

Republic of Mauritius

# ANNUAL REPORT 2022/2023



## Procurement Policy Office

Ministry of Finance, Economic Planning and Development

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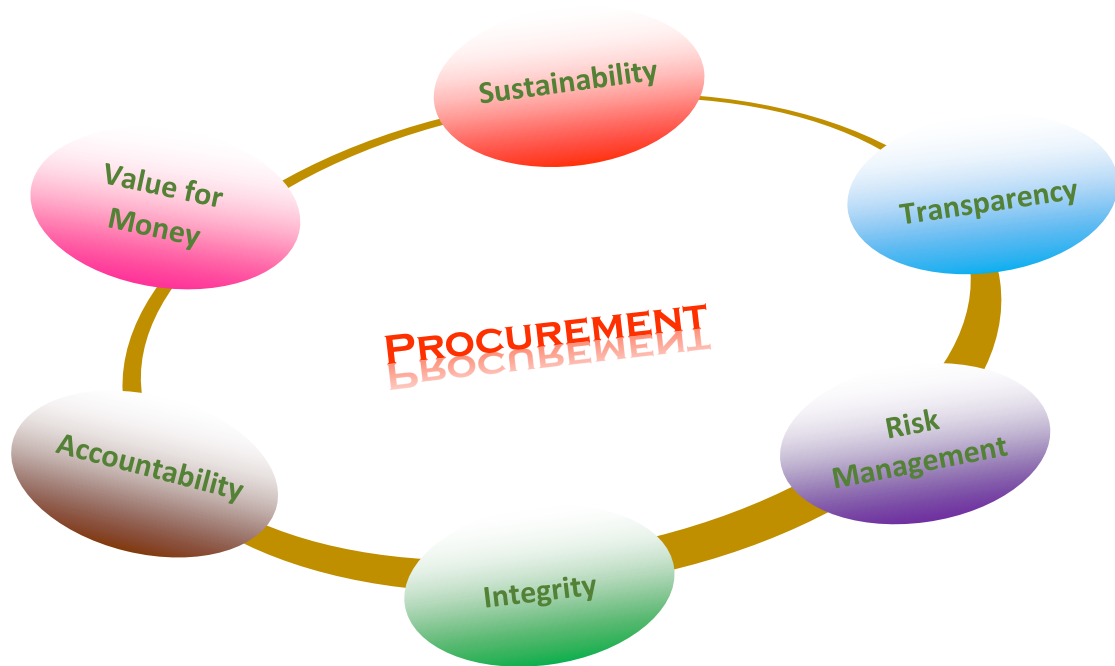
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# Components of an effective and efficient Procurement System



"In today's era of volatility, there is no other way but to re-invent. The only sustainable advantage you can have over others is agility, that's it. Because nothing else is sustainable, everything else you create, somebody else will replicate it."

*Jeff Bezos*

*CEO and president of Amazon on shifting strategies*

# Foreword



**Mr. Hirendranath Rambhojun, O.S.K**  
**Director**

As per the statutory requirements of Section 7B of the Public Procurement Act (PPA) 2006, this report presents a summary of activities of the Procurement Policy Office and includes statistical data on nearly all procurement activities undertaken by Public Bodies falling under the PPA.

Salient features of activities undertaken during Financial Year 2022-2023 have been:

- Publication of the MAPS II report and in the process of finalizing the TOR for consultancy relating to consolidation of the legal Framework on Procurement as well as for an improved user friendly e-PS or its replacement;
- Continued progress in our endeavor to make Procurement more transparent and fair;
- Increase in volume and value of procurement undertaken on the e-PS and on-boarding of new Public Bodies/Rodrigues Regional Assembly on the e-PS;
- New features under study include Sustainable Public Procurement, Reverse Auction and giving access to Independent Review Panel (IRP) on the e-PS.
- Action for the debarment and disqualification of defaulting contractors/suppliers that have been reported by Public Bodies; and
- Collaboration with the Central Procurement Board, the Competition Commission, National Audit Office and Independent Commission Against Corruption is continuing.

I thank all our stakeholders namely Public Bodies, the Private Sector and members of the Civil Society as well as the Attorney General's Office for their support.

I also place on record the positive role played by the Ministry of Finance Economic Planning and Development in facilitating the PPO in its task, be it in providing necessary human resources or dealing with legislative matters.





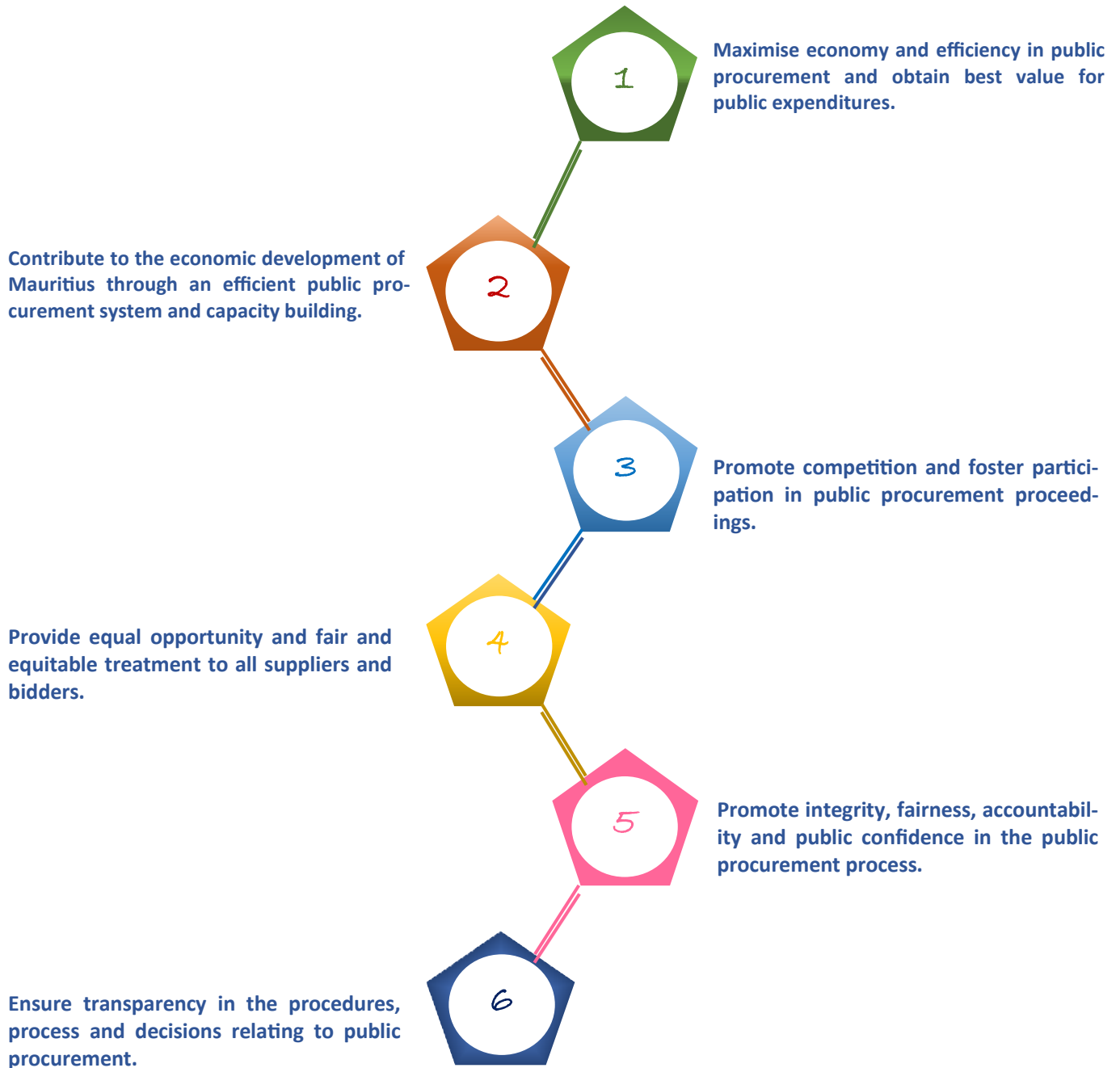
A world-class procurement system for the  
Republic of Mauritius



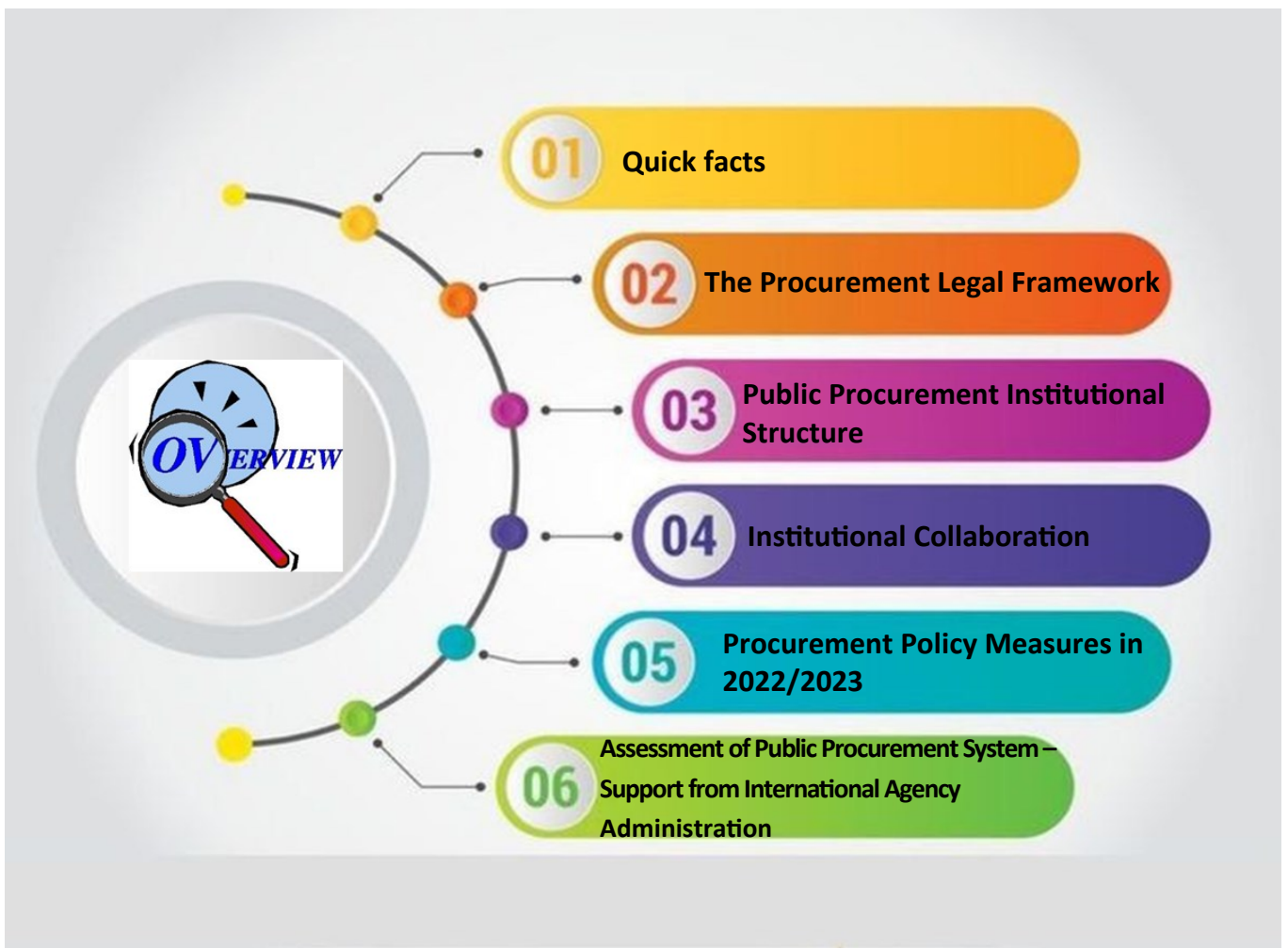
To promote the development of a modern and efficient public procurement system for Mauritius based on international best practices through close monitoring, regular audits, review, capacity building and research.

# Strategic

# Objectives



# PART A





## 1.0 Quick Facts

1.1 Pursuant to S7(d) of the Public Procurement Act (PPA) 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 the Act. In this context, the PPO adopted a targeted capacity building strategy to ensure that the required data were submitted by public bodies. Based on information gathered for Financial Year 2022/23, expenditure on public procurement in Mauritius amounted to 3.84 % of its Gross Domestic Product (GDP). This figure is low as compared to OECD Countries. This is due to lack of return on procurement from Exempted Organizations.

1.2 Data collected through the ROPA provide valuable insights on the annual procurement activities carried out by public bodies. Additionally, such information is also regarded as useful indicators by international agencies and investors, when deciding on funding of projects or investments in Mauritius.

## 2.0 The Procurement Legal Framework

2.1 Public procurement in Mauritius is governed by the PPA 2006 as amended, which is based on the earlier version of the UNCITRAL (United Nations Commission on International Trade Law) Model Law 1994 on Public Procurement and the World Bank Procurement Guidelines. Moreover, Public Procurement activities may be subject, where appropriate, to the ensuing Regulations:

- i Public Procurement Regulations 2008;
- ii Public Procurement (Suspension and Debarment) Regulations 2008;
- iii Public Procurement (Disqualification) Regulations 2009;
- iv Public Procurement (Framework Agreement) Regulations 2013;
- v Public Procurement (Diplomatic Missions Mauritius) Regulations 2014;
- vi Public Procurement (Electronic Bidding System) Regulations 2015; and
- vii Public Procurement (Cancellation of Bidding Process) Regulations 2016

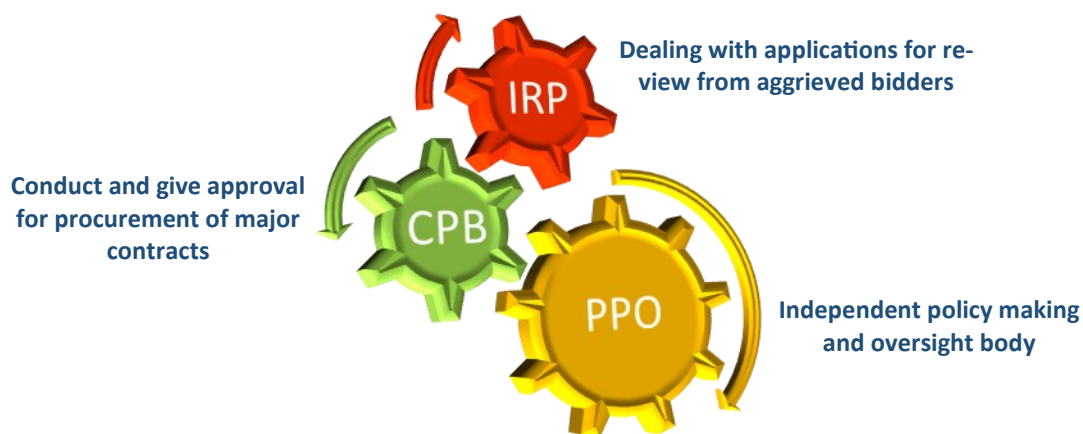
2.2 The PPO is, inter alia, responsible for the following:

- ◆ Formulate policies relating to public procurement, which includes elaboration of directives, procedures, instructions, technical notes and manuals, in view of implementing provisions of the Act and any Regulations made under it;
- ◆ Act as a focal point to guide the Central Procurement Board (CPB) and public bodies to ensure consistency in application of the Act and any regulations made under it; and
- ◆ Continuous review of the Act and its associated Regulations to make recommendations thereof to the Minister responsible for the subject of finance, in respect of necessary amendments that are required to facilitate the implementation of new budgetary policies.

2.3 The Procurement Legal Framework also encompasses the Build Operate Transfer (BOT) Projects Act 2016 as well as the Public Private Partnership (PPP) Projects Act 2004. These aforementioned legislations regulate projects carried out under the BOT/PPP concept which is an arrangement whereby the private sector designs, builds, finances, operates and maintains a facility for a fixed tenure with the goal of recouping its investment, before transferring back control of the project to the Government.

## 3.0 Public Procurement Institutional Structure

To support the public procurement system in Mauritius, the Public Procurement legal framework has established a triple-tier institutional architecture made up of the Procurement Policy Office (PPO), the Central Procurement Board (CPB) and the Independent Review Panel (IRP).



### Procurement Policy Office

3.1 The PPO, established under Section 4 of the PPA 2006, is administered by a Director and two members. The Office is not operationally involved in the conduct of procurement processes or settlement of procurement disputes, but acts as an independent body that monitors and formulates procurement policies. Its main functions are as follows:

- a) issue instructions to public bodies concerning the coordination of their actions with the Policy Office, the Board and the Review Panel;
- 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 and issue directives, procedures, technical notes and manuals, for the implementation of this Act;
- 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 Board, the Review Panel and public bodies information on procurement activities and monitor their compliance with this Act;
- f) act as a focal point to guide the Board and public bodies with a view to ensuring consistency in the application of this Act and regulations made under this Act;
- g) attend to complaints from bidders or suppliers and advise the Board 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 and the dissemination of publications and the setting up of websites dedicated to procurement;
- 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 regarding the overall functioning of the procurement system;
- l) communicate and co-operate 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.

## Central Procurement Board

3.2 The CPB is established pursuant to Section 8 of the Act. It is composed of one chairperson, two vice-chairpersons, and three other persons. An overview of the functions of the CPB in respect to major contracts is as follows:

- (a) establish appropriate internal procedures for the operations of the Board and ensure compliance with them;
- (b) vet bidding documents and notices submitted to it by public bodies;
- (c) receive and publicly open bids;
- (d) select persons from a list of qualified evaluators maintained by it to act as members of a bid evaluation committee and oversee the examination and evaluation of bids;
- (e) review the recommendations of a bid evaluation committee and—
  - (i) approve the award of the contract; or
  - (ii) require the evaluation committee to make a fresh or further evaluation on specified grounds; and
- (f) review the recommendations of a public body with respect to an amendment that increases the contract value pursuant to section 25(2)(c) or (d) or 46(3), or a variation pursuant to section 46(4) and –
  - (i) approve the variation or amendment proposed;
  - (ii) require the public body to make a fresh recommendation; or
  - (iii) reject the variation or amendment proposed.

## Independent Review Panel

3.3 Section 44 of the PPA establishes an Independent Review Panel consisting of a chairperson, a vice chairperson, and four other persons appointed to review procurement proceedings following the application of an unsatisfied bidder as per Section 45 of the PPA.

3.4 The IRP may sit in either one or two divisions to determine cases expeditiously within a specified 30-day period, in the absence of which the contract may be awarded by a public body.

## Public Bodies

3.5 The PPA defines a “public body” as any Ministry or Government department and includes a local authority, a parastatal body, or any such other bodies as specified in the First Schedule of the Act.



3.6 Public bodies are bound to carry out their procurement activities in compliance with the Act. As mentioned previously, contracts with values above defined prescribed amounts, as per schedule to the Act, have to be vetted by the CPB. Also, the CPB is responsible for the evaluation and award for such contracts

## Exempt Organisations

3.7 “Exempt organisation” is defined, as per Section 2 of the PPA, as a body which is, by regulations, excluded from the application of the Act. Even though these organisations are excluded from the provisions of the Act, they have to define their own governance procedures. A list of these bodies with regards to the specified type of contract for which they are exempted can be consulted in the First Schedule of the Public Procurement Regulations 2008.

## Procurement Operations: Procurement and Supply Cadre

3.8 The operational functions of public procurement in ministries and departments fall under the responsibility of the officers of the Procurement and Supply Cadre. This Cadre, headed by a Director and assisted by a Deputy Director, consists of some 450 officers, posted in different Ministries and Departments.

3.9 The responsibility of the Cadre is to promote efficient and effective public procurement and supply systems based on international best practices; review and maintain an efficient process of warehousing and disposal; contribute to Mauritius’ economic development; provide all suppliers and bidders with equal opportunity/treatment; and ensure transparency in procedures, processes and decisions.

## 4.0 Institutional Collaboration

### 4.1 Training of Public Officials in Project Management and Contract Administration

4.1.1 In line with budgetary measure 2022-2023, the PPO in collaboration with the University of Technology, Mauritius (UTM):

- (i) had successfully conducted three-days workshops on Project Management and Contract Administration and Electronic Project Management Information System (e-PMIS) for Senior Officials. The workshops were held in three batches from 08 – 23 March 2023, where some 102 participants attended;
- (ii) is currently running a part time course over six-month leading to a Postgraduate Certificate in Project Management and Contract Administration. A first batch of 29 officers started on 9 May 2023. Officers involved in the management of capital projects have been targeted. The Course was officially launched on 27 April 2023 in the presence of senior officials of the Ministry of Education, Tertiary Education, Science and Technology, UTM and PPO.



## 4.2 PPO in collaboration with the Independent Commission Against Corruption (ICAC)

4.2.1 The 9<sup>th</sup> of December has been designated as International Anticorruption Day by the United Nations (UN) General Assembly, with the aim to raise public awareness on corruption and the role of the UN Convention against corruption in combating and preventing it.

4.2.2 To commemorate this day, the PPO in collaboration with the ICAC had organised a one-day conference on **“Corruption Prevention in Public Procurement in the Post Covid Era”** on the 09<sup>th</sup> of December 2022, from 08 30 to 16 00 hrs at the Hennessy Park Hotel, Ebene.

4.2.3 The objectives of the Conference were to provide a common platform to:

- reflect on past experiences and challenges to build future anti-corruption strategies for reinforcing probity in procurement;
- take stock of and share efforts/reforms undertaken by law enforcement bodies and authorities in Mauritius;
- discuss best practices to address challenges in public procurement; and
- propose recommendations for continuous enhancement of the public procurement system in the post-covid era.

4.2.4 Mr B. Dabeesing, Member of PPO had acted as Moderator for the panel discussion on the theme entitled *“Reflecting on experiences and lessons learnt”*, while Mr A. Mudhoo, Consultant had made a presentation on *“Ensuring probity in the procurement process – a public sector perspective.”*

4.2.5 Mr R. Jewon, Mr L. Harnamsing and Mr H.P. Arlandoo also participated in the conference.

## 4.3 Public Private Platform Against Corruption (PPPAC)

4.3.1 The PPPAC, is an initiative of the ICAC, launched in December 2013 with the aim to ensure collective actions of various interest groups from both the private and public sectors in building a strong alliance against corruption. The PPPAC is co-chaired by the CEO of Business Mauritius and the Supervising Officer of the ICAC.

4.3.2 One of the objectives of the PPPAC is to “identify and prioritise corruption risk areas which require robust actions from both sides and work towards the elimination of those inadequacies.

4.3.3 The PPPAC came up with a report ‘on “Procurement and Contract Management” in 2023 containing a series of recommendations to ensure more transparency, accountability in procurement and contract management.

4.3.4 In view of the above, the PPO was requested to make a presentation on the recent initiatives and measures taken with respect to e-procurement and emergency procurement. Mr B. Dabeesing from PPO attended to the request.



#### **4.4 Tri-partite Technical Committee between PPO, CPB and Competition Commission (CC)**

4.4.1 It has been a common practice over the past five years that regular tri-partite meeting is conducted among PPO, CPB and CC to discuss matters related to procurement and share information accordingly. The last meeting was held at the CC on 18 Jan 2023.

#### **4.5 Mauritius – China Economic Cooperation Forum**

4.5.1 The Embassy of the People’s Republic of China in Mauritius in collaboration with the Economic Development Board (EDB) operating under the aegis of the Ministry of Finance, Economic Planning and Development, organised a forum entitled, “Mauritius – China Economic Cooperation Forum”, on 07 December 2022 at Hilton Mauritius Resort & Spa, Flic en Flac. The Objective of the forum was to strengthen economic and trade cooperation between the People’s Republic of China and the Republic of Mauritius.

4.5.2 In this regard, Mr B. Dabeesing and Mr A. Mudhoo made a joint presentation on “Policy Interpretation of Contracting Projects”.

#### **4.6 Joint PPO/CPB Meeting**

4.6.1 A collaborative meeting is regularly organised between PPO and CPB to discuss procurement law, regulations, directives, circulars and any other related issues to procurement activities. The last meeting for the financial year 2022-2023 was held on 19 July 2022 at the CPB.

4.6.2 The CPB organised a joint working sessions with RRA on problems identified in major projects. Mr R. Jewon, Member of PPO was delegated to be part of the delegation to proceed on a two-day mission to Rodrigues to engage and sensitize RRA on the need for better bidding documents in order to cut down on time for vetting/evaluation and award.

#### **4.7 On boarding the e-PS and compliance monitoring at Rodrigues Regional Assembly (RRA)**

4.7.1 Assistance was provided to RRA and its commissions for the implementation of e-PS, and on compliance monitoring on three different occasion for the financial year 2022-2023.

4.7.2 On 22 to 26 May 2023, after in house consultation and with the RRA, the Director together with a team of officers from this office lead a mission to Rodrigues whereby the Director met the Island Chief Executive and the higher officials of the RRA. Training sessions were also carried out by the team of PPO.

## 5.0 Procurement Policy Measures in 2022/2023

The PPA has undergone several improvements throughout the years with the aim of enhancing operational efficiency and facilitating government initiatives. The Finance (Miscellaneous Provisions) Act 2022 has brought about further amendments to the PPA, which are as follows:

### 5.1 Public Procurement Act 2006

- a) Section 2 of the Act has been amended to define or redefine the following terms:
  - i. Directives
  - ii. Goods
  - iii. Major contract
- b) Section 3A: Part III of the Act is no longer applicable to the procurement of goods, works and services specified in the Second Schedule of the Act.
- c) Sections 7(b) has been amended to provide a clearer understanding of this function of the Policy Office.
- d) New sub-section (1B), in section 11 has been added to require the Board to ensure that the bid evaluation committee includes qualified persons from the public body concerned.
- e) New sub-section (1C), in section 11 has been added to require the Board to share such information as may be prescribed with the public body when a bidding exercise is completed.
- f) Section 12(3) has been amended to require a public body to refer to the Board for approval together with all the bidding documents when the lowest bid submitted or the lowest evaluated substantially responsive bid in response to an invitation made by a public body exceeds the prescribed amount.
- g) New sub-paragraph (ba) has been added to Section 24(9) to allow a public body to exceptionally resort to negotiations of the fee under Section 24(9)(b) when the price quoted by the only responsive Consultant substantially exceeds the estimated cost and a re-bid exercise is not considered practical.
- h) Section 25(1) has been amended to make it also applicable to the procurement of consultancy services.
- i) Section 35(1A) has been amended to allow a public body to exclude a bidder who has failed to perform in another public body by following the procedures as per the directive issued by the Policy Office. A public body is required to rate the performance of suppliers as per the regulations and directive issued by the Policy Office.
- j) Section 36(4A) has been added to enable appropriate setup for the opening of bids received electronically.
- k) Section 39(1)(e) has been amended to allow a public body to cancel a procurement proceeding where mistakes have been detected in the bidding document after the publication of an invitation for bids.
- l) Section 46(5) has been amended for the provisions to be applicable to sub-contractors as well.
- m) The First Schedule of the Act has been amended and the prescribed amounts have been increased.
- n) The Second Schedule of the Act in respect of the procurement of vessels has been amended.

### 5.2 Public Procurement (Regulations) 2008

- i) Regulation 3A, has been added to ensure sharing of information is being done by the Board to the public body concerned upon completion of a bidding exercise.
- ii) Regulation 3B has been added to allow the Policy Office to monitor the status of bidding exercises in respect of major contracts.
- iii) Regulation 9A, has been added to require public bodies to set up a Performance Review Committee to perform the tasks prescribed therein. Public bodies shall publish the names of suppliers whose performance has been determined as poor on the website designated by the Policy Office. The list shall be subject to controlled access by public bodies who may decide not to award a contract to a bidder whose performance has been rated as poor.

- iv) Paragraph (1) of Regulation 41 has been amended and the prescribed threshold for restricted bidding for the procurement of works and other services has been reviewed to Rs 10 million.
- v) Paragraph (1) of Regulation 47 has been amended and the prescribed threshold for the invitation for expression of interest for consultancy services has been reviewed to Rs 20 million.
- vi) Regulation 47C has been added to reserve works contracts up to Rs 20 million to small contractors subject to the conditions stipulated therein.
- vii) Regulation 57, Paragraph (1A) has been added to enable the Review Panel to conduct reviews based on submissions without hearings or through remote or virtual hearings, as far as reasonably possible.

### **5.3 Public Procurement (Electronic Bidding System) 2015**

5.3.1 Regulation 14 has been amended to align it to the electronic opening process whereby bidders shall have prompt access to the bid opening report on the website of the public body without having to attend the opening at the public body or the Central Procurement Board.

## **6.0 Assessment of Public Procurement System – Support from International Agency**

### **6.1 Methodology for Assessing Procurement Systems (MAPS)**

#### **6.1.1 The Context**

6.1.1.1 The Public Expenditure and Financial Accountability (PEFA) Report of 2015 identified the need for improvements in public procurement system based on the assessment of a few high-level indicators.

#### **6.1.2 The Government Initiative**

6.1.2.1 In August 2019, GoM represented by the Procurement Policy Office (PPO) under the aegis of Ministry of Finance, Economic Planning and Development (MOFEPD) requested the African Development Bank (AfDB) to conduct an Assessment of the public procurement system of Mauritius using the MAPS Methodology.

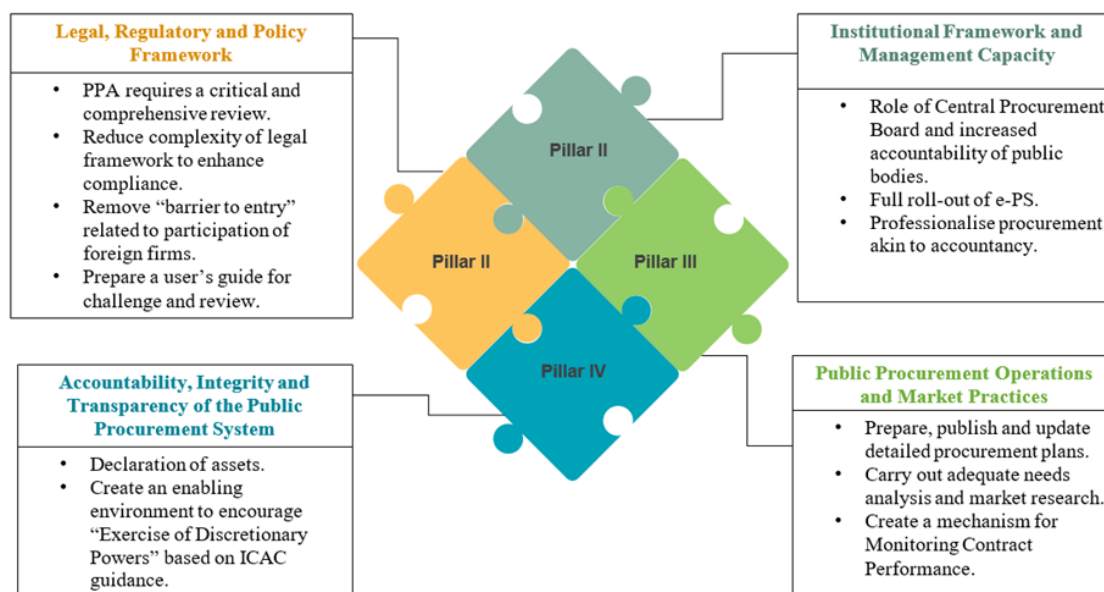
#### **6.1.3 Overview of the MAPS Project**

6.1.3.1 The assessment was jointly conducted by the African Development Bank (AfDB), with peer-review and technical support provided by the World Bank. A team of staff from the PPO collaborated all through the exercise as support to the experts delegated by the AfDB.

6.1.3.2 The MAPS assessment was initiated from April 2020 and conducted from December 2020 to December 2021 when the first draft report was submitted. The final approved MAPS report was published on the MAPS Initiative website on 22 November 2022.

## 6.1.4 MAPS Report recommendations

6.1.4.1 The MAPS assessment was conducted on the evaluation of the indicators associated with the four pillars of MAPS namely Pillar I. Legal, Regulatory and Policy Framework; Pillar II. Institutional Framework and Management Capacity; Pillar III. Public Procurement Operations and Market Practice; and Pillar IV. Accountability, Integrity and Transparency. Hereunder are the main recommendations of MAPS under the four pillars:



## 6.2 e-PS Technical Assistance Project (e-PS TAP)

### 6.2.1 Background and Context

6.2.1.1 The MAPS report recommends the review of the Procurement Legal Framework and the e-PS. The e-PS TAP is a project approved in July 2022 for the improvement of the e-Procurement System and the review of the procurement legal framework. In this regard, e-PS expert and legal expert have been appointed to prepare Terms of Reference (ToR) for the recruitment of Consultants to work on the above mentioned subject matter. This project is being financed under an AfDB grant under the Middle Income Country Technical Assistance Fund (MIC-TAF) to be implemented over the financial year 2022-2023.

6.2.1.2 The project financed under the grant of the AfDB involves the recruitment of two consultants to advise on the replacement/revamping/re-engineering of the existing e-PS and the review of the procurement legal framework respectively.

6.2.1.3 The Ministry of Finance, Economic Planning and Development (MOFEPD) is the Executing Agency and the Procurement Policy Office (PPO) is acting as the Implementing Agency of the Project which is managed by a team at the PPO.

### 6.2.2 Project Status

6.2.2.1 As at 30 June 2023, the legal expert submitted a final draft on the ToR for Legal and Procurement Consultancy Services for Comprehensive review of public procurement legal framework of Mauritius and related implementation activities “Comprehensive Legal Review”. The document has been submitted to the AfDB team for vetting.

6.2.2.2 The e-PS expert submitted a draft report of the MAPS supplementary module on e-PS and a draft ToR for the recruitment of an e-PS Consultant.

# PART B

## Procurement Trend

01

Public Procurement Trend

02

SMEs Participation

03

Cases filed at IRP

## 7.0 Public Procurement Trend

**7.1** This chapter presents an analysis of procurement data based on the Returns on Procurement Activities (ROPA) submitted by public bodies. For this period, analysis of figures is however limited to returns received from 149 out of 205 public bodies which fall under the purview of the PPA (2006).

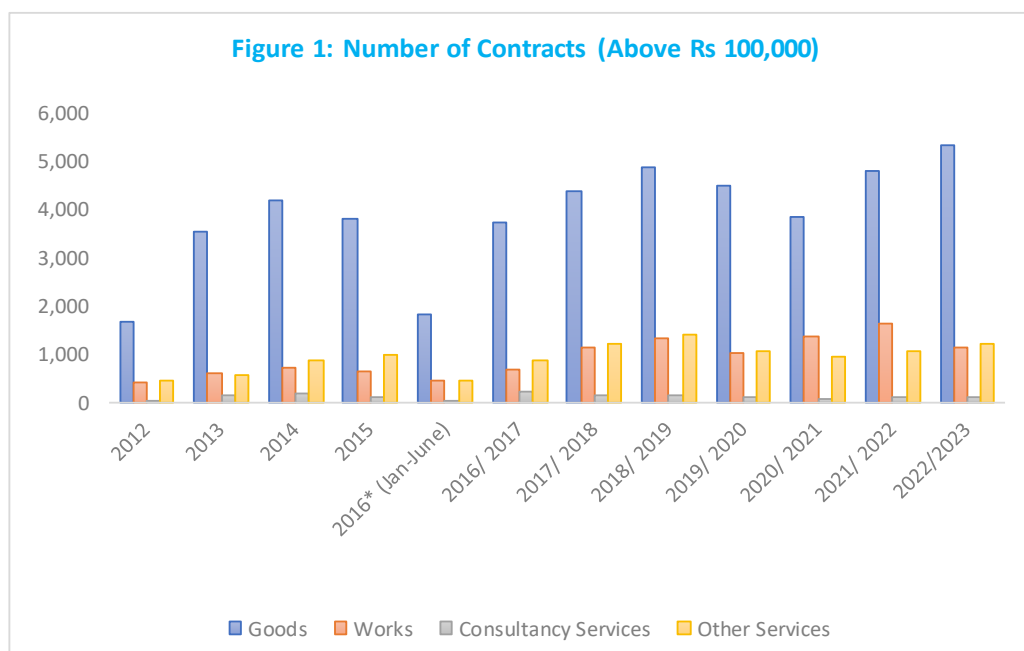
### 7.2 Number of Contracts Awarded (above Rs 100,000)

During the financial year 2022/2023, a total number of 7,774 contracts for procurement value above Rs 100,000 was awarded by the 149 public bodies as compared to 7,685 contracts awarded in the financial year 2021/2022. This represents an overall increase of 1.16% of the total number of contracts awarded. The number of contracts awarded increased for the following procurement categories: goods 9.93%, consultancy services 9.17% and other services i.e. non consultancy services 9.45%. In the category of works number of contracts decreased by 30.69%. A breakdown of the total number of public procurement contracts, by category, awarded since year 2013 is shown in Table 1 and same is depicted in Figure 1.

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

| Category of Procurement     | 2013  | 2014  | 2015  | 2016* (Jan-June) | 2016/ 2017 | 2017/ 2018 | 2018/ 2019 | 2019/ 2020 | 2020/ 2021 | 2021/ 2022 | 2022/ 2023 |
|-----------------------------|-------|-------|-------|------------------|------------|------------|------------|------------|------------|------------|------------|
| <b>Goods</b>                | 3,525 | 4,184 | 3,792 | 1,825            | 3,739      | 4,366      | 4,875      | 4,504      | 3,831      | 4,842      | 5,323      |
| <b>Works</b>                | 596   | 725   | 651   | 462              | 664        | 1,135      | 1,323      | 1,036      | 1,371      | 1,645      | 1,140      |
| <b>Consultancy Services</b> | 139   | 175   | 113   | 36               | 217        | 133        | 140        | 98         | 74         | 109        | 119        |
| <b>Other Services</b>       | 579   | 856   | 973   | 465              | 868        | 1,224      | 1,385      | 1,068      | 938        | 1,089      | 1,192      |
| <b>Total</b>                | 4,839 | 5,940 | 5,529 | 2,788            | 5,488      | 6,858      | 7,723      | 6,706      | 6,214      | 7,685      | 7,774      |

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



**7.3 Value of Public Procurement Contracts Awarded (above Rs 100,000)**

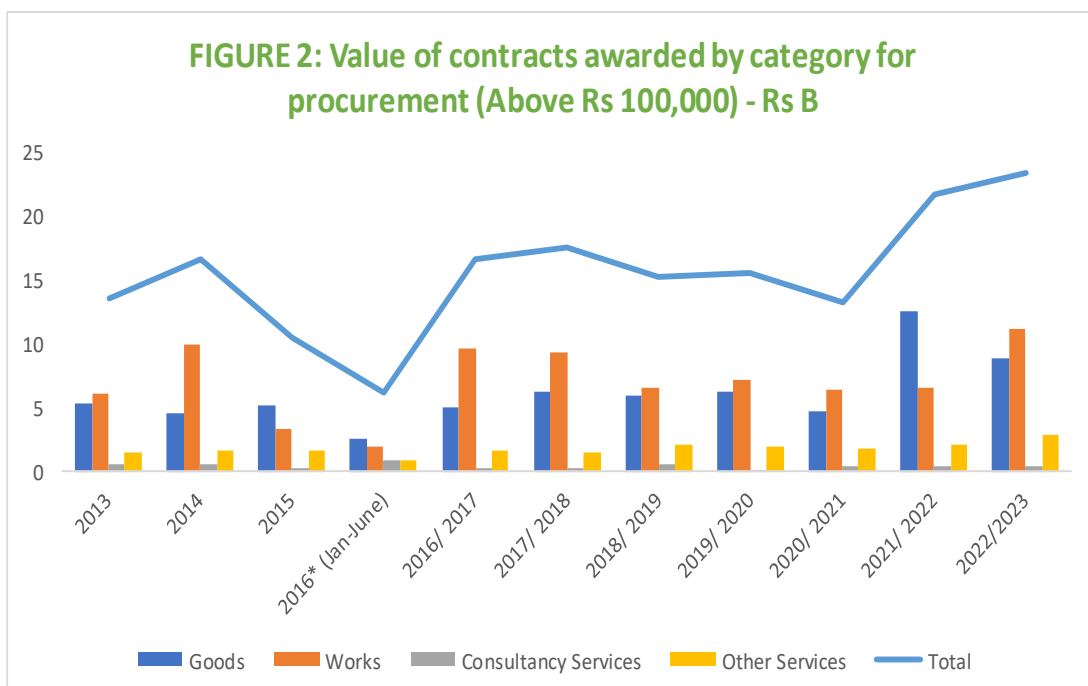
The total value of contracts (above Rs 100,000) awarded by the reporting public bodies for 2022/23 has increased overall by 8.17% as compared to a general increase of 64% in the previous year. This correlates with the 1.16% increase in the total number of contracts above Rs 100,000. The rise in total value of procurement is accounted for by the increase in the value of contracts awarded for works, consultancy services and other services by 68%, 13.9% and 39.8% respectively despite the 29% decrease in the value of goods contracts.

Table 2 provides a breakdown of the value of contracts above Rs 100,000 awarded per category for the reporting period and the last ten years. Same is depicted in Figure 2.

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

| Category of Procurement | 2013        | 2014         | 2015         | 2016* (Jan-June) | 2016/ 2017   | 2017/ 2018   | 2018/ 2019   | 2019/ 2020   | 2020/ 2021   | 2021/ 2022   | 2022/ 2023   |
|-------------------------|-------------|--------------|--------------|------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| Goods                   | 5.34        | 4.64         | 5.24         | 2.53             | 5.03         | 6.33         | 5.99         | 6.26         | 4.66         | 12.50        | 8.83         |
| Works                   | 6.14        | 9.92         | 3.36         | 1.9              | 9.61         | 9.37         | 6.6          | 7.23         | 6.44         | 6.63         | 11.17        |
| Consultancy Services    | 0.58        | 0.52         | 0.29         | 0.8              | 0.32         | 0.29         | 0.53         | 0.16         | 0.34         | 0.43         | 0.49         |
| Other Services          | 1.54        | 1.61         | 1.6          | 0.89             | 1.64         | 1.52         | 2.08         | 1.97         | 1.82         | 2.11         | 2.95         |
| <b>Total</b>            | <b>13.6</b> | <b>16.69</b> | <b>10.49</b> | <b>6.12</b>      | <b>16.61</b> | <b>17.51</b> | <b>15.19</b> | <b>15.63</b> | <b>13.24</b> | <b>21.67</b> | <b>23.44</b> |

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





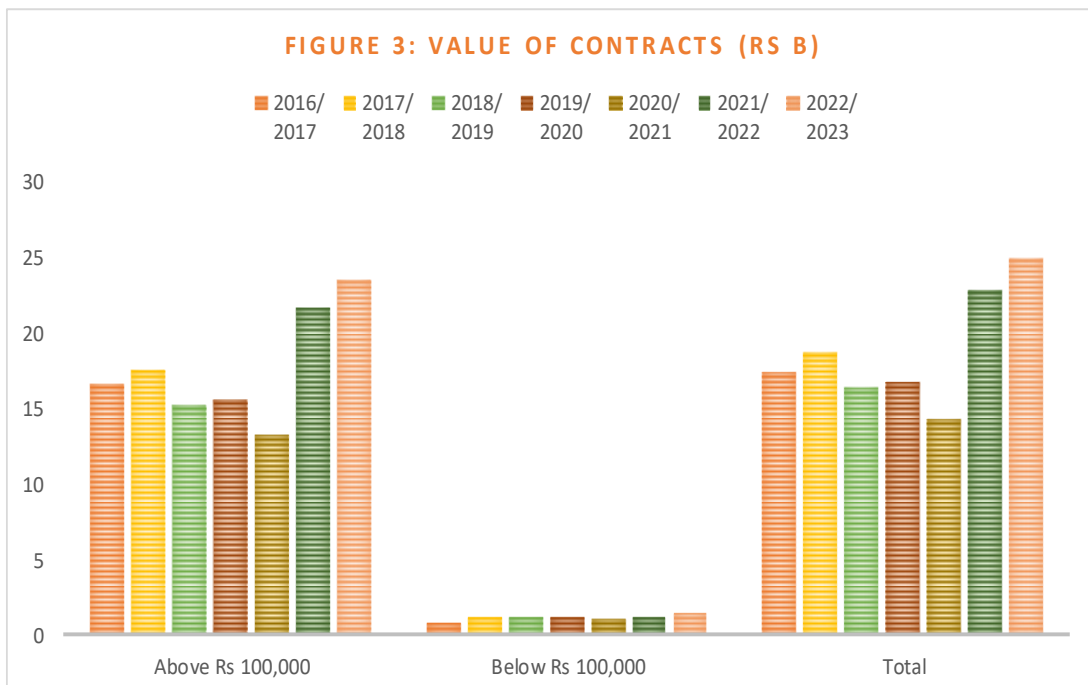
#### 7.4 Total value of all contracts awarded under PPA

The total value of all contracts awarded through public procurement has increased by 8.9% over the reported period which is explained by the increase of 8.2% in the value of procurement of contracts above Rs 100,000 and an increase of 22.6% in the value of procurement contracts below Rs 100,000. This is detailed in Table 3 and depicted in Figure 3.

**Table 3: Total Value of Public Procurement Contracts (Rs B)**

| Contract Amount Approved | 2016/<br>2017 | 2017/<br>2018 | 2018/<br>2019 | 2019/<br>2020 | 2020/<br>2021 | 2021/<br>2022 | 2022/<br>2023 |
|--------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <b>Above Rs 100,000</b>  | 16.61         | 17.51         | 15.19         | 15.63         | 13.24         | 21.67         | 23.44         |
| <b>Below Rs 100,000</b>  | 0.81          | 1.23          | 1.12          | 1.16          | 1.09          | 1.15          | 1.41          |
| <b>Total</b>             | 17.42         | 18.74         | 16.32         | 16.8          | 14.34         | 22.82         | 24.85         |

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





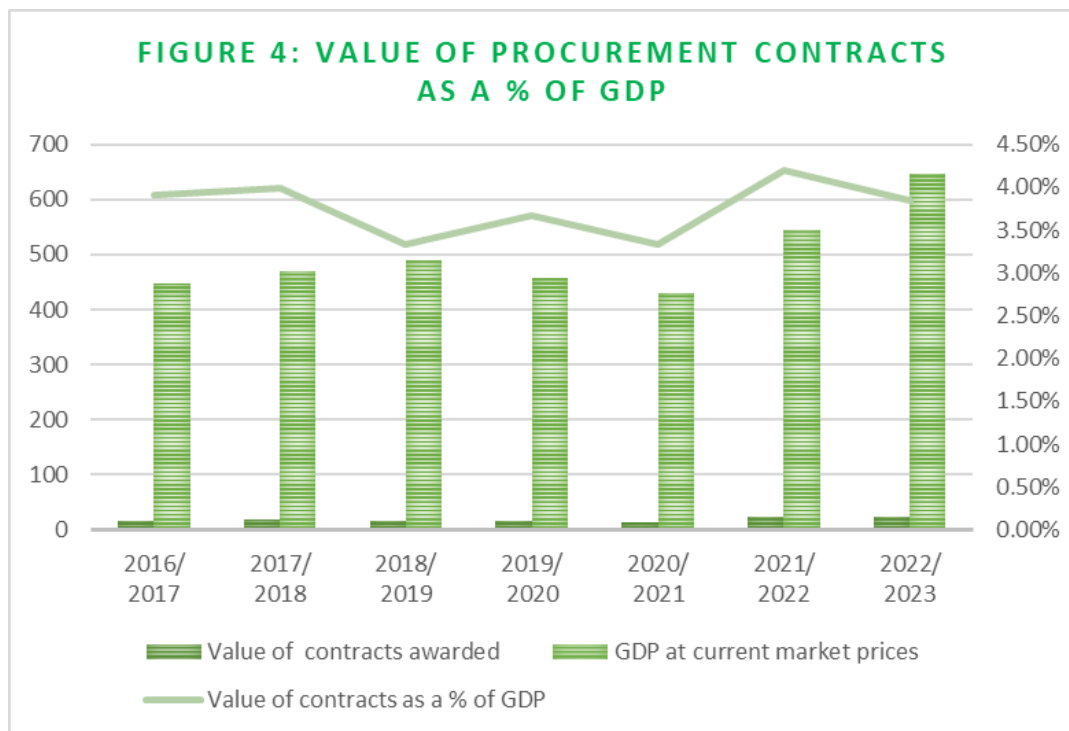
7.5 The share of the value of public procurement contracts awarded of the Gross Domestic Product (GDP) at Current Market Price has decreased from 4.19% to 3.84% from financial year 2021/2022 to 2022/2023. The compilation of these figures is shown in Table 4 and illustrated in Figure 4 below.

**Table 4: Value of Public Procurement Contracts Awarded as a percentage of Gross Domestic Product (at Market Price)**

| Procurement Category                | 2016/2017 | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 | 2021/2022 | 2022/2023 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Value of contracts awarded (Rs B)   | 17.42     | 18.74     | 16.31     | 16.8      | 14.34     | 22.82     | 24.85     |
| GDP at current market prices (Rs B) | 446.4     | 469.7     | 490.6     | 457.9     | 429.69    | 544.04    | 647       |
| Value of contracts as a % of GDP    | 3.90%     | 3.99%     | 3.33%     | 3.67%     | 3.34%     | 4.19%     | 3.84%     |

Sources: Figures computed from returns by public bodies and from Statistics Mauritius National Accounts (e & oe)

**\*This percentage represents only public procurement made under the Act. It therefore excludes the expenses of exempt organisations.**

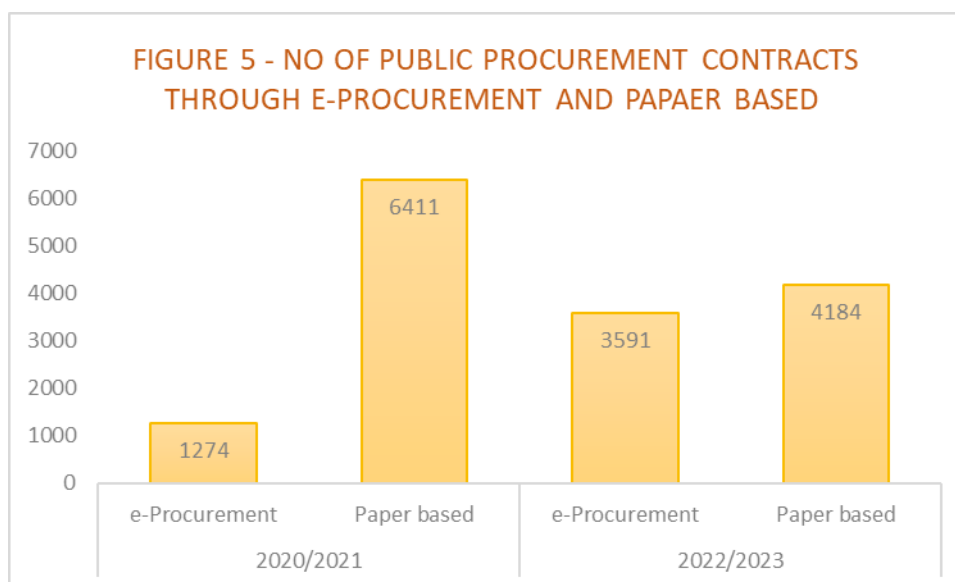


7.6 There is greater tendency for public bodies to shift from paper based procurement to the e-Procurement System as demonstrated in Table 5 below:

**Table 5: Number of awarded Public Procurement Contracts (Above Rs 100,000) following the e-Procurement System and paper based procedures**

| Category of Procurement | 2020/2021     |              | 2022/2023     |              |
|-------------------------|---------------|--------------|---------------|--------------|
|                         | e-Procurement | Paper based  | e-Procurement | Paper based  |
| CS                      | 27            | 82           | 36            | 83           |
| G                       | 892           | 3,950        | 2,850         | 2,473        |
| OS                      | 129           | 960          | 289           | 904          |
| W                       | 226           | 1419         | 416           | 724          |
| <b>Total</b>            | <b>1,274</b>  | <b>6,411</b> | <b>3,591</b>  | <b>4,184</b> |

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



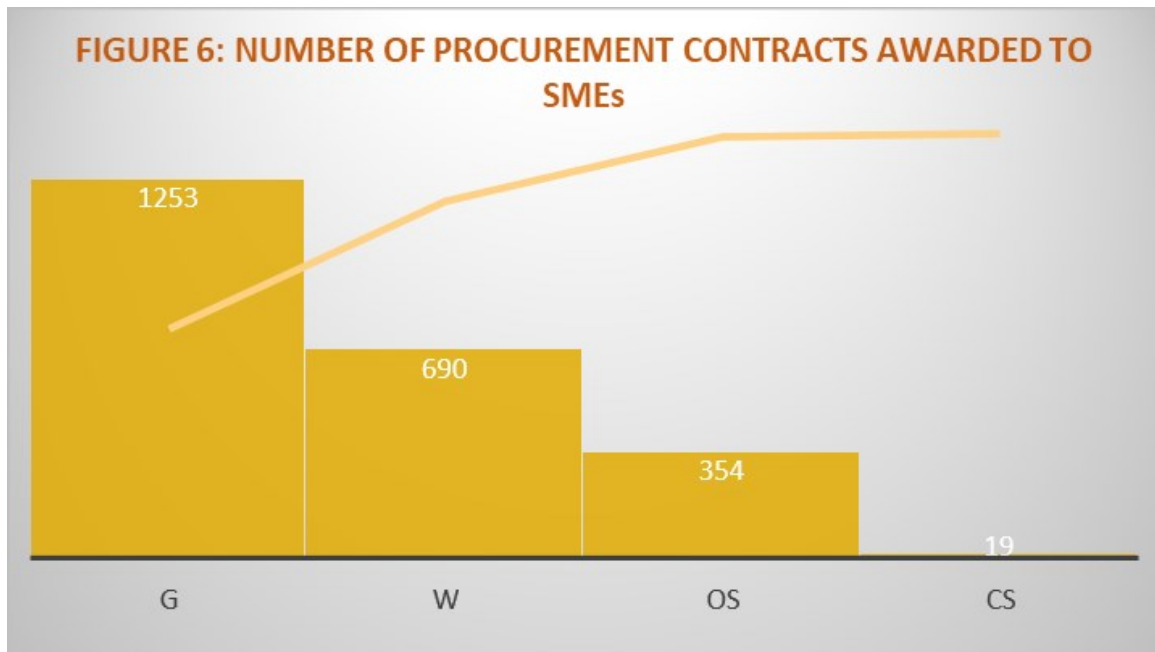
## 8.0 Share of SMEs in Public Contracts

8.1 The participation of Small and Medium Enterprises (SMEs) in procurement contracts above Rs 100,000 for the reporting period is estimated around 2,316 out of 7,774 procurement contracts as shown in Table 6.

**Table 6: Number of Procurement Contract (above Rs 100,000) awarded to SMEs**

| <b>Procurement Category</b> | <b>No. of Procurement Contracts awarded to SMEs</b> |
|-----------------------------|---|
| <b>CS</b>                   | 19  |
| <b>G</b>                    | 1,253   |
| <b>OS</b>                   | 354   |
| <b>W</b>                    | 690   |
| <b>Total</b>                | <b>2,316</b>  |

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

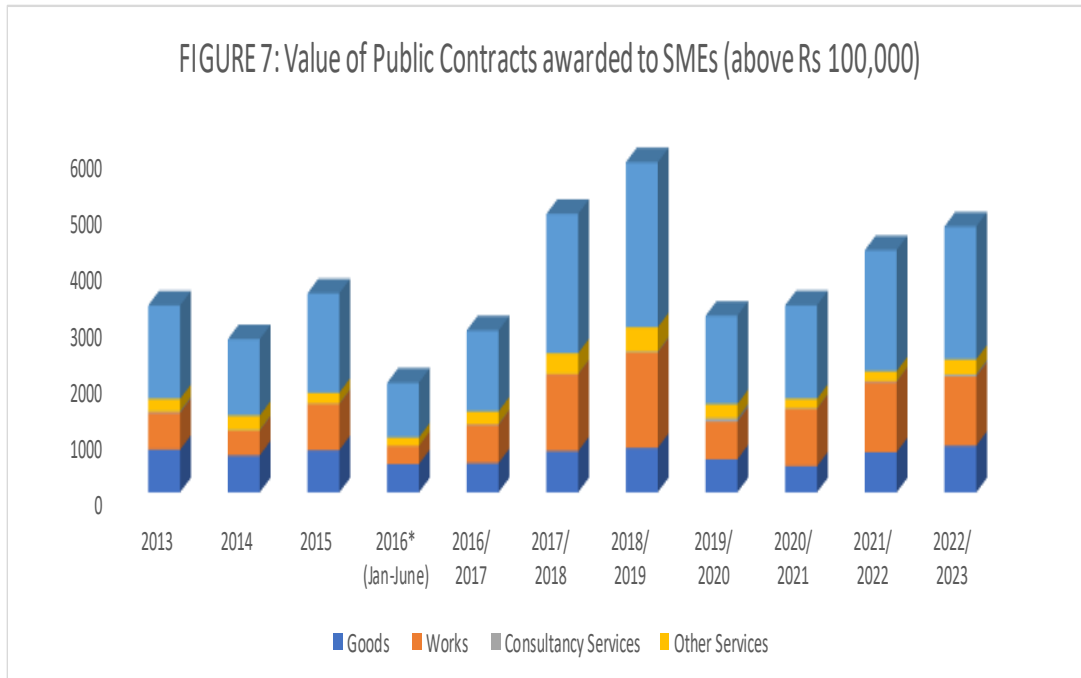


8.2 The total value of contracts to SMEs was Rs 2,354 M. for year 2022/23 as compared to Rs 2,145 M for year 2021/22 as shown in Table 7.

Table 7: Value of Public Contracts awarded to SMEs (above Rs 100,000)- Rs M

| Category of Procurement | 2013           | 2014           | 2015           | 2016* (Jan-June) | 2016/2017      | 2017/2018      | 2018/2019      | 2019/2020      | 2020/2021      | 2021/2022      | 2022/2023      |
|-------------------------|----------------|----------------|----------------|------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Goods                   | 757.7          | 654.7          | 747.9          | 498.1            | 516.9          | 730.2          | 787.4          | 582.8          | 462.1          | 712.1          | 827.5          |
| Works                   | 650.1          | 432.7          | 813.3          | 321.7            | 676.6          | 1,356.2        | 1,685.8        | 667.3          | 1,013.7        | 1,240.5        | 1,220.3        |
| Consultancy Services    | 27             | 17.2           | 12.9           | 6.7              | 13.6           | 13.3           | 24.7           | 62.9           | 13.8           | 16.6           | 41.53          |
| Other Services          | 221.3          | 252.3          | 189.1          | 144.1            | 226.7          | 366.7          | 426.4          | 251.3          | 167.6          | 175.4          | 264.7          |
| <b>Total</b>            | <b>1,656.1</b> | <b>1,356.9</b> | <b>1,763.2</b> | <b>970.6</b>     | <b>1,433.8</b> | <b>2,466.4</b> | <b>2,924.4</b> | <b>1,564.3</b> | <b>1,657.1</b> | <b>2,145.0</b> | <b>2,354.0</b> |

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

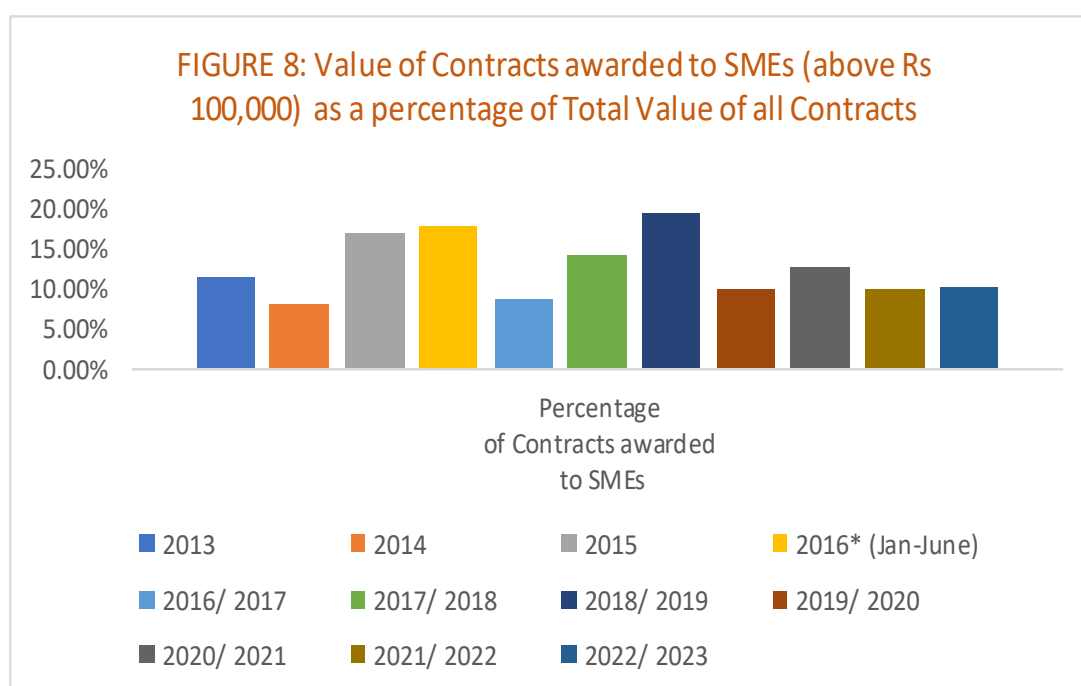


8.3 In addition to the increase in value of contracts awarded to SMEs from Rs 2,145 M to Rs 2,354 M, the share of value of contracts awarded to SMEs (above Rs 100,000) of total value of contracts has also increased from 9.90% to 10.04% for the reporting year 2022/23 as shown in Table 8.

**Table 8: Value of Public Contracts awarded to SMEs (above Rs 100,000) as a percentage of Total Value of all Contracts (Rs M)**

| Value of Contracts                  | 2013   | 2014   | 2015   | 2016* (Jan-June) | 2016/ 2017 | 2017/ 2018 | 2018/ 2019 | 2019/ 2020 | 2020/ 2021 | 2021/ 2022 | 2022/ 2023 |
|-------------------------------------|--------|--------|--------|------------------|------------|------------|------------|------------|------------|------------|------------|
| SMEs only (Rs M)                    | 1,656  | 1,357  | 1,763  | 971              | 1,434      | 2,466      | 2,924      | 1,564      | 1,657      | 2,145      | 2,354      |
| All Contracts (Rs M)                | 14,666 | 16,685 | 10,496 | 5,412            | 16,606     | 17,506     | 15,194     | 15,634     | 13,244     | 21,667     | 23,443     |
| Percentage of Contracts to SMEs (%) | 11.30  | 8.10   | 16.80  | 17.90            | 8.64       | 14.09      | 19.24      | 10.01      | 12.51      | 9.90       | 10.04      |

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



## 9.0 Cases filed at the Independent Review Panel

9.1 Table 9 depicts the trend in the number of cases filed at the IRP for the past eleven years together with a count of ruling applied whilst Table 10 presents a summary of the 16 applications submitted at the IRP with respect to ground for application, the Panel decision and the legal reasoning behind the decision.

**Table 9: Number of Cases filed and ruling applied by the IRP from 2013 to 2023**

| Details                     | 2013 | 2014 | 2015 | 2016<br>(Jan-June) | 2016/<br>2017 | 2017/<br>2018 | 2018/<br>2019 | 2019/<br>2020 | 2020/<br>2021 | 2021/<br>2022 | 2022/<br>2023 |
|-----------------------------|------|------|------|--------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| No. of cases                | 35   | 44   | 35   | 15                 | 32            | 25            | 16            | 22            | 21            | 33            | 16            |
| Merit                       | 7    | 20   | 15   | 3                  | 12            | 11            | 8             | 4             | 7             | 11            | 4             |
| No Merit                    | 15   | 20   | 15   | 5                  | 12            | 10            | 4             | 13            | 14            | 20            | 10            |
| Withdrawn                   | 13   | 4    | 5    | 6                  | 8             | 3             | 4             | 5             | -             | 1             | -             |
| Cancelled by Public Body    | -    | -    | -    | -                  | -             | -             | -             | -             | -             | -             | -             |
| Outside delay               | -    | -    | -    | 1                  | -             | -             | -             | -             | -             | -             | 2             |
| Application not entertained | -    | -    | -    | -                  | -             | 1             | -             | -             | -             | 1             | -             |

**Table 10: Summary of applications for Review submitted and ruling applied by the IRP for the year 2022-2023**

| SN | Case Name/<br>Ref No.   | Procurement Details   | Grounds  | Legal Reasoning   | Outcome  |
|----|---|---|--|---|--|
| 1  | Mechanization Company Limited (MECOM) v/s Mauritius Cane Industry Authority<br><br>Decision No. 18/22 | MCIA/<br>OAB/48G/2021-2022<br>Supply and Delivery of Two Crawler Tractors with Accessories and One Wheel Tractor with Accessories | In light of ITB 37.6 of the bidding documents, the Public Body (PB) should have awarded the contract to a single bidder instead of splitting same between two distinct bidders.<br><br>MECOM was the lowest substantially responsive bidder for both Lots Nos. 1 and 2 combined, hence the contract for both lots in accordance with ITB 37.6 and Clause 2 of Section 111 of the bidding documents, Evaluation Criteria, should have been awarded to it. | The evaluation was carried out in accordance with the bidding documents and Circular 11 of 2016 issued by the PPO. The Circular also clarifies S40 of the PPA, which provides for allocation of procurement contracts 'per lot' with the expressly-declared aim: "The choice of lots to be awarded to suppliers should be such that the supplier/lot combination would result in best value for money to the public body (PB)". | The Application was set aside for being devoid of merit.<br><br>29th July 2022 |

| SN | Case Name/<br>Ref No.  | Procurement Details  | Grounds   | Legal Reasoning  | Outcome  |
|----|--|--|---|--|--|
| 2  | Chemical and Technical Suppliers (1.0) Limited<br>v/s<br>Ministry of Health and Wellness<br><br>Decision No. 19/22 | MHPQ/EQ/2021-2022/Q14<br>Supply, Installation, Testing and Commissioning of 80 haemodialysis machines for all Regional Hospitals | <p>The PB erred in not selecting the bid of Chemical &amp; Technical Suppliers Ltd as the lowest substantially responsive bid for award on the ground that it did not comply with line specification 2.5.</p> <p>The minor deviation proposed by the supplier in the state of the equipment's user interface, did not warrant the bid's rejection.</p> <p>The PB has acted in breach of the best value for money principle by not selecting the bid of the applicant.</p> | <p>The Purchaser had the right to specify its technical requirements and could, for practical reasons, update them from time to time.</p> <p>The Bidding Documents clearly stated that a touch screen machine was required;</p> <p>Every bidder apart from the applicant proposed a machine with a touch screen;</p> <p>Failure to propose an LCD screen with a "touch screen," constitutes a material and major deviation, not a minor one as the applicant claims.</p> | <p>The Application was set aside for being devoid of merit.</p> <p>09 August 2022</p>                        |
| 3  | Trivan & Company Limited<br>v/s<br>Central Water Authority<br><br>Decision No. 20/22                               | Fixing of New Supply and Road Reinstatement in WSZ South   | <p>The PB failed to carry out a proper assessment of the Applicant's qualifications and experience criteria in view of the list of contracts provided and the works of similar nature performed were within the period of 5 years.</p>  | <p>Failure to demonstrate that applicant had the experience of 5 years as required in the bid document.</p>  | <p>The Application was set aside for being devoid of merit.</p> <p>30 August 2022</p>                        |
| 4  | Brink's (Mauritius) Ltd<br>v/s<br>Central Electricity Board<br><br>Decision No. 21/22                              | Provision of security services for the CEB to seventy-nine (79) sites Island wide  | <p>In accordance with Section 37(10A) of the Public Procurement Act and Directive No. 52, the PB has failed to examine and evaluate the bid of the selected bidder properly.</p> <p>The amount quoted by the successful bidder was abnormally low and would not be able to fully compensate all staff costs in accordance with the relevant compensation standards.</p> <p>The selected bidder, RSL Security Ltd has failed to comply with clause 5.2 of the ITB.</p>     | <p>The Applicant had only submitted the required number of guards as per Annex B of the Bidding Document, with no documentary evidence and this was considered as a major deviation by the BEC as same was mandatory as per ITB 4.1(g).</p> <p>S43 and Regulation 48 provide for a mandatory rule for the applicant to lodge an application before the IRP within 7 days of the receipt of the decision of the PB.</p>   | <p>The Application was set aside for having lodged outside the statutory delay.</p> <p>02 September 2023</p> |

| SN | Case Name/<br>Ref No.  | Procurement Details  | Grounds   | Legal Reasoning  | Outcome  |
|----|--|--|---|--|--|
| 5. | RSL Security Services Ltd<br>v/s<br>Ministry of Agro Industry and Food Security<br><br>Decision No. 22/22                                    | Procurement of Security Services for Various Stations/ Compounds   | <p>The bid of the selected bidder Rapid Security Services Ltd should have been rejected as its respective financial offers for Lot 1 &amp; Lot 2 are low and 2 do not satisfy the minimum qualifying mandatory criteria as per ITB, Clause 5.2(d) and G.C.C. Clause 4.6.1.</p> <p>The contract prices of the successful bidder for Lot 1 and Lot 2 would not allow it to meet its contractual obligations as the labour costs estimates based on the applicable remuneration order with a minimum monthly salary of Rs.12,009.</p> <p>The PB failed to carry out a proper evaluation and assessment of the bid of the successful bidder for award as its bid is not the lowest substantially lowest bidder.</p> | <p>The Bid Evaluation Committee stood guided by Directive 52 and the procedures laid down was followed stepwise. First the committee identified if the bidder was an abnormally low one then followed the other steps as laid down in the Directive 52 and which the committee did follow.</p> <p>Directive 52 was applied. The Panel was satisfied that despite the bid being abnormally low, the successful bidder would be in a position to honour its obligations as per the contract and according to the breakdown/ figures submitted by the Successful Bidder</p> | <p>The Application was set aside for being devoid of merit.</p> <p>10 October 2022</p> |
| 6. | Luxconsult Ltd<br>v/s<br>Ministry of National Infrastructure and Community Development (National Development Unit)<br><br>Decision No. 23/22 | Consulting Services for the Design, Supervision and Management of the Flood Mitigation Measures in the island of Rodrigues | <p>The Applicant could not submit its online response to the Respondent's Request for Proposal as it suffered from an interruption in service from its internet service provider. Several localities including the locality of the Applicant's premises was affected.</p> <p>The Applicant requested the Respondent to extend the deadline for the submission of proposals on account on the localized connectivity issue, but its request was denied.</p>  | <p>Where public procurement proceedings are to be cancelled by a PB under this section, no challenge under section 43 and no application for review under section 45 would be entertained in respect of the cancellation.</p>  | <p>The Application was set aside for being devoid of merit.</p> <p>31 October 2022</p> |



| SN | Case Name/<br>Ref No.   | Procurement Details  | Grounds   | Legal Reasoning  | Outcome   |
|----|---|--|---|--|---|
| 7  | Kalis Technologies Ltd<br>v/s<br>Statistics Mauritius<br><br>Decision No.<br>24/22                                    | Installation and Commissioning for Tablets with Carry Case   | The PB was wrong to say that there was allegedly a failure on the part to Applicant to provide sufficient testimonials.<br><br>The PB has failed to carry out a proper evaluation and assessment of the bids  | Failure to comply with application for review under section 45(1)(c) of the Act. Applicant exceeded the 5 days prescribed time for submitting an application for review.<br><br>Panel agreed with the conclusion of the BEC that the Bid was non-responsive as there was non-compliance with regards to the submission of Testimonials       | Application for review was set aside for having been lodged in an untimely manner and for being devoid of merit<br><br>11 November 2022 |
| 8  | Premier Security Solutions Ltd<br>v/s<br>Mauritius Institute of Training and Development<br><br>Decision No.<br>25/22 | Procurement of Security Services for the MITD Head Office and Training Centres.  | PB failed to carry out a proper evaluation and assessment of the bid of successful bidder whose bid should not have been selected or retained for an award as it was not the lowest evaluated substantially responsive.   | PB has failed to apply the relevant Remuneration Order.<br><br>Respondent has utterly failed to correctly apply an important requirement of the Bidding Documents, namely ITB 5(2)   | Panel ordered a re-evaluation of the whole bid exercise by a differently constituted BEC.<br><br>02 December 2022                       |
| 9  | Premier Security Solutions Ltd<br>v/s<br>Mauritius Cane Industry Authority<br><br>Decision No.<br>26/22               | Procurement of security services   | Respondent was wrong not to have entertained the challenge of the Applicant under Regulation 48(1) as per the Public Procurement (Regulations 2008)<br><br>Bid of the successful bidder would not allow it to meet its contractual obligations as per the remuneration order for private security Employees | Panel considered that failure to file the Challenge as per the Second Schedule was not comparable to a failure to abide by time-limits requirements<br><br>Remuneration order not abided by. A more rigorous and professional approach was expected from PBs when computing their cost estimates as well as when evaluating bids             | Panel ordered a re-evaluation of the whole bid exercise by a differently constituted BEC.<br><br>02 December 2022                       |
| 10 | IBL Ltd - Health Activ<br>v/s<br>Ministry of Health and Wellness<br><br>Decision No.<br>27/22                         | Supply, Installation and Commissioning of Digital Mobile X-Ray Machine for Radiology Department for 4 Regional Hospitals | Offer was technically responsive to the requirements and was cheaper than the Offer notified.<br><br>Document submitted by the Applicant, issued by the Food and Drug Administration (FDA) conformed with the document that was required under the Bid Document   | The course adopted by the BEC falls foul of the principles of fairness, to consider an 'approval' for a Class II device that should carry a 510k PM 'clearance' as unreasonable whilst to consider an export certificate by the FDA as an 'approval'.<br><br>Abnormally low bids exercise was not carried properly under 37 (10A) of the PPA | Panel ordered a re-evaluation of the bids by a differently constituted BEC.<br><br>28 December 2022                                     |

| SN | Case Name/<br>Ref No.   | Procurement Details  | Grounds  | Legal Reasoning   | Outcome  |
|----|---|--|--|---|--|
| 11 | Premier Security Solutions Ltd<br>v/s<br>Food and Agricultural Research and Extension Institute | Procurement of Security Services on Food and Agricultural Research and Extension Institute's Compounds | The PB failed in its duty to carry out a proper evaluation and comparison of the bids in as much as the contract price of the selected bidder was low when taking into consideration the Labour costs involved.<br><br>The PB ought to have rejected the bid of the Successful Bidder after taking into consideration that it would be impossible for the selected bidder to carry out its obligations under the Remuneration Regulation | The BEC had failed in its duty to properly evaluate the bids by relying entirely on the lump sum amount quoted by bidders   | Panel ordered annulment in whole the decision of the PB<br><br>05 January 2023         |
|    | Decision No. 01/23  |  |  |   |  |
| 12 | Trivan & Co Ltd (a.k.a. Solv Con Limited)<br>v/s<br>Wastewater Management Authority             | Design and Construction of House Connections in the Sewered Areas of Mauritius                         | The Respondent was wrong to conclude that the Applicant did not satisfy the Financial Soundness requirement under clause 32.2b- Instruction to Bidders.  | Directive No.31 of the Procurement Policy's Office was applied in the present case. PBs are ordered by the PPO not to rely solely on the bank certificates.   | Application for Review was set aside for being devoid of merit.<br><br>13 January 2023 |
|    | Decision No. 02/23  |  |  |   |  |
| 13 | Trivan & Co Ltd (a.k.a. SolvCon Limited)<br>v/s<br>Wastewater Management Authority              | Sewer Extension Works (Framework Agreement)  | On similar facts as in Decision No. 02/23, involving the same Applicant and Respondent, and raising the same issues.   | Legal reasoning based on Decision Number 02/23.   | Application for Review was set aside for being devoid of merit.<br><br>13 January 2023 |
|    | Decision No. 03/23  |  |  |   |  |
| 14 | Transinvest Construction Ltd<br>v/s<br>Road Development Authority                               | Construction of a Flyover on Motorway M2 at Terre Rouge Roundabout (Design-Build/Turnkey)              | The PB and/or the Central Procurement Board and/or the Bid Evaluation Committee failed to carry out a proper evaluation and assessment of the technical proposal of the Applicant whose technical proposal clearly complies with the Employer's requirement.   | Under ITB 13.4 — It is stated that Alternative Technical Solutions are allowed for specific parts of the works which should have been described in Section VI — Employers requirements.<br><br>The Panel found that the Technical Proposal of the Applicant was non-responsive and therefore the issue of the Applicant having submitted a lower bid price was not relevant | The Application was set aside for being devoid of merit.<br><br>30 January 2023        |
|    | Decision No. 04/23  |  |  |   |  |

| SN | Case Name/<br>Ref No.   | Procurement Details  | Grounds  | Legal Reasoning  | Outcome  |
|----|---|--|--|--|--|
| 15 | Top Security Service Ltd v/s Ministry of Youth Empowerment, Sports & Recreation<br><br>Decision No. 05/23 | Procurement of Security Services at Youth and Sports Infrastructures           | The quoted price of the successful bidder would not be able to meet the minimum financial contractual obligation and neither meet the cost of salary under the Worker's Rights Act   | The Respondent failed to apply the applicable legal provisions regarding remuneration correctly.<br><br>The Respondent wrongly based all its cost estimate on a basic minimum salary of Rs 10,834. It had therefore failed to apply the relevant Remuneration Order in working out its cost estimate.                          | Panel ordered a re-evaluation of the whole bid exercise by a differently constituted BEC.<br><br>21 April 2023 |
| 16 | Onix Co Ltd v/s National Housing Development Company Ltd<br><br>Decision No. 6/23                         | Completion of outstanding works in 83 Housing Units including Community Centre | Union allied Construction Ltd had an acid test/quick ratio of less than 1 over the last 3 years which clearly demonstrates its financial unsoundness — the Bid Evaluation Committee and/or the NHDC had failed to give effect to this assessment thereby acting in breach of the requirements of Directive 31 (3) (i) of the PPO | Financial statements of the successful bidder were structurally defective, incoherent with what was submitted in the Specific experience form<br><br>Financial statements should not be assessed in isolation but a more proactive and holistic approach should be adopted to depict the true state of affairs of the business | Panel found merit in the application<br><br>Panel ordered a fresh bid evaluation exercise<br><br>24 May 2023   |

# PART C

## Innovation



## 10.0 Sustainable Procurement



10.1 Sustainable Public Procurement (SPP) falls under the seven (7) themes promoted by the Marrakech Task Force. SPP has been defined as a process whereby Public Institutions meet their needs for goods, services and works in a way that achieves value for money on a whole life cycle basis in terms of generating benefits not only to the organization, but also to society and the economy, whilst minimising damage to the environment (Adjet, 2019).

10.2 SPP is a key area of focus for the Procurement Policy Office. In 2012, a study financed by UNEP had addressed the issue of sustainable procurement and a consulting firm was recruited to prepare Standard Bidding Documents (SBDs) in respect of five (5) proposed categories of procurement namely:

1. Vehicles
2. IT equipment (PCs, Laptops and Printers)
3. Paper products
4. Cleaning materials
5. Cleaning services

10.3 The SBDs for SPP for the above-listed categories of goods/services include specific clauses in terms of sustainability criteria and sustainability schedule to be used at evaluation stage. Bidders also need to provide information and evidence of their compliance with relevant environmental and social legislations.

10.4 In this context, the PPO has finalised a SBD for SPP of vehicles and the paper document is ready to be used by public bodies. However, this document is presently being converted to the e-version. It is to be noted that some public bodies are already using Life Cycle Costing for the procurement of vehicles.

10.5 The PPO is currently updating the SBD for procurement of laptops and printers. Consultations are on-going with public bodies such as the Ministry of Environment, Solid Waste Management and Climate Change, Energy Efficiency Management Office, the Central Informatics Bureau, the Central Information System Division and the suppliers. The meetings aim at enabling the stakeholders to contribute towards the fine tuning of the SBD.

10.6 In line with the budgetary measure 2021/2022 for introduction of a Sustainable Public Procurement Framework for the construction sector, PPO has prepared the ToR for the recruitment of a consultant in the field.

## 11.0 Greening of the Public Sector



11.1 Green Public Procurement (GPP) is defined as *"a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured"* (Government of Malta, 2021).

11.2 Green procurement can support the greening of key supply chains and promote the transition to a circular economy. Including the element of sustainability in supply chain management involves the proper management of related environmental, social and economic impacts in constructing and maintaining effective and efficient supply chains.

11.3 The Ministry of Environment, Solid Waste Management and Climate Change is implementing the 'Greening of the Public Sector' Action plan, which was approved by the Government on 31 March 2023. More than fifty measures and sub-measures have been proposed in the Action Plan under five focus areas, namely: (i) supply chain and procurement; (ii) buildings and infrastructure; (iii) mobility and fleets; (iv) culture and behaviour; and (v) digital transformation.

11.4 More specifically, under supply chain and procurement, the following measures are being proposed:

- Awareness campaigns;
- Capacity building;
- Drafting of a national sustainable procurement policy;
- Implementation of review of tender specifications to include environmental criteria and life-cycle costs; and
- Implementation of regular product, service and technology updates from suppliers.

All these measures will be implemented with the main objective to make Mauritius greener and more sustainable.

## 12.0 Circular Economy

12.1 The Ministry of Environment, Solid Waste Management and Climate Change (Environment and Climate Change Division) with the support of UNEP has developed a Roadmap on Circular Economy for the Republic of Mauritius.

12.2 The traditional model of a linear economy of 'take-make-dispose' is no longer viable in a world of finite material resources. A Circular Economy (CE) requires a complete rethinking of the economy with the goal of retaining the value of products and materials for as long as possible. In order to guide and evaluate the progress of the transition, five strategic pillars are key to achieving the pre-set goals:

- Pillar 1 - CE through product design and sustainable production.
- Pillar 2 - CE through sustainable consumption.
- Pillar 3 - CE through a better waste management.
- Pillar 4 - CE through circular business models and innovation.
- Pillar 5 - CE through a circular culture.

12.3 Eighty (80) actions have been developed in the priority focus areas (agri-food, construction and real estate, consumer goods, mobility and logistics and waste management). Eight (8) cross-cutting areas namely governance, education and awareness raising, research and development, business support, **public procurement**, and greening of fiscal policies and financing have been identified to support the transition to a circular economy in Mauritius.

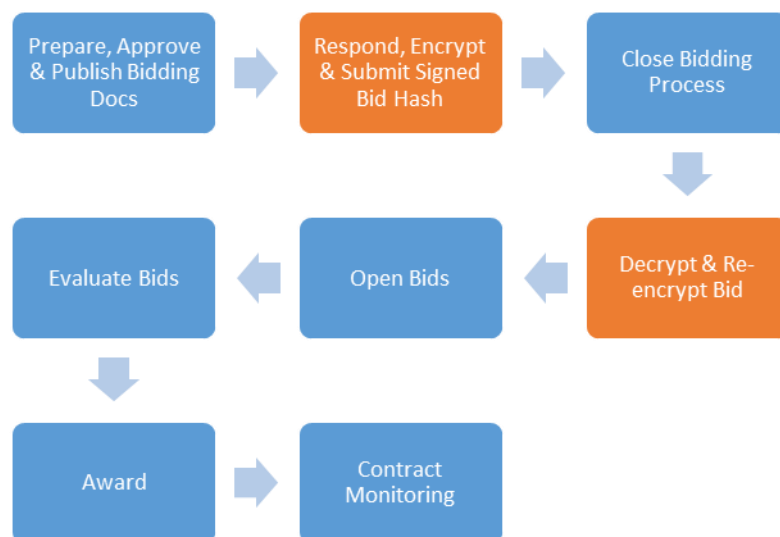
12.4 The Roadmap and Action plan provides an orientation to key stakeholders. In this respect, the following actions are envisaged in the field of procurement:

- Create a national policy on circular public procurement.
- Build internal capacity.
- Develop circular criteria.
- Pilot circular tender processes and mainstream circular procurement.

12.5 The Ministry of Environment, Solid Waste Management and Climate Change (Environment and Climate Change Division), has held several meetings with key stakeholders, inclusive of the PPO to discuss the possibility of initiating actions related to public procurement.

## 13.0 e-Procurement System (e-PS)

Hereunder is the workflow of the e-PS:



13.1 Since the e-PS became operational in September 2015, support to public bodies is on-going to assist them to on-board the system. There are presently 205 public bodies in the Republic of Mauritius that fall under the purview of the PPA. As at 30 June 2023, some 112 public bodies are using the e-PS. A graphical representation is provided below.

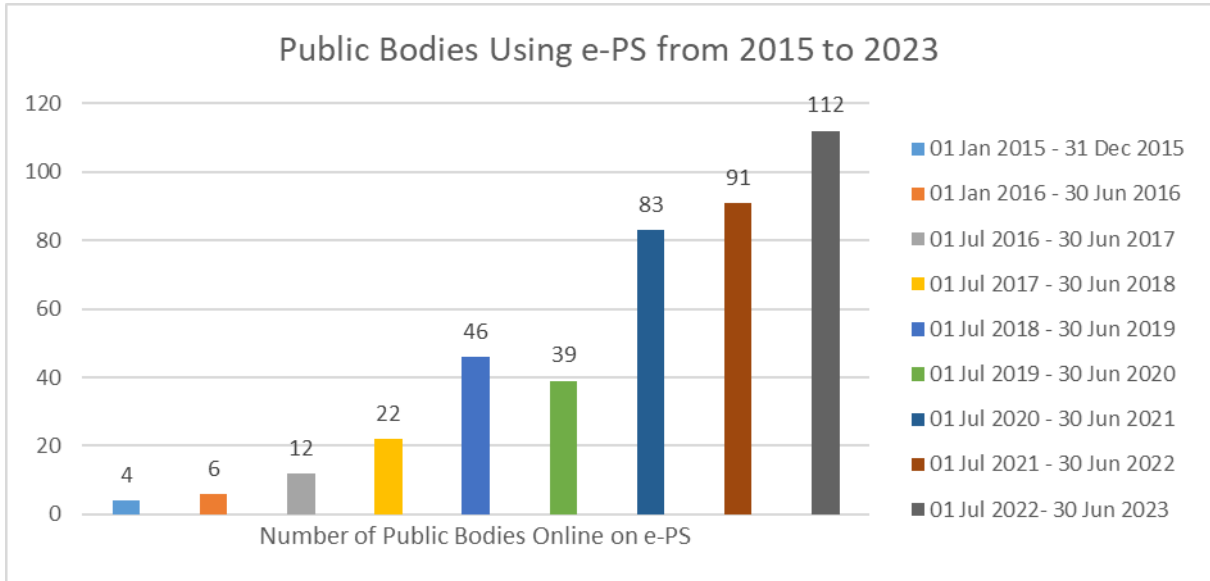


Figure 9—use of e-PS by Public bodies

13.2 Use of the e-Procurement System is very beneficial to bidders/suppliers. It reduces the cost of participating in bidding exercises as there is no need to print copies of tender documents for submission to public bodies.

13.3 The number of registered suppliers on the e-Procurement System has been subject to a constant annual increase as depicted below.

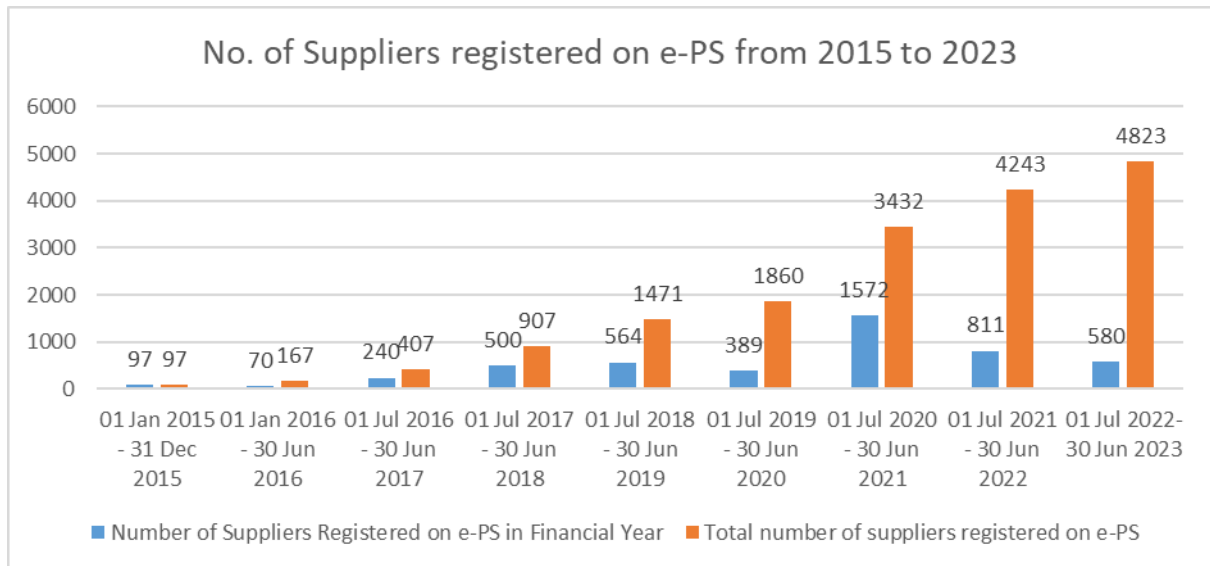


Figure 10 Supplier Registrations from 2015 to 2023



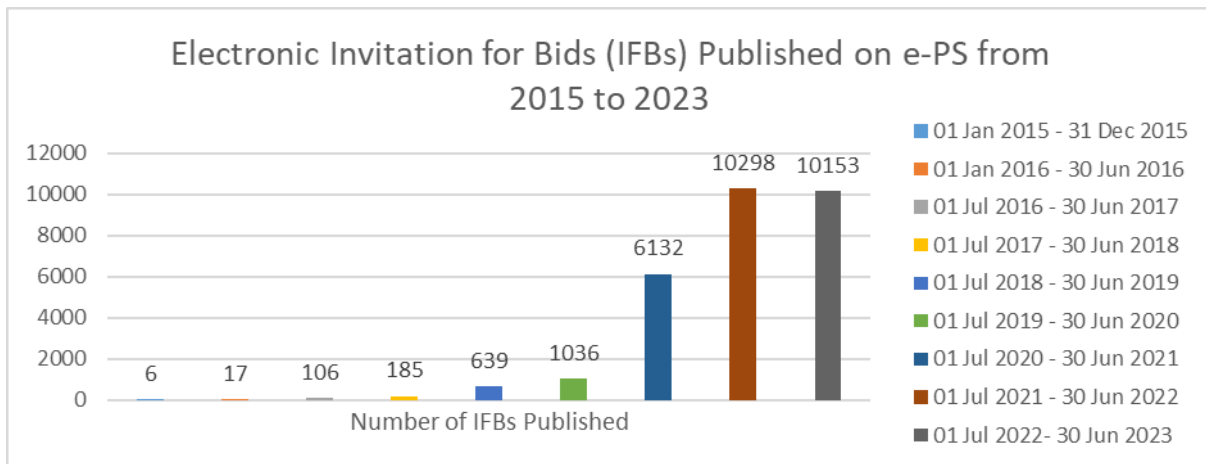


Figure 11 Electronic Invitation for Bids (IFBs) Published on e-PS from 2015-2023

13.4 As at 30 June 2023, 10,153 electronic Invitation for Bids (IFBs) have been published, whilst 26,926 electronic bids have been decrypted and forwarded for evaluation.

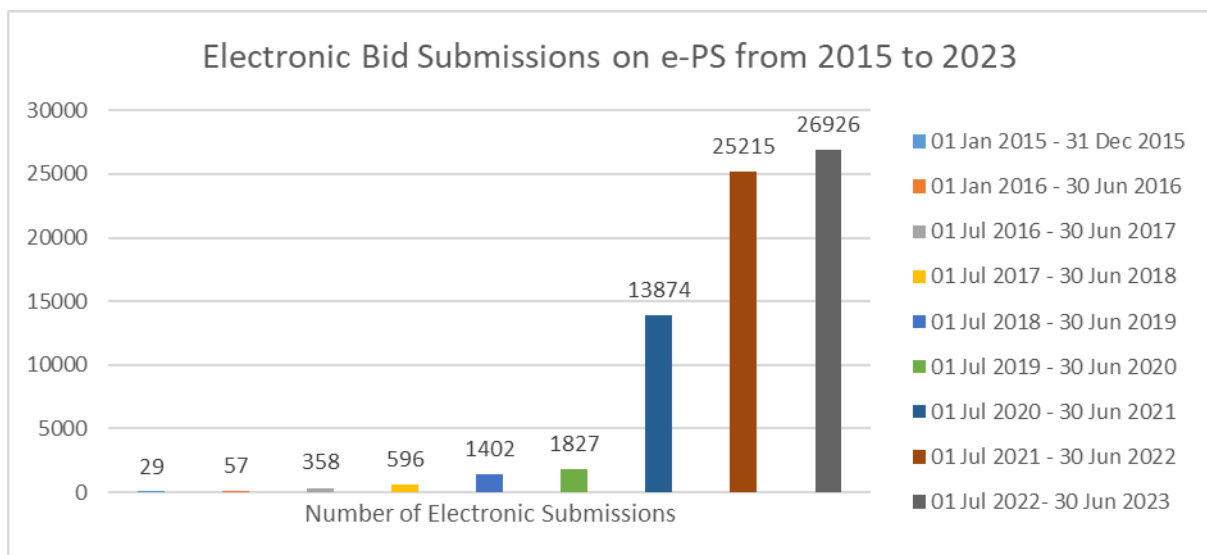


Figure 12- Electronic Bid Submissions on e-PS from 2015 to 2023

13.5 The PPO has observed that most public bodies are using the e-PS only up to the opening of bid stage whilst the evaluation and award stages are still being carried out through the traditional paper-based method. This remains as a challenge which needs to be addressed, given that full-fledged benefits of the e-PS cannot be realised until there is an end-to-end usage of the system.

13.6 To improve the functionality of the e-Procurement System, PPO is planning to enable three additional modules namely Challenge and Appeal, Contract Monitoring and Reverse Auction.

13.7 In order to routinize the on-boarding and use of the e-PS, continual support is provided to suppliers and public bodies through the e-Procurement Help Desk. Furthermore, capacity building for the use of the e-PS is regularly organised by the PPO for users, public officers and suppliers.

## 14.0 Framework Agreement

14.1 Framework Agreement is an alternative pathway in the procurement system that may be used for procurement that arises on an urgent or repetitive basis over a period of time. It establishes the terms and conditions under which a public body or lead organisation will enter into one or more contracts with suppliers selected through an *Invitation to Participate* in a *Framework Agreement*.

14.2 One of the main advantages of Framework Agreement is that it reduces administrative burden and improves procurement lead time. It is widely used in the procurement of *House to House* connection by utility providers and for the *Construction of Drains* by the National Development Unit (NDU). The use of Framework Agreement for procuring goods was constrained by unstable market condition and price volatility which prevented suppliers from committing on a fixed price throughout the duration of an agreement. This issue was successfully addressed by allowing bidders to quote a *discount* rather than a *price* in the procurement of petroleum product through Framework Agreement.

14.3 The Office has been supporting public bodies to set up or renew their Framework Agreement since 2013. These organisations have mastered the approach and have thus been authorised, as provided in Directive No. 65, to renew their agreement without clearance from PPO. Additionally, in line with our commitment to improve efficiency and service delivery, a database of implemented Framework Agreement has been made available on the website of the PPO to assist public bodies to set up new Framework Agreements.

14.4 The provision of advice and support on Framework Agreement is ongoing. During the last financial year, assistance was provided as tabled below.

| SN | Framework Agreement for                                  | Public Body   | Duration  | Value /Quantity    |
|----|--|---|-----------|--------------------|
| 1  | Construction and Upgrading of Roads and Associated Works | National Development Unit                                     | 24 Months | MUR 500 Million    |
| 2  | Procurement Gas Oil                                      | Cargo Handling Corporation Limited                            | 36 Months | 6.8 Million Litres |
| 3  | Supply of Petroleum Product                              | Ministry of National Infrastructure and Community Development | 36 Months | 9.6 Million        |
| 4  | Light Diesel Oil   | Mauritius Ports Authority                                     | 36 Months | 3.2 Million Litres |
| 5  | Repair and Maintenance of RDA's Fleet of Vehicles        | Road Development Authority                                    | 12 Months |                    |

## 15.0 ISO 9001:2015 Certification

15.1 The Procurement Policy Office remains committed to quality and excellence. The Mauritius Standard Bureau, following its Surveillance Audit of June 2023, has maintained our ISO 9001:2015 certification for the upcoming year.

15.2 The scope of registration covers, inter-alia, the:

- Formulation of policies, regulations and bidding documents in respect to public procurement;
- Recommendation and advice on public procurement and debarment of suppliers; and
- Implementation of e-Procurement System.

15.3 The Quality Management System (QMS) ensures that the needs and expectations of all stakeholders are identified and addressed in line with the Quality Policy and Customer Charter. A robust framework is in place for monitoring of Quality Objectives and risk mitigating actions. Staff members are fully aware and are complying with all requirements of the standard.

15.4 A Management Review Committee (MRC) has been set up to review the QMS at planned intervals to ensure its suitability, effectiveness and relevance to the strategic objectives of the Office. It is constituted of the 8 members listed below:

| SN | Name                   | Job Title                   | Responsibility on MRC |
|----|------------------------|-----------------------------|-----------------------|
| 1  | Mr. H. Rambhojun, OSK  | Director                    | Chairman              |
| 2  | Mr. R. Jewon, PDSM     | Member                      | Vice-chairman         |
| 3  | Mr. W. Kwong Waye      | Manager Procurement and     | Member                |
| 4  | Mr. F. Jahangeer       | Analyst/Senior Analyst      | Member                |
| 5  | Mr. H.P Arlandoo       | Analyst/Senior Analyst      | Member                |
| 6  | Mrs. J. Babajee Babboo | Analyst/Senior Analyst      | Member                |
| 7  | Mrs. S. Jaunky Rughoo  | Analyst/Senior Analyst      | Member                |
| 8  | Mrs. R. Joypaul        | Office Management Assistant | Secretary             |

## 16.0 Public Private Partnership/Build Operate Transfer Projects Status

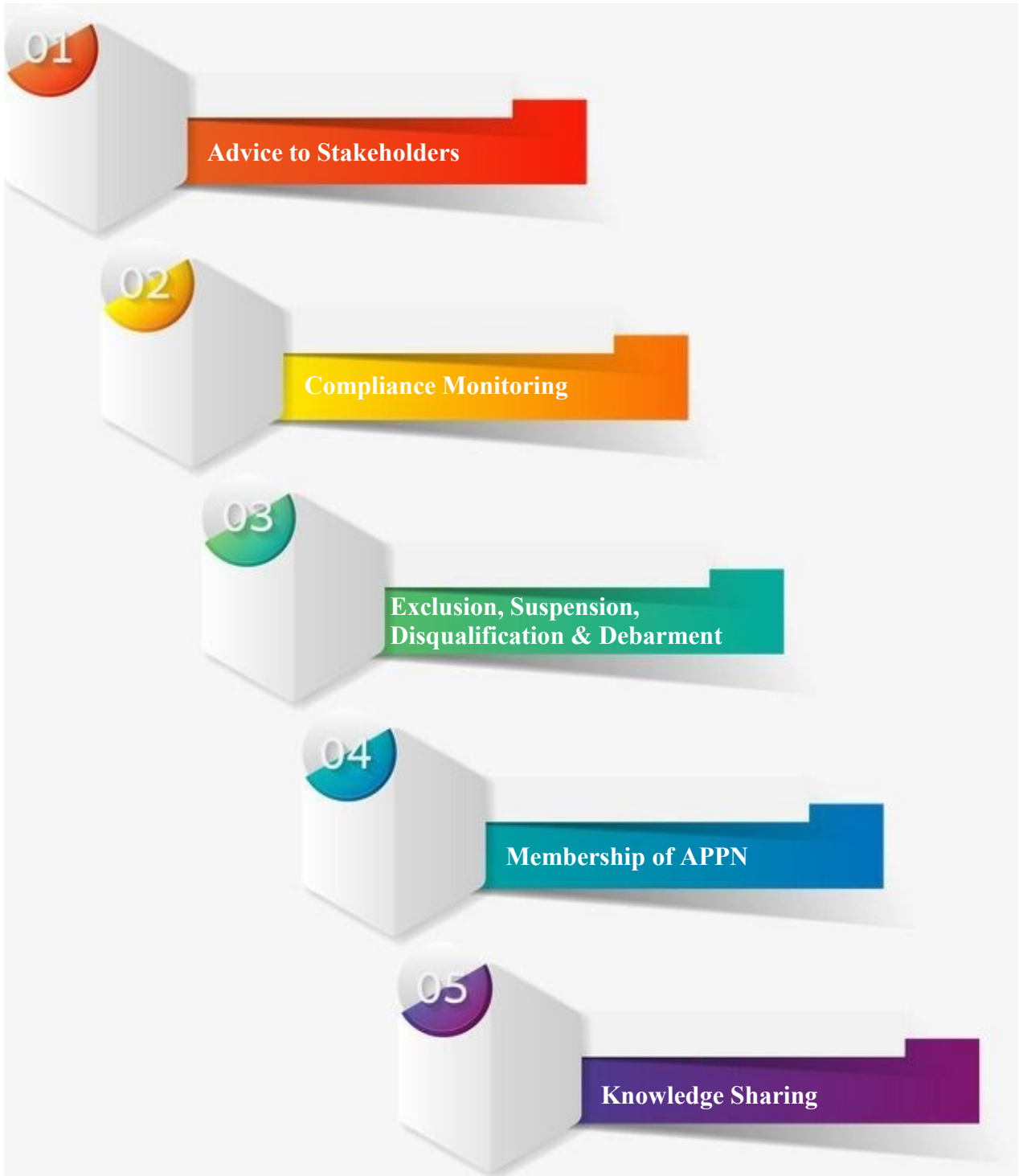
16.1 A list of projects undertaken under the PPP/BOT framework during the reported period is listed below:

| SN   | Title of Project  | Contracting Authority  |
|--|---|--|
| <b>PREPARATION OF REQUEST FOR PROPOSAL FOR TRANSACTION ADVISER OR TECHNICAL EXPERT</b> |   |  |
| 1  | Le Batelage, Ex-Sugar Storage, Bel Ombre  | Ministry of Arts and Cultural Heritage                                     |
| 2  | Supply, Installation, Commissioning, Operation and Maintenance of two Containerized Reverse Osmosis Desalination Plants | Rodrigues Regional Assembly (RRA)  |
| 3  | New Flacq Teaching Hospital – Phase 2   | Ministry of Health and Wellness  |
| 4  | Implementation of a Photovoltaic System at St Martin Wastewater Treatment Plant   | Wastewater Management Authority (WMA)                                      |
| <b>EVALUATION AND NEGOTIATION STAGE FOR TRANSACTION ADVISER OR TECHNICAL EXPERT</b>    |   |  |
| 5  | Fleet Management System   | Ministry of Land Transport and Light Rail                                  |
| 6  | Education House at Côte d'Or  | Ministry of Education, Tertiary Education, Science and Technology          |
| 7  | Student Accommodation Facility at Côte d'Or   | Higher Education Commission (HEC)  |
| <b>STRUCTURING/ FEASIBILITY STUDY STAGE</b>  |   |  |
| 8  | Construction of Technical Education Centre at Ebène ( <i>Ex - Sir Rampersad Neerunjun Training Centre</i> )             | Institute of Technical Education and Technology                            |
| 9  | Upgrading of La Nicolière Water Treatment Plant   | Central Water Authority (CWA)  |
| 10   | Modern Medical Warehouse at Côte d'Or   | Ministry of Health and Wellness  |
| 11   | National Health Laboratory Service Centre at Côte d'Or  | Ministry of Health and Wellness  |
| 12   | New state-of-the-art Cardiac Hospital at Côte d'Or, Mauritius   | Ministry of Health and Wellness  |
| 13   | New Victoria Hospital   | Ministry of Health and Wellness  |
| 14   | UTM Campus at Côte d'Or   | University of Technology Mauritius (UTM)                                   |
| 15   | New Roche Bois Pumping Station and Baie du Tombeau Treatment Plant  | Wastewater Management Authority (WMA)                                      |
| 16   | Restoration and Conservation of Ex-Beauguard Government School  | Ministry of Arts and Cultural Heritage                                     |
| 17   | Revamping of Professional Drivers Training Centre at Forest Side  | Mauritius Institute of Training and Development (MITD)/ Ministry of Labour |
| 18   | MIE Campus at Côte d'Or   | Mauritius Institute of Education (MIE)                                     |
| 19   | Academy of Design and Innovation Building at Côte d'Or  | Academy of Design and Innovation   |

| SN  | Title of Project  | Contracting Authority  |
|---|---|--|
| <b>PREPARATION OF REQUEST FOR PROPOSAL FOR PRIVATE PARTY</b>  |   |  |
| 20  | Construction of a Hall of Residence at Réduit - University of Mauritius | University of Mauritius (UOM)  |
| 21  | Construction of New PSEA Building at Côte d'Or                          | Private Secondary Education Authority (PSEA)   |
| 22  | Village des Artistes at Batterie de l'Harmonie                          | Ministry of Arts and Cultural Heritage   |
| <b>EVALUATION OF AND NEGOTIATION STAGE WITH PRIVATE PARTY</b> |   |  |
| 23  | Setting up and Operating a Used Tyres Processing Facility in Mauritius  | Ministry of Environment, Solid Waste Management and Climate Change (Solid Waste Management Division) |
| 24  | Setting up and operation of Sorting Units                               | Ministry of Environment, Solid Waste Management and Climate Change (Solid Waste Management Division) |

# PART D

## Interaction



## 17.0 Advice to Stakeholders

17.1 The PPO provides written advices to stakeholders and also organises meeting as and when required with public bodies and suppliers.

17.2 Over the past financial year 2022-2023, 251 written advices were provided to Ministries/ Departments, statutory bodies and stakeholders.

## 18.0 Compliance Monitoring in Public Bodies

18.1 Section 7A of the Public Procurement Act confers the following powers on the Procurement Policy Office:

- (a) request for such information, records and other documents as it may require from the Board or any public body;
- (b) examine such records or other documents; and
- (c) carry out procurement audit.

18.2 The Annual Plan for Procurement Audit for the year 2022/2023 was submitted to the Ministry of Finance, Economic Planning & Development. This was budgeted as Key Performance Indicator for this Office.

18.3 The Compliance Monitoring Unit of the PPO achieved the target of 12 out of 12 of the Procurement Audit. The outcome has been presented in a report and circulated to concerned public bodies with recommendations.

## 19.0 Exclusion, Suspension, Disqualification and Debarment

19.1 The public procurement is one of the most vulnerable government operations, it must be carried out with the utmost transparency and ensuring that the best value for money is obtained.

19.2 In this context, the Procurement legislation provides for sanctions that may be taken against defaulting bidders and suppliers. The sanctions are as follows:

- **Exclusion**

Pursuant to Section 35(1A) (a) of the Public Procurement Act (PPA) 2006, a public body may exclude a bidder from participating in a bidding exercise. The public body shall set up a Performance Review Committee (PRC) to monitor and assess the performance of the contractor. Based on previous cases where the contractor has defaulted and where the public body has suffered prejudice from the poor performance of the said contractor, the latter may be excluded from participating in any bidding exercise launched by the said public body for a period not exceeding six months. Directive 35 and 64 provide more clarity in the applicable procedure.

- **Suspension, Debarment and Disqualification**

S53 of the PPA 2006 provides a list of grounds under which a bidder/supplier may be suspended, debarred or disqualified. Upon receipt of a proposal for suspension, debarment and disqualification of a bidder/supplier from a public body, the Director of PPO scrutinizes the application to ensure that the ground mentioned is justified. Contrary to exclusion, when a bidder/supplier is debarred or disqualified, it will not be allowed to participate in any procurement activity during its period of ineligibility as provided under the law. Section 53(1) (a-g) provides for grounds for debarment while S533(f-k) are grounds for disqualification. For more information, the Public Procurement (Suspension and Debarment) Regulations 2008 and Public Procurement (Disqualification) Regulations 2009 may be consulted from the website of this Office.

19.3 It is also to be note that suspension is only a temporary measure, pending the completion of the debarment/disqualification period. The Director of the Policy Office has a delay of 50 days from the issue of the Notice within which he has to deliberate in the matter. In the event, a supplier/bidder is debarred or disqualified, same is gazetted, published on the PPO website and an alarm is raised through a Circular issued by this Office to inform all Public Bodies of the name of the defaulting bidder/supplier and its ineligibility period from participating in any public procurement.

## 20.0 Annual General Assembly of the African Public Procurement Network (APPN)

20.1 APPN is an association regrouping some 54 African Countries. The 2<sup>nd</sup> Annual General Meeting was held in Eswatini from 14 to 17 November 2022. As Mauritius had already been assessed using the Methodology for Assessing the Procurement System (MAPS) and the report was submitted for technical evaluation, a representative of PPO was invited to participate as a panelist on the theme, “*The value of MAPS to enhance Public Procurement Systems*” together with representatives from Malawi, Rwanda, Tanzania and the Head of MAPS initiatives. Mr B. Dabeesing from the PPO participated as panelist.

## 21.0 Knowledge Sharing

### Communication and Cooperation with International Bodies on Procurement Matters

**21.1 The Annual Public Procurement Conference was organised by the Public Procurement Regulatory Authority of Zimbabwe from 18 to 20 October 2022.**

21.1.1 Mr B. Dabeesing and Mr A. Mudhoo were invited as guest speakers at the Conference held in Harare.

21.1.2 The topic allocated to them were:

- “*Reducing bid challenges*” (presented by Mr Mudhoo) ; and
- “*Mauritius e-Government Procurement Journey and Eastern and Southern Africa (ESA5) & European Union (EU) Interim Economic Partnership Agreement Negotiations*” (presented by Mr Dabeesing).







## 21.2 Training on Anti-Collusion in Public Procurement organized by International Law Enforcement Academy (ILEA)

21.2.1 Mr B. Dabeesing and W. F. Kwong Waye attended a training course of 5 days in Anti-Collusion in Public Procurement in Gaborone, Botswana from March 6, 2023 - March 10, 2023. The training was provided by the U.S. Department of State's International Law Enforcement Academy (ILEA).

21.2.2 The objective of the course was to provide strategies and tools for participants to identify collusive conduct and detect and deter bid rigging in public procurement. The course involved practical exercise and instruction based on the working experience of the Department of Justice (DOJ) with procurement agencies across the world. The course subject matter was facilitated by experts from the DOJ.

## Visit of Foreign Delegations

### 21.3 Study visit of the Delegation from the Republic of Comoros

21.3.1 A delegation of five Officials from the Republic of Comoros visited the PPO on Monday, 29 July 2022 with the aim of having an overview of the public procurement system in Mauritius. During the visit, they were given the opportunity to follow a demo presentation of the system.

21.3.2 The team met representative from the CPB, the MOFEPD and the IRP, with a view to have a better understanding of our public procurement system.

### 21.4 Study visit of the Delegation of Zimbabwe at the Procurement Policy Office

21.4.1 A delegation of five Officers from the Procurement Regulatory Authority of Zimbabwe (PRAZ) visited the PPO from 27 to 28 Feb 2023.

21.4.2 The aim of the visit was to have an insight of the e-Procurement system of Mauritius. A demo of the e-Procurement system was organised for that purpose.

21.4.3 The delegates also visited the CPB, the MOFEPD and the IRP with a view to have a better understanding of our public procurement system.

# PART E

## Future Projects

ESA5 / EU Negotiations

1

Mauritius – United Arab Emirates (UAE)  
Comprehensive Partnership Agreement

2

## 22.0 ESA5 / EU Negotiations



### Trade Negotiations between the EU and Five Eastern and Southern Africa (ESA-5) Countries for the Deepening of the currently implemented Economic Partnership Agreement

22.1 The ESA-EU interim Economic Partnership Agreement (iEPA hereby also referred to as "Agreement") has been provisionally applied by four signatory countries (Madagascar, Mauritius, Seychelles and Zimbabwe) since May 2012. On 28 July 2017, Comoros also signed the Agreement. This Agreement remains open to other countries willing to join at a later stage.

22.2 The purpose of this paper is to present the agreed joint orientations for deepening the scope of this Agreement.

22.3 Article 53 of the Agreement provides for continuing negotiations in accordance with Article 3 of the Agreement with a view to concluding a full and comprehensive EPA. EPAs are primarily development-oriented agreements. The four ESA signatory countries are developing progressively and after almost eleven years of implementing the Agreement, they are willing and able to support a higher level of ambition for their trade partnership with the EU. They have therefore requested for the Agreement to deepen certain current commitments and cover more issues with a view to an improved relationship with the EU based on mutual interests.

22.4 The rationale behind proceeding to the deepening of the Agreement is that this would boost bilateral trade and investment flows and thereby contribute to the creation of jobs and further economic growth in the ESA partners while promoting their sustainable development

22.5 It is proposed to include a full chapter on Public Procurement with a view that the negotiations shall focus on cooperation on transparency and the inclusion of provisions on transparency is crucial to strengthen the fight against corruption. The Chapter will include provisions introducing basic principles and minimum transparency rules regarding public procurement based on internationally recognized rules on transparency. The negotiations will also address the possibility of exchanging best practices in public procurement.

22.6 The next round of negotiations is schedule for early next March 2024.

## 23.0 Mauritius – United Arab Emirates (UAE) Comprehensive Partnership Agreement

23.1 Following Government approval, Mauritius will pursue discussion with the UAE for the conclusion of a free trade area. Subsequently, based on a ToR forwarded by the UAE, containing proposed principles and methodology for the negotiation for a comprehensive economic partnership agreement (CEPA) and the scope and coverage thereof. This Office is engaged in the discussion on the public procurement chapter to be included in the agreement.

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