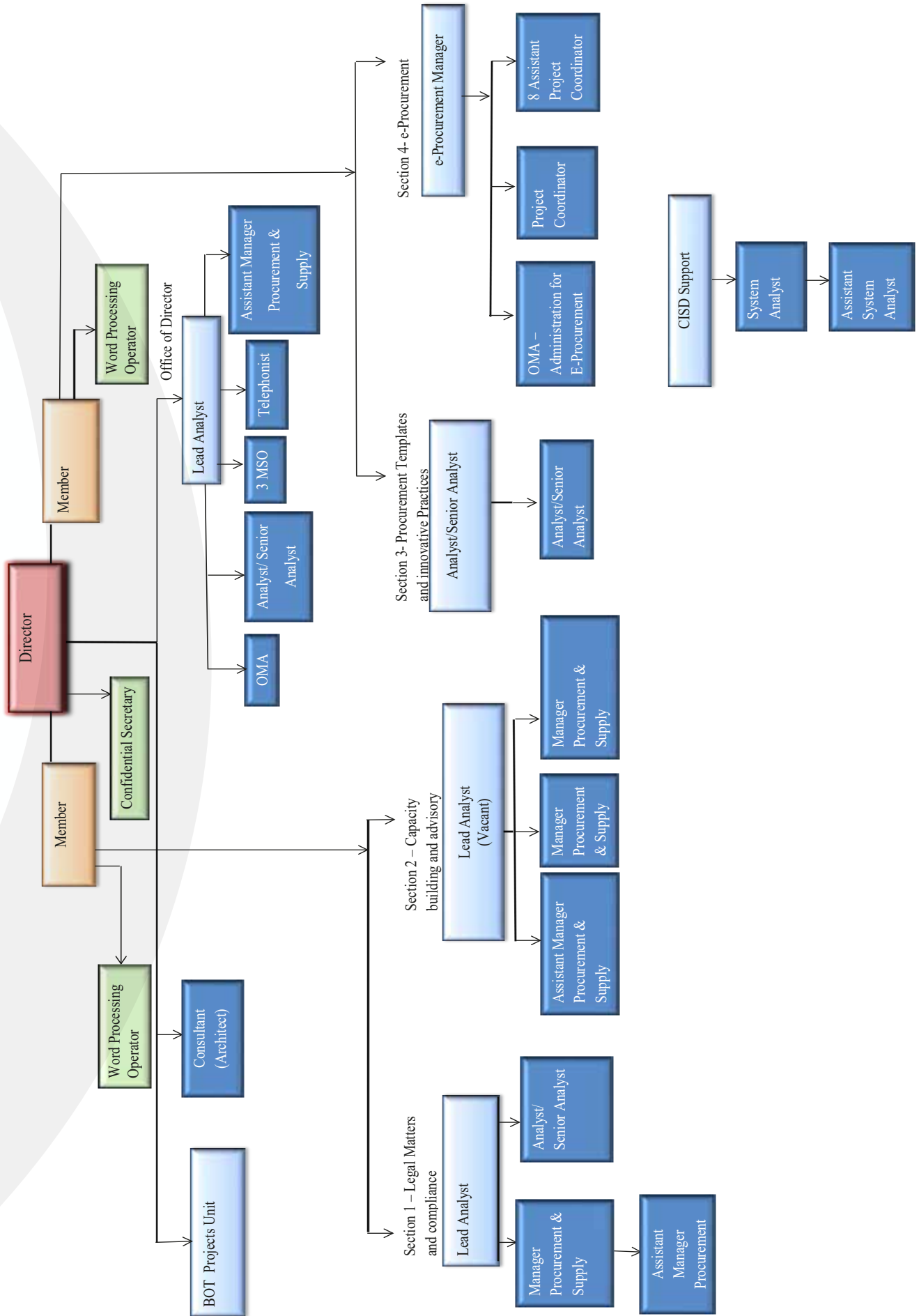
Ensure transparency in the procedures, process and decisions relating to public procurement

The Organisation

“An empowered organization is one in which individuals have the knowledge, skill, desire, and opportunity to personally succeed in a way that leads to collective organizational success.”
Stephen Covey



Functional Structure for the Procurement Policy Office





Sitting from left to right: Mrs. S.Theekoy (Office Auxiliary), Mr. P. Prayag (Management Support Officer), Mr. R. Seebaluck (Assistant Project Coordinator), Mrs. A. Seecharam (Assistant Manager Procurement & Supply), Mr. R. Jewon (Member), Mr. M. Dhoorundhur (Director), Mr. B. Dabeasing (Member), Mrs. P. Oorlah (Telephonist), Mr. D. Khoodeeram (Lead Analyst /Ag. Head BOT Projects Unit), Mrs. S. Ramsurrun (Assistant System Analyst)

Standing from left to right: Mr. L. Harnamsing (Manager Procurement & Supply), Mrs. M. Khodabacksh (Management Support Officer), Ms. A. Dhawatal (Management Support Officer), Mr. R. Oodit (Assistant Manager Procurement & Supply), Mr. N. Bhugaloo (Assistant Project Coordinator), Ms. A. Bhowarkan (Assistant Project Coordinator), Mrs. V. Coonjan (Word Processing Operator), Mr. G. Jawaheer (Project Manager), Mr. A. Kheftoo (System Analyst), Mr. R. Sujeeun (Assistant Project Coordinator), Mrs. H. Jeebodhun (Word Processing Operator), Mrs. D. Gokool (Office Management Assistant), Ms. S. Ghoorbin (Assistant Project Coordinator), Mr. V. Ramrecha (Assistant Project Coordinator), Mrs. R. Joypaul (Office Management Assistant), Mr. A. Nasroollah (Project Coordinator), Mr. W. F. Kwong Waye (Assistant Manager Procurement & Supply), Mr. F. Jahangeer (Analyst/Senior Analyst), Ms. S. Auckle (Assistant Project Coordinator), Mr. S. Atawoo (Manager Procurement & Supply), Ms. R. Purahoo (Analyst/Senior Analyst), Mrs. I. Ramlochun (Confidential Secretary), Mr. C. Ramchurn (Lead Analyst), Mr. C. Lokhun (Manager Procurement & Supply), Mrs. R. Gobin (Office Auxiliary), Mr. M. Hansa (Analyst/Senior Analyst), Ms. J. Bulka (Office Auxiliary)

PART A

OVERVIEW

“An overview guides us on the journey covered, where we are and a sense of where we need to go.”

Director PPO



- Quick Facts
- The Legal Framework
- Public Procurement Institutional Framework

1.0 QUICK FACTS

Table 1: Number of Public Procurement Contracts Awarded (above Rs 100,000)

Category of Procurement	2012	2013	2014	2015	2016* (Jan-June)	2016/ 2017	2017/ 2018
Goods	1,666	3,525	4,184	3,792	1,825	3,739	4,366
Works	422	596	725	651	462	664	1,135
Consultancy Services	26	139	175	113	36	217	133
Other Services	436	579	856	973	465	868	1,224
Total	2,550	4,839	5,940	5,529	2,788	5,488	6,858

Source: Figures computed from returns submitted by public bodies (e&oe)

Table 2: Value of Public Procurement Contracts (above Rs 100,000) awarded (Rs B)

Category of Procurement	2012	2013	2014	2015	2016* (Jan-June)	2016/ 2017	2017/ 2018
Goods	4.82	5.34	4.64	5.24	2.53	5.03	6.33
Works	3.10	6.14	9.92	3.36	1.90	9.61	9.37
Consultancy Services	0.16	0.58	0.52	0.29	0.80	0.32	0.29
Other Services	1.63	1.54	1.61	1.60	0.89	1.64	1.52
Total value of contracts awarded	9.71	13.6	16.69	10.49	6.12	16.61	17.51

Source: Figures computed from returns submitted by public bodies (e&oe)

Table 3: Value of Public Contracts awarded to SMEs (above Rs 100,000)

Category of Procurement	2012	2013	2014	2015	2016* (Jan-June)	2016 /2017	2017 /2018
Goods (Rs M)	211.7	757.7	654.7	747.9	498.1	516.9	730.2
Works (Rs M)	187.3	650.1	432.7	813.3	321.7	676.6	1,356.2
Consultancy Services (Rs M)	4.1	27.0	17.2	12.9	6.7	13.6	13.3
Other Services (Rs M)	70.0	221.3	252.3	189.1	144.1	226.7	366.7
Total (Rs M)	473.1	1,656.1	1,356.9	1,763.2	970.6	1,433.8	2,466.4

Source: Figures computed from returns submitted by public bodies (e&oe)

Note: Data compiled as from year 2012

Table 4: Value of Contracts awarded to SMEs (above Rs 100,000) as a percentage of Total Value of all Contracts

Value of Contracts	2012	2013	2014	2015	2016* (Jan-June)	2016 /2017	2017/ 2018
SMEs only (Rs M)	473	1,656	1,357	1,763	971	1,434	2,466
All Contracts (Rs M)	9,707	14,666	16,685	10,496	5,412	16,606	17,506
Percentage of Contracts to SMEs	4.9 %	11.3 %	8.1 %	16.8 %	17.9 %	8.64 %	14.09%

Source: Figures computed from returns submitted by public bodies (e&oe)

Table 5: Cases filed at Independent Review Panel

Details	2011	2012	2013	2014	2015	2016* (Jan-June)	2016 /2017	2017 / 2018
No. of cases	35	40	35	44	38	15	32	25
Merit	9	10	7	20	15	3	12	11
No merit	10	13	10	8	9	2	7	5
Withdrawn	9	6	13	4	5	6	8	3
Cases dismissed	1	4	2	9	2	0	0	0
Set aside	5	5	3	3	7	3	5	2
Cancelled by Public Body	1	1	0	0	0	0	0	0
Outside delay	0	1	0	0	0	1	0	0
Application Not entertained								1

Source: Independent Review Panel (IRP) (e&oe)

Note: 3 cases were still ongoing as at 30 June 2018

* Note: For the period 2011 to 2015, the data is on a calendar reporting year basis. With the change in Government's Budget year reporting from a calendar year to a financial year (July – June) as from 2016, the procurement data for 2016/17 have been reported on financial year basis as well. Additionally, to capture procurement awards during the transition and for significance in trend analysis, the procurement data for January-June 2016 have also been reported.

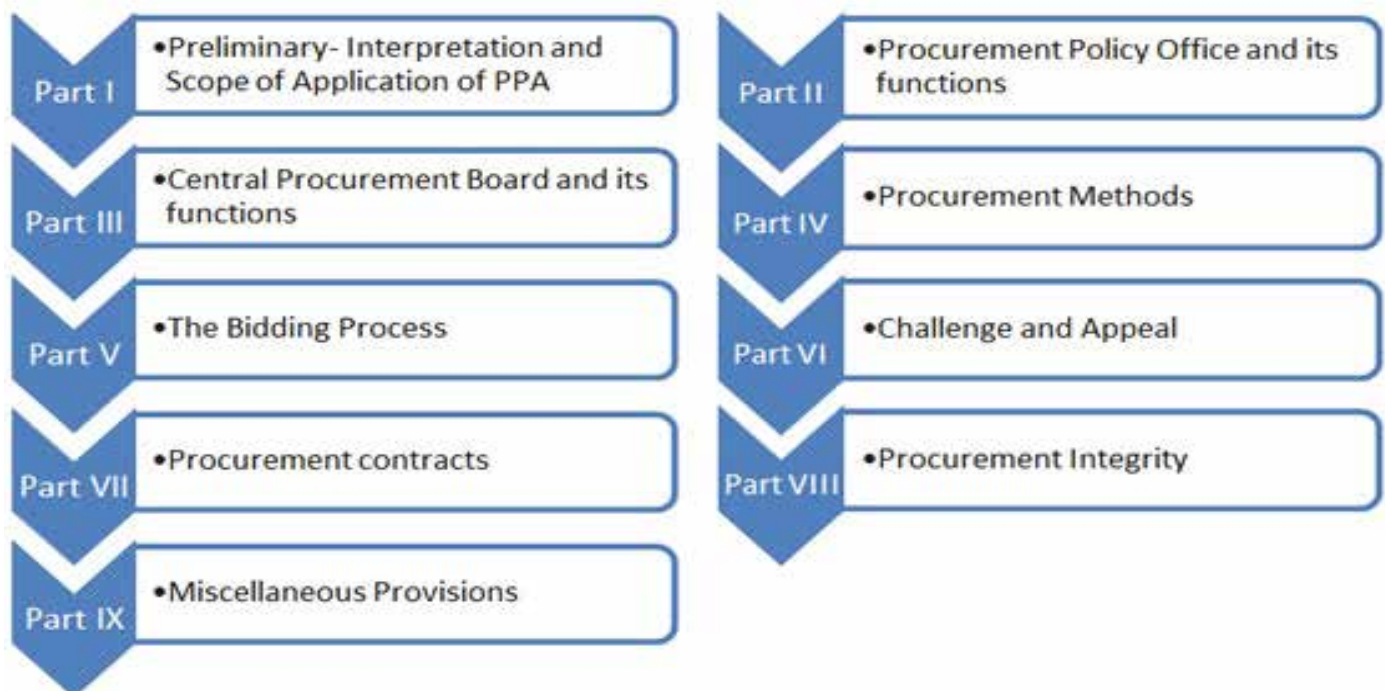
2.0 THE LEGAL FRAMEWORK

2.1 Public procurement¹ is the acquisition by a public body, by purchase, lease or any other contractual means, of goods, works, or consultancy or other services.

2.2 The Public Procurement Act (PPA) 2006 which is based on the United Nations Commission on International Trade Law (UNCITRAL) Model Law on Public Procurement provides the legal framework for public procurement in Mauritius. In compliance with the provisions of the PPA, any procurement proceedings is aimed at meeting the objectives as summarized² below:

- (a) Achieving the 4 E's, namely, Economy, Efficiency, Effectiveness and Ethics in public procurement;
- (b) Wide participation by suppliers and contractors, with procurement open to international participation;
- (c) Maximizing competition;
- (d) Ensuring fair, equal and equitable treatment of suppliers;
- (e) Assuring integrity, fairness and public confidence in the procurement process; and
- (f) Promoting transparency

Diagram 1: Content of the Public Procurement Act

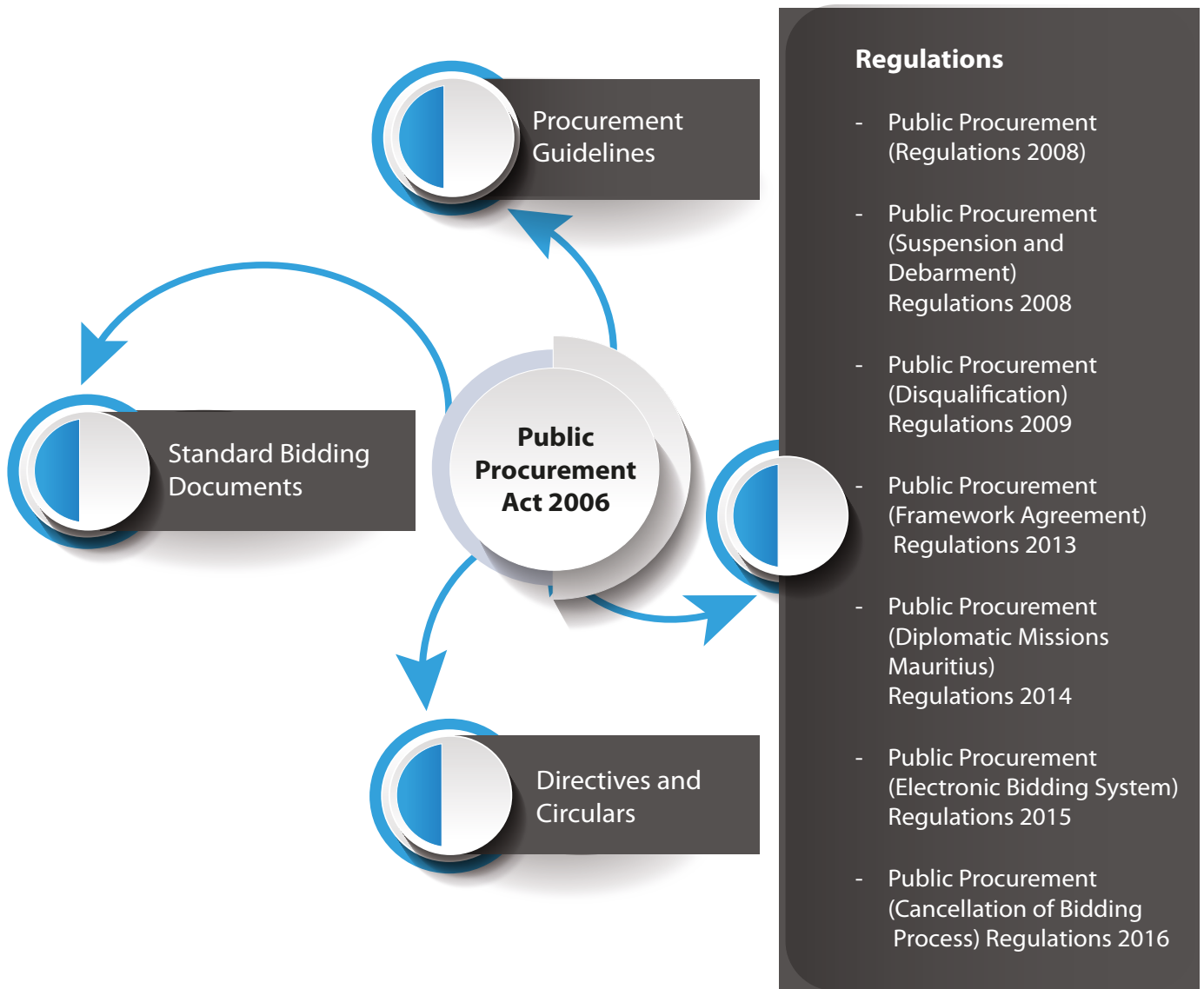


1. As per the interpretation of "procurement" in section 2 the Public Procurement Act

2. Guide to Enactment of the UNCITRAL Model Law on Public Procurement, United Nations New York, 2014, page 3

2.3 The provisions of the PPA comprise of nine sections as captioned in **Diagram 1** above. The PPA is complemented by the Public Procurement Regulations 2008 and a number of Circulars & Directives including guidelines to facilitate procurement exercises with the use of Standard Bidding Documents as illustrated in **Diagram 2**.

Diagram 2: Public Procurement Legal Framework



These referenced documents are available on the website of the PPO at <http://ppo.govmu.org>

2.4 Another responsibility that devolves on PPO is to facilitate Build Operate Transfer (BOT) Projects through its BOT Projects Unit as provided under the BOT Projects Act 2016 and PPP projects under PPP Act 2004. The BOT Project Guidance Manual, Circulars and a Template for recruitment of transaction advisor have been issued by the Office to complement the BOT Projects Act. These reference documents are available on the BOT Unit website: <http://bot.govmu.org>.

3.0 PUBLIC PROCUREMENT INSTITUTIONAL FRAMEWORK

3.1 The PPA sets up a three tier institutional structure comprising of the Procurement Policy Office (PPO), the Central Procurement Board (CPB), and the Independent Review Panel (IRP). It is important for these institutions to be at all times properly manned by the required human resources for them to deliver on their respective mandates. This section highlights the functions of these institutions in fostering economy, efficiency, effectiveness and ethics in public procurement.

Procurement Policy Office

3.2 Created pursuant to section 4 of the PPA, PPO is administered by a Director and two members. The Office serves as an independent procurement policy making and monitoring body. It is not operationally involved in conducting procurement proceedings or resolving procurement disputes.

3.3 The functions³ of the PPO are as follows:

- a. issue instructions to public bodies concerning the coordination of their actions with the PPO, CPB and IRP;
- b. where appropriate, designate a public body to enter into and manage a framework agreement on its own behalf and that of other public bodies, or on behalf of other public bodies;
- c. formulate policies relating to procurement, including directives, procedures, instructions, technical notes and manuals, for the implementation of the PPA;
- d. issue standard forms of contracts, bidding documents, pre-qualification documents, requests for proposals and other similar documents for mandatory use by every public body implementing procurement;
- e. collect from the CPB, the IRP and public bodies information on procurement activities and monitor their compliance with the PPA;
- f. act as a focal point to guide the CPB and public bodies with a view to ensuring consistency in the application of the PPA and any regulations made under the PPA;
- g. attend to complaints from bidders or suppliers and advise the CPB or public bodies on the appropriate course of action;
- h. recommend, and facilitate the implementation of measures to improve the functioning of the procurement system, including the operation of annual procurement planning, the introduction of information and communications technology, the dissemination of publications and the setting up of websites dedicated to procurement;

3. Section 7 of the PPA

- i. prepare and conduct training programmes for public officials, contractors and suppliers concerning procurement;
- j. solicit the views of the business community on the effectiveness of the procurement system;
- k. present an annual report to the Minister responsible for finance regarding the overall functioning of the procurement system;
- l. communicate and cooperate with international institutions and other foreign entities on matters of procurement;
- m. advise on and monitor foreign technical assistance in the field of procurement;
- n. advise the Financial Secretary regarding delegation of financial authority to public officers enabling them to approve contract awards and changes to contracts of a financial nature and the annual review of such delegations; and
- o. perform such other functions as may be assigned to it by the Financial Secretary.

3.4 The PPO is furthermore entrusted to deal with BOT Projects under BOT Projects Act and PPP projects under PPP Act 2004 which establishes a BOT Projects Unit. BOT Projects Unit has the following functions ⁴ :

- a. formulate policies, including directives, procedures and guidelines on BOT/PPP projects;
- b. issue templates in relation to BOT/PPP projects;
- c. assess any feasibility report submitted by a contracting authority and submit its comments and findings to the contracting authority;
- d. monitor value for money and budget affordability during the operational stage of a BOT/PPP project;
- e. maintain a register of BOT/PPP projects; and
- f. conduct training programmes on BOT/PPP Projects.

Central Procurement Board

3.5 The CPB has been set up under section 8 of the PPA and the Board consists of a Chairperson, two Vice-Chairpersons and three other persons. It is responsible for the approval of the award of major contracts ⁵ by public bodies. A summary of the functions⁶ of the CPB, in respect of major contracts, are as follows:

⁴ Section 5 of the BOT Projects Act

⁵ Major contracts refer to contracts which exceed the value as specified in First Schedule 1 to the PPA

⁶ Section 11 of the PPA

- i. establish appropriate internal procedures for the operations of the CPB and ensure compliance with them;
- ii. vet bidding documents and notices submitted to it by public bodies;
- iii. receive and publicly open bids;
- iv. set up bid evaluation committees and oversee the examination and evaluation of bids;
- v. approve the award of the contract; and
- vi. approve or reject variation or amendment proposed by a public body.

3.6 In respect of Public-Private Partnership (PPP ⁷) project under the PPP Act 2004, the CPB :

- i. Shall approve all documents relating to the bid;
- ii. Shall authorise, approve and carry out pre-selection exercises;
- iii. Shall authorise, the advertisement, invitation locally or internationally, and call for bids;
- iv. Shall examine and evaluate bids; and
- v. May approve the award.

3.7 In addition to the above functions, the BOT Projects Act attributes the following functions ⁸ to the CPB for BOT Projects:

- i. examine and approve the request for proposal documentation to be issued by the contracting authority;
- ii. evaluate bids in accordance with its rules and procedures;
- iii. make recommendations to the contracting authority for entering into negotiations with the preferred bidder; and
- iv. recommend the contracting authority to enter into an agreement with a private party.

7. Section 11A of the PPA

8. Section 10 of the BOT Projects Act

3.8 The CPB is also required to prepare and submit its Annual Report to the Minister responsible for finance not later than 6 months after the close of every financial year and for the latter to lay, at the earliest opportunity a copy of that report before the National Assembly.

Independent Review Panel

3.9 The IRP has been set up as per section 44 of the PPA and the Panel⁹ comprises of a Chairperson, a Vice-Chairperson and four other persons, to review procurement proceedings before entry into force of a procurement contract following an application for review by an unsatisfied bidder.

Procurement and Supply Cadre

3.10 Public procurement operational functions in Ministries and Departments fall under the responsibility of officers of the Procurement and Supply Cadre. The Cadre, amongst others, promote efficient and effective public procurement and supply systems based on international best practices; review and maintain effective warehousing and disposal process; contribute to the economic development of Mauritius; provide equal opportunity/treatment to all suppliers and bidders; and ensure transparency in the procedures, processes and decision relating to public procurement.

3.11 The head of the Cadre is the Director (Procurement and Supply) and he is assisted by the Deputy Director (Procurement and Supply). The Cadre consists of 400 officers, layered as follows: Managers (Procurement and Supply); Assistant Managers (Procurement and Supply); Principal Procurement and Supply Officers; Procurement and Supply/ Senior Procurement and Supply Officers; and Assistant Procurement and Supply Officers. These officers are recruited by the Ministry of Finance and Economic Development but are posted in different Ministries and Departments.

Public Bodies

3.12 Public procurement is carried out by public bodies which is defined by the PPA¹⁰ as any Ministry or Government department which include a local authority, a parastatal body or any other bodies as specified in the first Schedule to the PPA. There are also a number of specified contracts of public bodies which are exempt from the PPA and there are special conditions for procurement under G 2 G Agreement.

9. Section 44 of the PPA

10. Section 2 of the PPA

PART B

PROCUREMENT TREND

*“One accurate measurement is worth
a thousand expert opinions.”
Grace Hopper*



- Procurement Policy
- Public Procurement Trend
- SMEs Participation

4.0 PROCUREMENT POLICY

4.1 Over the reported period, the PPA was amended, amongst others, to provide for a process where public bodies can exclude non-performing suppliers for a maximum period of six months from its own procurement exercises. This will provide suppliers an opportunity for self-cleansing.

4.2 During the same period, the Public Procurement Regulations 2008 was amended to provide for reservation of public contracts to micro enterprises, small enterprises and medium enterprises regarding maintenance of roads and associated works contracts, not exceeding Rs 10 million.

4.3 The following Circulars and Guidelines were released by the PPO during the reported period:

- To reschedule the Framework Agreement for procurement of ICT Equipment to start in the last quarter of 2018;
- To update the lists of Public Bodies reporting to PPO for submission of returns on procurement activities; and
- Guidelines to public bodies on the Procurement of Vessels.

4.4 Directives that were released during the financial year 2017/2018 relate to:

- Strict compliance to the labour clauses, in Works and Non-Consultancy Services Contracts;
- Sensitisation of suppliers on procurement process to be on e-PS by July 2019 for all major spending public bodies; and
- The procedure for a public body to exclude a non-performing bidder from participating in a bidding exercise at the public body's level.

5.0 PUBLIC PROCUREMENT TREND

Number of Contracts Awarded

5.1 This section analyses procurement data collected from 187 public bodies out of 206 currently falling under the purview of the PPA. The remaining 19 Public Bodies not having submitted their returns are mainly those with no significant procurement activities.

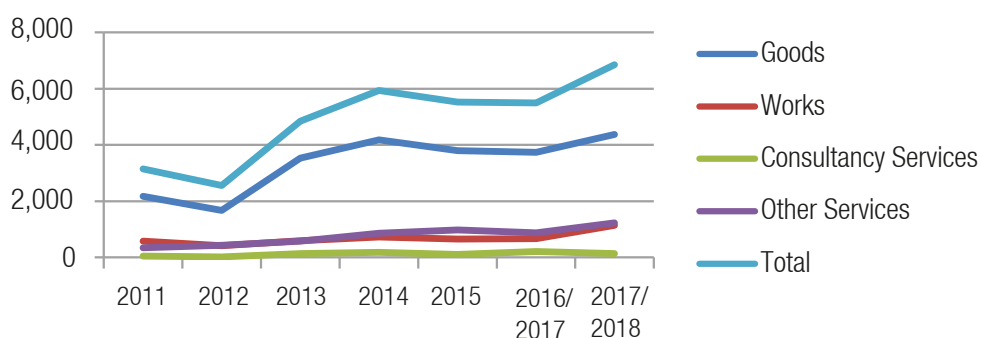
5.2 The total number of contracts awarded for procurement value above Rs 100,000 by public bodies over the reported period amounted to 6858 representing a 25% increase over the financial year 2016/2017. This is accounted for by an increase in contracts awarded for goods (+17%), works (+71%), and other services (+41%). Contrary to the other categories of procurement, the number of contracts awarded for consultancy services above the value of Rs 100,000 has decreased by 39%. A breakdown in the number of contracts by categories of procurement is provided in Table 6 and depicted in Figure 1.

Table 6: Number of Public Procurement Contracts Awarded (above Rs 100,000)

Category of Procurement	2012	2013	2014	2015	2016 (Jan-June)	2016 /2017	2017 /2018
Goods	1,666	3,525	4,184	3,792	1,825	3,739	4,366
Works	422	596	725	651	462	664	1,135
Consultancy Services	26	139	175	113	36	217	133
Other Services	436	579	856	973	465	868	1,224
Total	2,550	4,839	5,940	5,529	2,788	5,488	6,858

Source: Figures computed from returns submitted by public bodies (e&oe)

Figure 1: Number of Contracts Awarded (above Rs 100,000)



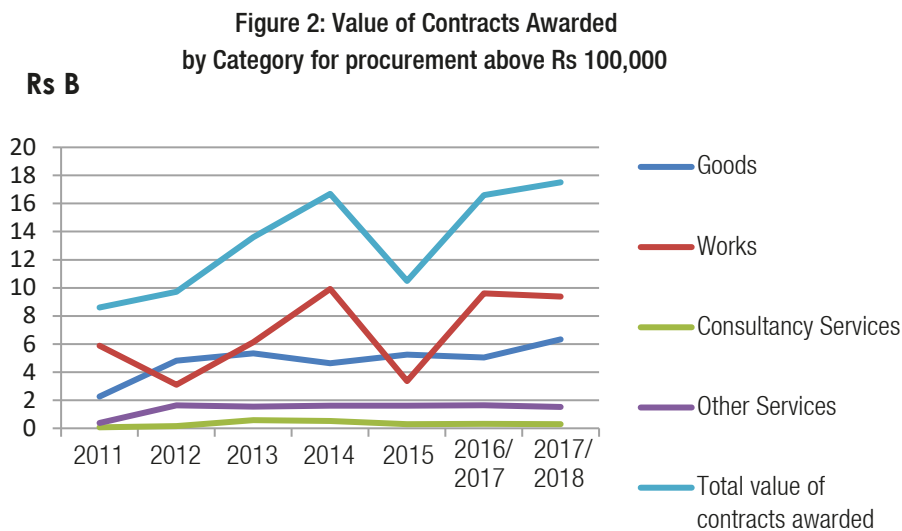
Value of Contracts Awarded

5.3 The value of contracts awarded under public procurement for items above Rs 100,000 over the period 2017/2018 was Rs. 17.51 billion, representing an increase of 5% as compared to financial year 2016/2017. This increase is attributed to a rise in the value of contracts awarded for goods during that period by Rs 1.3 billion, representing an increase of 25.8%. On the other hand, the value of contracts for the other categories have all decreased over the reported period (works by 2.5%, consultancy services by 9.4% and other services by 7.3%). Detailed figures on the value of contracts are shown in **Table 7** and illustrated in **Figure 2**.

Table 7: Value of Public Procurement Contracts (above Rs 100,000) Awarded (Rs billion)

Procurement Category	2012	2013	2014	2015	2016 (Jan-June)	2016 /2017	2017/ 2018
Goods	4.82	5.34	4.64	5.24	2.53	5.03	6.33
Works	3.10	6.14	9.92	3.36	1.90	9.61	9.37
Consultancy Services	0.16	0.58	0.52	0.29	0.80	0.32	0.29
Other Services	1.63	1.54	1.61	1.60	0.89	1.64	1.52
Total value of contracts awarded	9.71	13.6	16.69	10.49	6.12	16.61	17.51

Source: Figures computed from returns submitted by public bodies (e&oe)



5.4 The value of contracts awarded for public procurement below Rs100,000 over the period 2017/2018 was Rs 1.23 billion. The total value of all procurement irrespective of value of procurement over the same period was therefore Rs 18.74 billion.

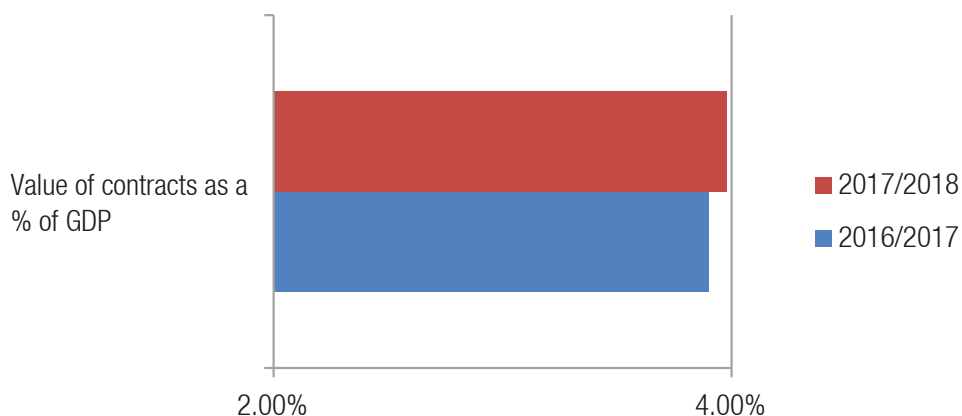
Share of Value of Public Contracts awarded in the National Economy

5.5 The share of public procurement to the national economy stands at 3.98% of Gross Domestic Product (GDP) at current market prices over the reported period. This represents a slight increase over the previous year whereby public procurement contributed around 3.90 % of GDP. The compilation of these figures are shown in Table 8 and illustrated in Figure 3 below.

Table 8: Value of Public Procurement Contracts Awarded as a percentage of Gross Domestic Product

Procurement Category	2016/2017	2017/2018
Value of contracts awarded (Rs B)	17.42	18.74
GDP at current market prices (Rs B)	446.57	471
Value of contracts as a % of GDP	3.90%	3.98%

Figure 3: Value of contracts as a Percentage of GDP



6.0 SMEs PARTICIPATION

6.1 The value of contracts awarded to SMEs for procurement above Rs 100,000 over the reported period amounted to Rs 2.5 billion representing a significant increase of 72% over the period 2016/2017. Details of this increase and the trend over time is shown in Table 9.

Table 9: Value of Public Contracts Awarded to SMEs per Category of Procurement (above Rs 100,000)

Category of Procurement	2012	2013	2014	2015	2016 (Jan-June)	2016/ 2017	2017/ 2018
Goods (Rs M)	211.7	757.7	654.7	747.9	498.1	516.9	730.2
Works (Rs M)	187.3	650.1	432.7	813.3	321.7	676.6	1,356.2
Consultancy Services (Rs M)	4.1	27.0	17.2	12.9	6.7	13.6	13.3
Other Services (Rs M)	70.0	221.3	252.3	189.1	144.1	226.7	366.7
Total (Rs M)	473.1	1,656.1	1,356.9	1,763.2	970.6	1,433.8	2,466.4

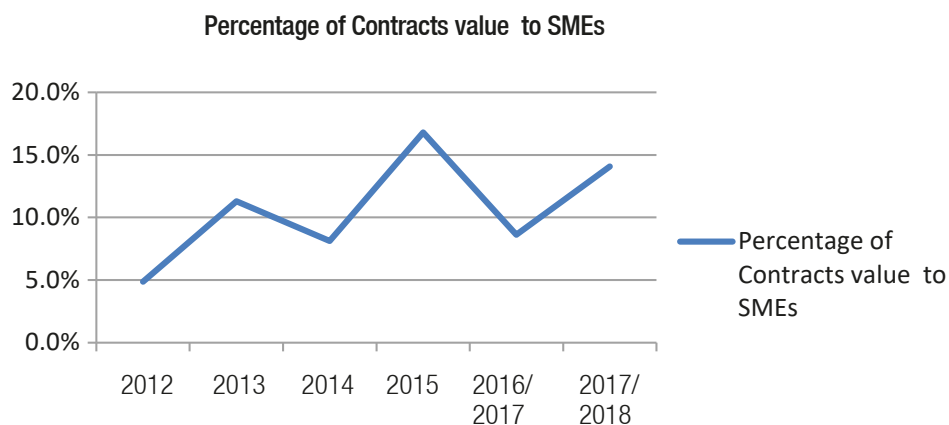
Source: Figures computed from returns submitted by public bodies (e&oe)

6.2 The share of contract awarded to SMEs for public procurement above Rs 100,000 has also increased significantly over the period 2017/2018 from 8.64% to 14.09% as shown in Table 10 and Figure 4.

Table 10: Value of Contracts awarded to SMEs (above Rs 100,000) as a Percentage of Total Value of all Contracts

Value of Contracts	2012	2013	2014	2015	2016 (Jan-June)	2016/ 2017	2017/ 2018
SMEs only (Rs M)	473	1,656	1,357	1,763	971	1,434	2,466
All Contracts (Rs M)	9,707	14,666	16,685	10,496	5,412	16,606	17,506
Percentage of Contracts to SMEs	4.9 %	11.3 %	8.1 %	16.8 %	17.9 %	8.64 %	14.09%

Source: Figures computed from returns submitted by public bodies (e&oe)

Figure 4: Value of Public Contracts awarded to SMEs as % of total contracts

PART C

INNOVATION

*"Innovation is the ability to see change as an opportunity, not as a threat."
Steve Jobs*



- e-Procurement System: Catalyst for reform
- e-Procurement System – Implementation Figures
- Framework Agreement
- ISO Certification
- Introducing the SOURCE System
- Build Operate Transfer Model

7.0 E-PROCUREMENT SYSTEM: A CATALYST FOR REFORM

7.1 In line with Government's plan towards a fully-fledged digital society requiring increased use of ICT in public administration, the PPO introduced the e-Procurement System (e-PS) in 2015, embedding basis for reform in public procurement. The e-PS, a web based application, hosted by the Government Online Centre (GOC), enables public bodies and suppliers to electronically conduct public procurement proceedings. The advent of e-PS is enhancing application of the principles of competition, integrity, transparency and accountability in public procurement whilst at the same time reaping the benefits of efficiency, effectiveness, reduction in delays and costs.

Web address: eproc.publicprocurement.govmu.org

The screenshot displays the e-Procurement System (e-PS) website. The header includes the Government of Mauritius logo and the text "e-PROCUREMENT SYSTEM OF GOVERNMENT OF MAURITIUS". Navigation links include Home, About e-Procurement, Prerequisites, How to..?, Digital Certificates, FAQ, and Help Desk. A search bar is present with fields for IFB Ref No, All Categories, and All Public Bodies, along with Search and Advanced buttons. Portal Statistics show 564 IFBs and 1059 Suppliers. The main content area features a table of Invitation for Bids (IFB) opportunities.

IFB Reference No.	Procurement Description	Closing date
PRISON/IFB/2018/15	Supply & Delivery of Ration Rice, Flour & Sugar	05/11/2018
PRISON/IFB/2018/14	Supply, Install, Test, Maintain of Electronic Body Orifice Security Scanner, Walk Through Metal Detector & Training of Staff	12/11/2018
MYS/IFB/2018/10	Supply of Sportswear and Banners	06/11/2018
POLICE/IFB/2018/114	Procurement of Boots for SMF	06/11/2018
CEB/IFB/2018/46	Procurement of Crane Lorry for CEB Rodrigues	06/11/2018
MYS/IFB/2018/11	Procurement of Security Services at the Ministry of Youth and Sports Infrastructure	30/10/2018
CWA/IFB/2018/201	Supply of Stainless Steel Risers	30/10/2018
CEB/IFB/2018/41	Construction of a 22 KV Indoor Substation at Ferney	22/10/2018
CEB/IFB/2018/40	Procurement of 22KV Cable Accessories - (Terminations)	22/10/2018
POLICE/IFB/2018/116	Procurement of T-Shirts, Shorts, Usats	22/10/2018

Notices and Announcements: Annual Procurement Plan No.MYS-APP-2016-2017, Annual Procurement Plan

7.2 The project of implementing construction, delivery commissioning of the e-PS along with its uptake in public bodies will enter its 5th year with maintenance & support phase to start as from 1 Dec 2018. By June 2018, 23 public bodies have onboarded the e-PS with varying levels of engagement. Onboarding of public bodies on the e-PS has been incremental in order to manage change but is expected to be on track in July 2019. Early movers like Mauritius Police Force and Central Water Authority have started reaping the benefits in terms of financial and time savings.

7.3 The strategy of the PPO is to onboard all the high spending public bodies by July 2019. To this effect, potential suppliers are already being sensitized with a pager in the paper based bidding documents that are being issued. In fact, the 2016-2017 procurement returns reveal that 54 public bodies accounted for 98% of the procurement value and 95% of the number of tenders launched. PPO already has plans for the additional 31 public bodies to board e-PS in the next financial year to reach the target of 54 public bodies.

7.4 Following feedback from public bodies and bidders, this Office has worked with the project implementer to bring out in August 2018 an upgraded version of the e-Procurement platform in order to improve the user experience in terms of functionality and speed at no additional cost to the project. Currently, only 50% of the functionality of the e-PS is being used. Thus, as more public bodies onboard and greater maturity of usage is achieved, greater benefit will accrue to public bodies.

7.5 However, transformation of public procurement is not achievable without champions driving the transformation from within the public body. This is true for any successful e-Procurement implementation in the world. Based on our local experience, this Office has mandated public bodies onboarding the e-PS to setup an e-Procurement Cell in their respective organisations to drive the transformation process. Despite the fact that some public bodies have been provided support and handholding by PPO, uptake of this change has been slow mainly because they have not viewed public procurement as a management function which requires top level commitment, resourcing and leadership.

8.0 e-PROCUREMENT SYSTEM – IMPLEMENTATION IN FIGURES

Number of public bodies having adopted e-PS

Public bodies online	Tenders Issued (OAB & RB)
23	314

Training on the system

Training	Number of Persons
Public officers (excluding onsite training)	115
Public officers trained at Civil Service College Mauritius	211
Suppliers	514

Number of Suppliers Registered on e-Procurement System

	Number of Suppliers
Registration online	836

Hours of training for suppliers are as table below

No of Company	No of Persons	Hours	Training Sessions
342	514	704	227

Number of Bids processed

No of Bids Processed
1291

9.0 FRAMEWORK AGREEMENT

9.1 During the reported period, PPO has assisted public bodies to mount the following Framework Agreements:

Public Body	Period
Ministry of Technology, Communication and Innovation (as Lead Organisation)	Assisted the Ministry to draft appropriate Framework Agreement (FA) for IT Equipment to be procured by Ministries and Departments.
National Development Unit	Following completion of existing Framework Agreements (FAs) for Roads, Drains and Amenities projects, PPO reviewed new Framework Agreements bidding documents submitted by the NDU. The FAs are now fully operational.
Road Development Authority (RDA)	Assisted the RDA in launching the first FA reserved for SMEs, namely, FA for Maintenance of Roads and Associated works.
Ministry of Public Infrastructure (MPI)	Reviewed bidding document for FA for Maintenance, repairs and rehabilitation of government buildings for the MPI prior to submission to the CPB for vetting. Assisted the MPI, as Lead Organisation, in implementing FA for Multidisciplinary Consulting Services for year 2018-2020. In this context, PPO issued a Mini-competition bidding document for use by Contracting Authorities
Rodrigues Regional Assembly (RRA)	Conducted on the job trainings on FAs at the RRA for procurement of goods and works

9.2 A list of all Framework Agreements in Operation during the Financial Year 2017/2018 is provided in **Annex 1**.

10.0 ISO 9001:2015 CERTIFICATION

10.1 The PPO has been awarded ISO certification (ISO 9001:2015) with effect from 30 June 2018. ISO 9001:2015 is the International Standard that specifies requirements for a quality management system (QMS) in an organisation. The ISO Certification of PPO indicates that the Office has been designated as an organisation which has the ability to consistently provide services that meet its customer and regulatory requirements.

10.2 The Certification is a result of 17 months dedicated efforts of PPO staff since February 2017 under the guidance of Mr. S. Pusun, coordinator recruited by the Ministry of Civil Service and Reforms. 28 processes have been established at the Office. The following ISO guiding documents have been prepared for PPO to consistently meet the ISO standards in its operations:

- Quality Policy Manual
- Working Instructions Internal Document
- Working Instructions External Document
- Operating Process Manual
- Risk Register
- Communication Plan

10.3 In addition to the above-mentioned documents, a number of actions have been initiated to improve the delivery of PPO's services and to mitigate or reduce operation risks at the Office. In this context, a Fire Safety Awareness session was held at the PPO. Further actions are planned for continuous improvement as required under ISO 9001:2015.

11.0 INTRODUCING THE SOURCE SYSTEM

11.1 The PPO in collaboration with the Sustainable Infrastructure Foundation (SIF) based in Geneva, the Development Bank of Southern Africa (DBSA) and the Southern African Development Community (SADC) Secretariat organized a two-day workshop to provide training to public officers on the SOURCE software. The workshop was held on 28th and 29th of March 2018 at Africa Training Institute, International Monetary Fund, 7th Floor Bramer House, Ebene.

11.2 The above initiative follows one of the recommendations of the South African Consultant (Realyst Contract Risk Management Ltd) recruited by the PPO in September 2015 to "implement a suitable form of project management system, which can allow processes to be managed effectively, as well as a suitable contract management system for administration, management and monitoring of contract activities and performance".

11.3 The SOURCE software has been developed by SIF in collaboration with Multilateral Development Banks (MDBs) upon request of G20. SOURCE acts as a global knowledge platform that provides its users with project preparation best practices, by collecting and aggregating the standards and returns on experience that are developed by public and private infrastructure professionals globally. The preparation of infrastructure projects under SOURCE takes into account the local socio-economic fabric, social development, resources and energy efficiency rationales, environmental impact and climate mitigation. SOURCE is free for national and subnational governments and has been adopted successfully by various countries.



Image 1: Participants and Organisers of the Source: Training on 28 and 29 March 2018

12.0 BUILD OPERATE TRANSFER MODEL

Survey of Public Bodies – Identification of Projects

12.1 In view of assisting public bodies to identify Build Operate Transfer (BOT) projects, the BOT Projects Unit, set up under the PPO, issued a BOT Circular in October 2017 requesting all public bodies to submit a list of projects which may be potentially implemented under a BOT arrangement.

12.2 Out of the 204 public bodies, the BOT Projects Unit received replies from 54 public bodies with a proposal of 33 potential BOT projects. An analysis of the submissions is provided in Table below:

Public Bodies	Total Number of public bodies	Number of Public Bodies who responded	Number of project proposed projects received
Ministries/ Departments	69	25	9
Parastatal Bodies	135	29	24
Total	204	54	33

Project Assistance

12.3 The list of proposed projects received from public bodies were analyzed and shortlisted in view of providing support and advice for moving forward. In this regards, a Memorandum of Understanding was signed between the PPO and the Southern African Development Community – Development Finance Resource Centre (SADC - DFRC) for conducting two Workshops as follows:

- (i) Workshop 1: Two-day Workshop for general training of officers associated with a list of potential BOT/PPP projects.
- (ii) Workshop 2: Two-day Workshop to brainstorm on BOT/PPP issues associated with the following three potential BOT/PPP projects:

Project 1: New Roche Bois Pumping Station and Baie du Tombeau Treatment Plant Project

Project 2: Public Private Partnership for Mauritius Broadcasting Corporation (in view of transferring its technical/ engineering operations to a private partner)

Project 3: Construction of a Revenue House for the Mauritius Revenue Authority



Image 2: BOT Workshop's Banner at Le Meridien

12.4 The Workshops took place at Le Meridien, Ile Maurice Hotel, Pointe Aux Piments, from 28 – 31 May 2018, with Mr. Kogan Pillay, Head of SADC – DFRC acting as the resource person.



Image 3: BOT Projects Workshop from 28 – 31 May 2018 at Le Meridien Hotel

PART D

INTERACTION

“For good ideas and true innovation, you need human interaction, conflict, argument, debate.”
Margaret Heffernan



- Advice to Stakeholders
- Compliance Monitoring
- Exclusion, Suspension, Disqualification & Debarment
- Knowledge sharing

13.0 ADVICE TO STAKEHOLDERS

13.1 The PPO provides advice to stakeholders through different media including by phone, e-mail, letter or through specific meetings. 236 written advices were provided to Ministries/Departments and Parastatal bodies during financial year July 2017 to June 2018.

13.2 The top management (Director and two members) of the PPO held 423 problem solving and new initiative meetings with public procurement stakeholders during the same period.

14.0 COMPLIANCE MONITORING

14.1 Section 7(d) of the Public Procurement Act 2006 provides for the PPO to “collect from the Board, the Review Panel and public bodies information on procurement activities and monitor their compliance with this Act”.

14.2 As per paragraph 14.1 above, the PPO collects information on procurement activities as per specific templates. The information collected are scrutinised to assess the level of compliance with the PPA and appropriate actions are taken for further improvement. In addition to analysis of the returns on procurement activities, compliance is also carried out through the review of decisions taken by the IRP, through suppliers' complaints and from information obtained through the reports of the Director of Audit and of the Internal Control. Depending on the frequencies of failure reported with respect to a public body, compliance monitoring exercises are conducted by the PPO on the site of Public bodies.

14.3 The objective of the site audits is to assess the functioning of the Procurement Structure set up by Public Bodies and to ensure that their Procurement Processes are in conformity with the provisions of the PPA and any instructions issued by the PPO.

14.4 During Financial Year 2017/18, the PPO conducted compliance audit exercises at the level of the following five (5) Public Bodies:

S.No	Public Body	Date of Audit
1	National Development Unit	15,17 & 20 November 2017
2	District Council Pamplemousses	6 & 7 December 2017
3	Irrigation Authority	12 & 14 December 2017
4	City Council of Port Louis	5,6 & 7 February 2018
5	University of Mauritius	17,18 &19 April 2018

14.5 Based on the records of procurement activities for the reported year, the following weaknesses were noted:

- Weak procurement planning
- Delays in the posting of Annual Procurement Plans
- Absence of cost estimates and availability of funds
- Selection of wrong procurement method
- Absence of records on SMEs
- No comparison of lowest evaluated substantially responsive bid with cost estimate
- Outcome of bid exercise not communicated to unsuccessful bidders

15.0 EXCLUSION, SUSPENSION, DISQUALIFICATION & DEBARMENT

15.1 In October 2017, Directive 35 was issued by the PPO to empower public bodies to take immediate sanction at the level of the public body itself for deficiencies in performance of suppliers. The Directive states that a public body may, in a bidding exercise, exclude bidders-

- (i) whose performance in a previous public contract have been deficient; or
- (ii) who have failed to deliver goods, works or services satisfactorily, and have caused prejudice to the public body with regard to contractual requirements notwithstanding that the bidders are not disqualified.

15.2 A public body is accordingly required to set up a Performance Review System for continuous assessment of the supplier's performance as from the award of a contract. Every review of the supplier's performance during execution of a contract should be duly recorded. The supplier should be notified of any deficiency in his performance of the contract with request to take remedial actions and has to be warned that in the absence of satisfactory remedy, he may be excluded from participating in forthcoming exercises to be carried out by the public body for the next six months.

15.3 The decision to exclude a supplier has to be recommended by a Performance Review Committee established by the Chief Executive. The Committee should determine that the public body has suffered prejudice from the poor performance of the supplier or the latter has failed to deliver the goods, works or services satisfactorily and demonstrate that excluding the supplier is fair and reasonable under the circumstance. The decision to exclude the supplier should be approved by the Chief Executive within 15 days from the date of the recommendation of the Committee. The decision of the public body to exclude a supplier shall be communicated to the supplier, copied to the PPO and published on the public body's website within seven days from the date of the decision.

15.4 A supplier who has been excluded by a public body in its procurement may be subject to suspension, debarment and disqualification by the PPO on ground specified under Section 53 of the PPA from participating in all public bidding exercises for a maximum period of five years.

15.5 Following the amendment made to the PPA with the addition of Section 35(1A), no application for suspension, debarment or disqualification of bidders has been received under Section 53 of the PPA.

15.6 On the other hand, for the Financial Year 2017-2018 four suppliers were excluded from participating in a procurement exercise under Section 35(1A) of PPA, namely:

Name of supplier	Address	Public body	Exclusion period (6 months)
Defence Hitech Security Services Ltd	14, Sir Maurice Martin Street, Forest Side	District Council of Pamplemousses	26/01/2018-25/08/2018
Defence Hitech Security Services Ltd	14, Sir Maurice Martin Street, Forest Side	District Council of Grand Port	13/03/2018-12/09/2018-
Mavasa Deco Ltd	La Balise, Riviere Noire	Ministry of Civil Service and Administrative Reforms	04/05/2018-03/11/2018
Clean Break Ltd	38/70 Inkerman Street, Vallee Pitot, Port Louis	Ministry of Civil Service and Administrative Reforms	24/5/2018-23/11/2018

16.0 KNOWLEDGE SHARING

16.1 During the reported period, delegations from Botswana and Seychelles visited PPO to learn from the Mauritian procurement experience.

Botswana

16.2 A delegation from the Public Procurement and Asset Disposal Board of Botswana was on a Benchmark visit at the PPO on Thursday 12 June 2018 and CPB on Friday 13 June 2018. The main purpose of the visit from the delegation was to learn from the experiences of PPO in the implementation of e-Procurement in the public sector.



Image 4: Group Photo of Botswana Delegation and PPO

16.3 The delegation was composed of the following officers:

- (i) Ms Tumelo Motsumi (Director of Services Division and leader of the delegation);
- (ii) Mr Augustine Tema (Divisional Manager for Works);
- (iii) Ms Opelo Tibone (Legal Officer);
- (iv) Ms Neo Mogwai (ICT Coordinator and Project Manager for e-procurement project);
- (v) Ms Lady Botlhole (Capacity Building Coordinator); and
- (vi) Mr Cassius Bontshitswe (Database and Network Administrator).

Seychelles

16.4 A further delegation from Seychelles Procurement Oversight Unit and its National Tender Board visited the PPO on Tuesday 19 June 2018 and CPB on Wednesday 20 June 2018 to learn about the operations of the Public Procurement System in Mauritius.

16.5 The delegation was composed of the following officers:

- (i) Mrs Elsie Morel – Senior Procurement Inspector - Procurement Oversight Unit (POU);
- (ii) Mrs Bernadette Boniface – Senior Procurement Analyst – POU;
- (iii) Miss Salibina Hoareau – Procurement Analyst – POU;
- (iv) Mr Damien Joseph – Procurement Analyst – POU; and
- (v) Miss Anna Moumou – Procurement Analyst – National Tender Board.



Image 5: Sharing session between the Seychelles Delegates and the PPO

ANNEX 1 - LIST OF FRAMEWORK AGREEMENTS IN OPERATION

Sn	Titles	Period	Public Body
1	Framework Agreement for Maintenance and Minor Works	(2014-2016) ext. to 2017	Road Development Authority
2	Framework Agreement for Road edge Repair and Associated Minor Works	2016-2018	
3	Framework Agreement for Hired Labour	2016-2018	
4	Framework Agreement for Fixing of New Handrails and Associated Minor Works	2016-2018	
5	Framework Agreement for Lopping of Branches and Cutting of Trees	2016-2018	
6	Framework Agreement for Cleaning of Open Drains and Associated Minor Works	2016-2018	
7	Framework Agreement for Fixing of New Guard-rails and Associated Minor Works	2016-2018	
8	Framework Agreement for Cleaning, Desilting of Covered Drain and Associated Minor Works	2016-2018	
9	Framework Agreement for Vegetation Control and Associated Minor Works	2016-2018	
10	Framework Agreement for Consultancy Services for Drains, Roadworks and Amenities Project	Jan2016 - Jan2018	National Development Unit
11	Framework Agreement for the Construction and Upgrading of Roads and Associated Civil Works	Dec 2015 - Dec2017	
12	Framework Agreement for Construction and Upgrading of Drains and Associated Works	Jan2016 - Jan2018	
13	Framework Agreement for Construction and Upgrading of Amenities and Associated Works	Feb2016 - Feb2018	
14	Framework Agreement Maintenance, Repairs & Rehabilitation of government Buildings	June 2015-June 2017	Ministry of Public Infrastructure and Land Transport
15	Procurement of Motor Gasolene and Gas Oil	Dec 2016-Nov2019	MPI –Lead organisation
16	Supply of gas oil under frame work agreement	Dec2016-Dec2019	Cargo Handling Corporation Ltd
17	Framework Agreement for Underground Networks	Nov2015-Nov 2017	Central Electricity Board
18	Design and Construction of House Connections in the Sewered Areas of Mauritius	August 2016-August 2017	Wastewater Management Authority
19	Minor Works for Pipelaying & Ancillary Works for Zones 1 to 6	June 2016-June 2018	Central Water Authority
20	SKYGOVNET Framework agreement	June 2017-June 2019	Ministry of Technology Communication and Innovation

SN	Name	Designation
1	Mr. Mohit Dhoorundhur	Director
2	Mr. Reshad Jewon	Member
3	Mr. Bhagwansing Dabeesing	Member
4	Mrs. Issurree Ramlochun	Confidential Secretary
5	Mrs. Varuna Coonjan	Word Processing Operator
6	Mrs. Humlata Jeebodhun	Word Processing Operator
7	Mr. Deoprakash Khoodeeram	Ag. Head BOT Projects Unit & Lead Analyst
8	Mr. Cholakumar Ramchurn	Lead Analyst
9	Ms. Roubinta Purafoo	Analyst /Senior Analyst
10	Mrs. Marie Corrinne Ching Youne Liong Fah	Analyst /Senior Analyst
11	Mr. Mousa Faroukh Hansa	Analyst /Senior Analyst
12	Mr. Fazil Ahmad Jahangeer	Analyst /Senior Analyst
13	Mrs. Rajshree Joypaul	Office Management Assistant
14	Mrs. Doorgavatee Gokool	Office Management Assistant
15	Mr. Praveekash Prayag	Management Support Officer
16	Ms. Anjolie Dhawatal	Management Support Officer
17	Mr. Deepvarmasing Boyramboli	Management Support Officer
18	Mrs. Pravita Ooriah	Receptionist/ Telephone Operator
19	Mr. Dev Anand Balloo	Consultant
20	Mr. Mohammad Siddiq Atawoo	Manager Procurement and Supply
21	Mr. Lutchmeesing Harnamsing	Manager Procurement and Supply
22	Mr. Chandrassen Lokhun	Manager Procurement and Supply
23	Mr. Wen Fock Kwong Waye	Assistant Manager Procurement and Supply
24	Mr. Ravisankar Oodit	Assistant Manager Procurement and Supply
25	Mrs. Artee Devi Seecharam	Assistant Manager Procurement and Supply
26	Mr. Gawesh Jawaheer	IT Project Manager
27	Mr. Ajay Khettoo	System Analyst
28	Mrs. Sheila Ramsurrun	Assistant System Analyst
29	Mr. Azhar Muhammad Nasroollah	Project Coordinator
30	Ms. Arzeena Begum Bhowarkan	Assistant Project Coordinator
31	Mr. Ritesh Sujeeun	Assistant Project Coordinator
32	Ms. Seekha Ghoorbin	Assistant Project Coordinator
33	Ms. Aasiyah Soobhany	Assistant Project Coordinator
34	Mr. Mohammad Noor Bhugaloo	Assistant Project Coordinator
35	Ms. Bibi Shabneez Neelofar Auckle	Assistant Project Coordinator
36	Mr. Ralph Shamgar Seebaluck	Assistant Project Coordinator
37	Mr. Vishamlall Ramrecha	Assistant Project Coordinator

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