



Public Procurement & Contract Administration Engineer's Week 2023

Andrei W. Bennett, Ministry of Finance and the Public Service

Agenda

- i. Brief introduction
- ii. Idea 1- Public Procurement Data- Big data and big analysis
- iii. Idea 2- Flexibility, Adaptability or Obsolescence? – The case for common sense and
- iv. Idea 3- System on a mission? – The case for continuous reform

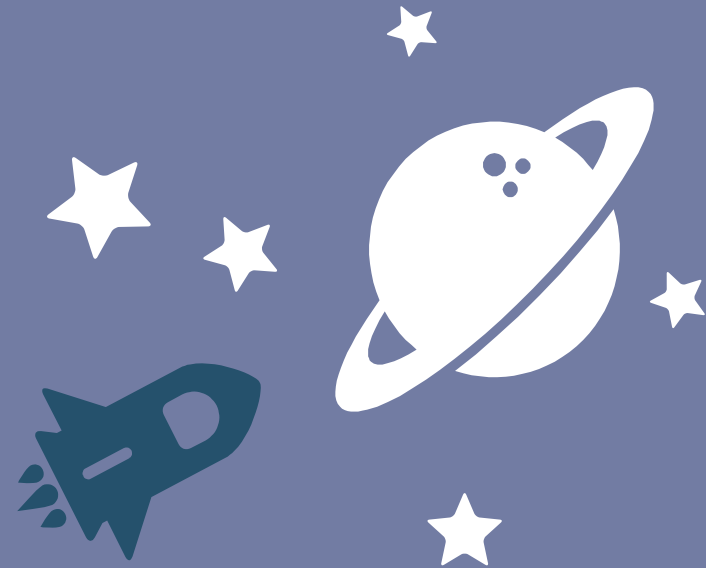


A story

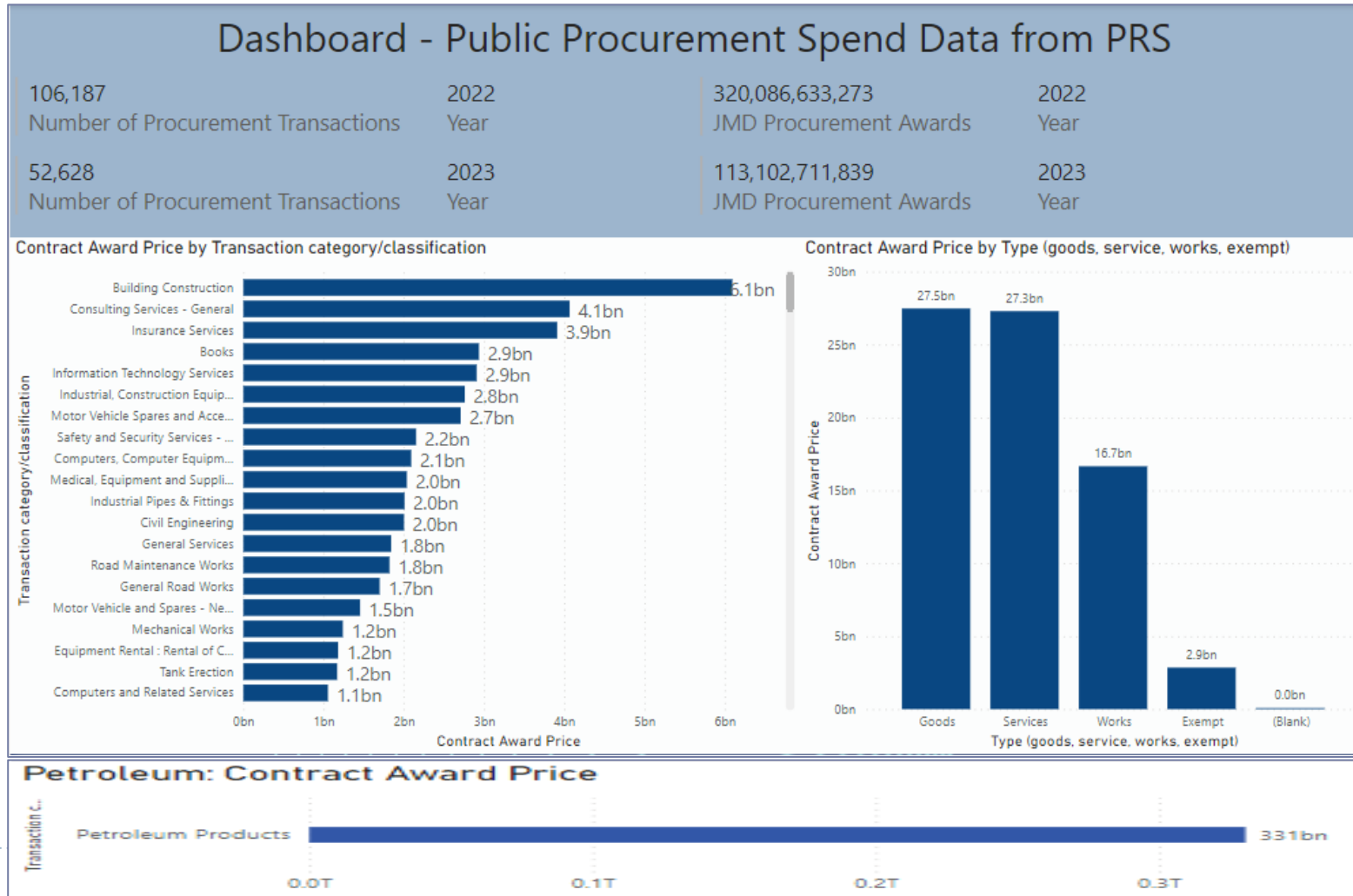


Idea 1

Big Data Big
Analysis



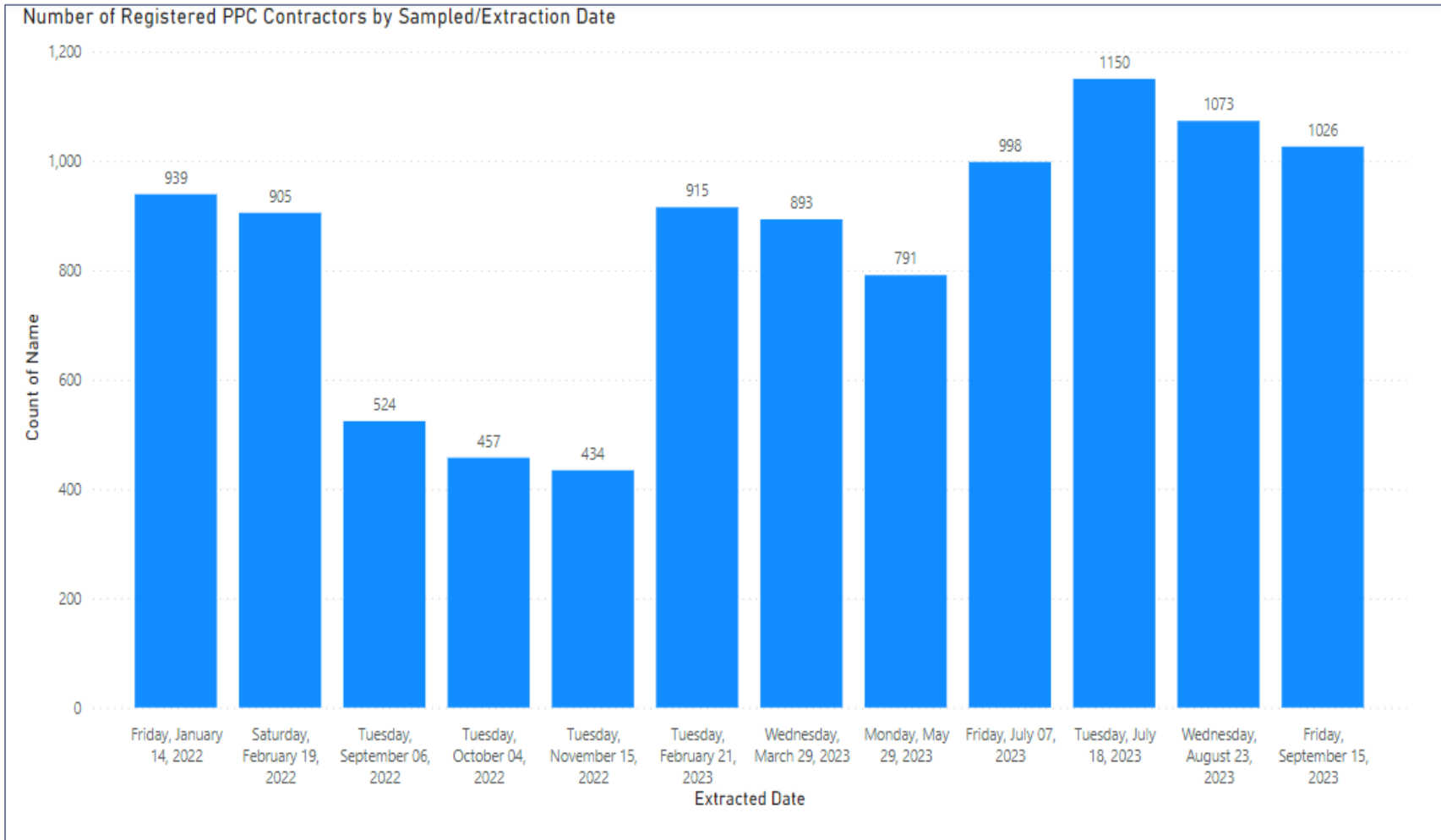
Total Spend by Year: 2022-2023



- ▶ J\$320 bn 2022 & J\$113 bn 2023 include petroleum spend.
- ▶ Charts 1 & 2 exclude petroleum for better spend visualization.
- ▶ Petroleum seen in stand alone chart 3.

Trend in Registered Contractors with the PPC

Source: PPC's published list of registered contractors.



Based on data sampled: on average there are 826 registered suppliers available to contract above the required thresholds.

Top 5 Technical/Engineering Related Contract Categories, based on JMD Values Awarded

Category Type	Categories
Goods	Computers, Computer Equipment, Parts & Supplies
Goods	Industrial Pipes & Fittings
Goods	Industrial, Construction Equipment, Machinery, Parts & Supplies
Goods	Motor Vehicle and Spares - New Car
Goods	Motor Vehicle Spares and Accessories
Services	Computers and Related Services
Services	Equipment Maintenance: Repair & Maintenance of Construction & Industrial Equipment & Tools
Services	Equipment Rental : Rental of Construction & Industrial Equipment & Tools
Services	Information Technology Services
Services	Telecommunication Services
Works (grades 1-4) categories	Building Construction
Works (grades 1-4) categories	Civil Engineering
Works (grades 1-4) categories	General Road Works
Works (grades 1-4) categories	Mechanical Works
Works (grades 1-4) categories	Road Maintenance Works

Health/Medical Related Categories

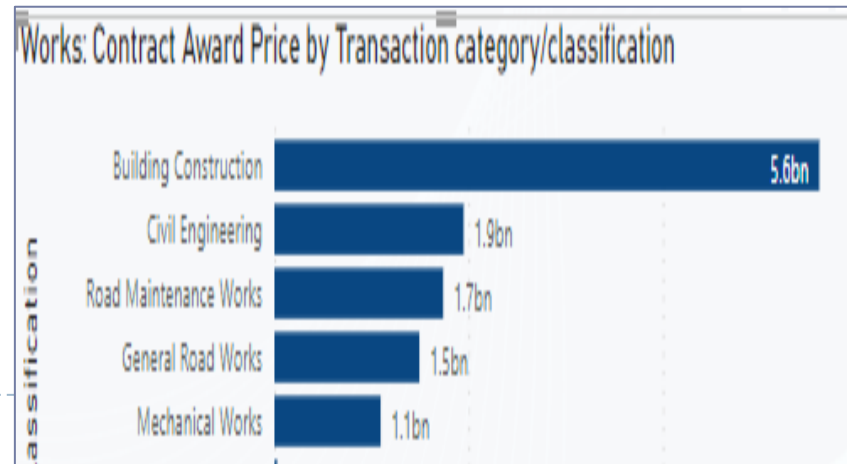
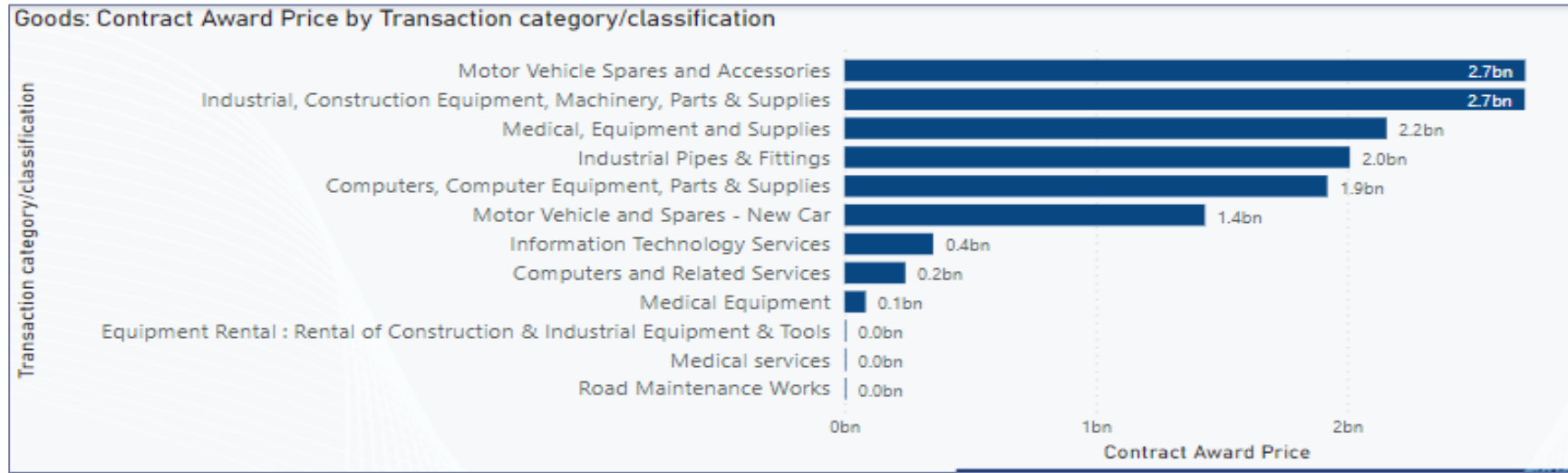
Category Type	Categories
Goods	Medical, Equipment and Supplies
Services	Environmental & Occupational Health & Safety Services
Works (grades 1-4) categories	Medical Equipment
Exempt	Medical services



Technical & Health Related Spend Accounts for 10% of Sampled Procurement Spend

Categories	Contract Award Price	Contract Award Price, as % of Total Spend Measured
Building Construction	\$ 5,916,120,179	1.8%
Information Technology Services	\$ 2,901,866,354	0.9%
Motor Vehicle Spares and Accessories	\$ 2,726,878,742	0.9%
Industrial, Construction Equipment, Machinery, Parts & Supplies	\$ 2,715,658,920	0.8%
Medical, Equipment and Supplies	\$ 2,167,755,316	0.7%
Computers, Computer Equipment, Parts & Supplies	\$ 2,038,404,270	0.6%
Industrial Pipes & Fittings	\$ 2,009,971,080	0.6%
Civil Engineering	\$ 2,006,646,884	0.6%
Road Maintenance Works	\$ 1,817,495,561	0.6%
General Road Works	\$ 1,507,428,258	0.5%
Motor Vehicle and Spares - New Car	\$ 1,435,017,148	0.4%
Mechanical Works	\$ 1,243,814,684	0.4%
Equipment Rental : Rental of Construction & Industrial Equipment & Tools	\$ 1,177,432,867	0.4%
Computers and Related Services	\$ 998,608,020	0.3%
Telecommunication Services	\$ 572,587,522	0.2%
Equipment Maintenance: Repair & Maintenance of Construction & Industrial Equipment & Tools	\$ 197,508,120	0.1%
Medical services	\$ 87,883,163	0.0%
Medical Equipment	\$ 83,950,414	0.0%
Environmental & Occupational Health & Safety Services	\$ 4,158,889	0.0%
Total	\$ 31,609,186,391	9.9%

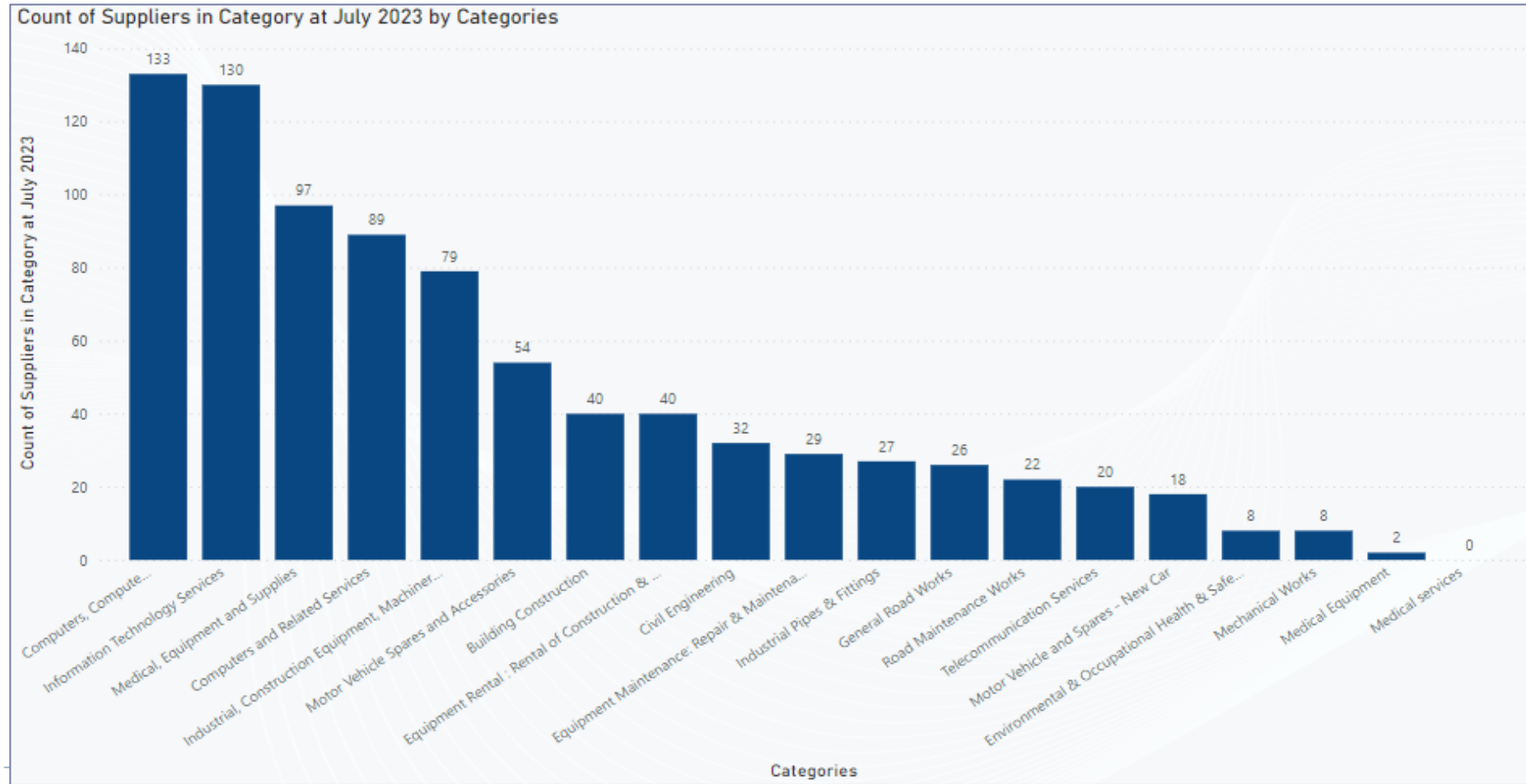
Spend by Category: Technical & Health Related Spend



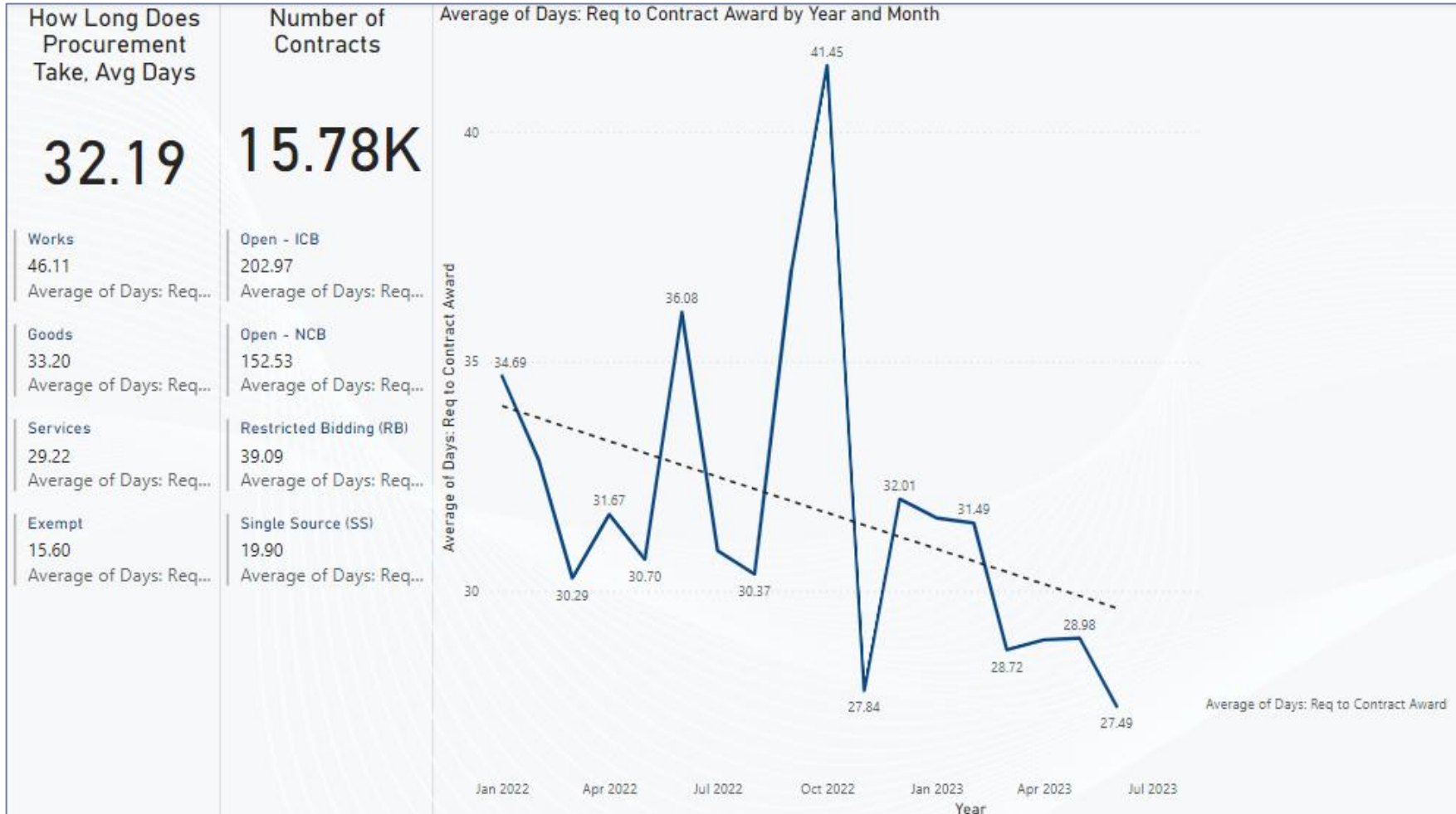
This dashboard shows the trend, considering:

- ▶ Top 5 spend technical spend categories for goods, works and services.
- ▶ Health/Medical related contracts.

Contractor Registration for Participation, at Jul 2023: Technical & Health Related Spend

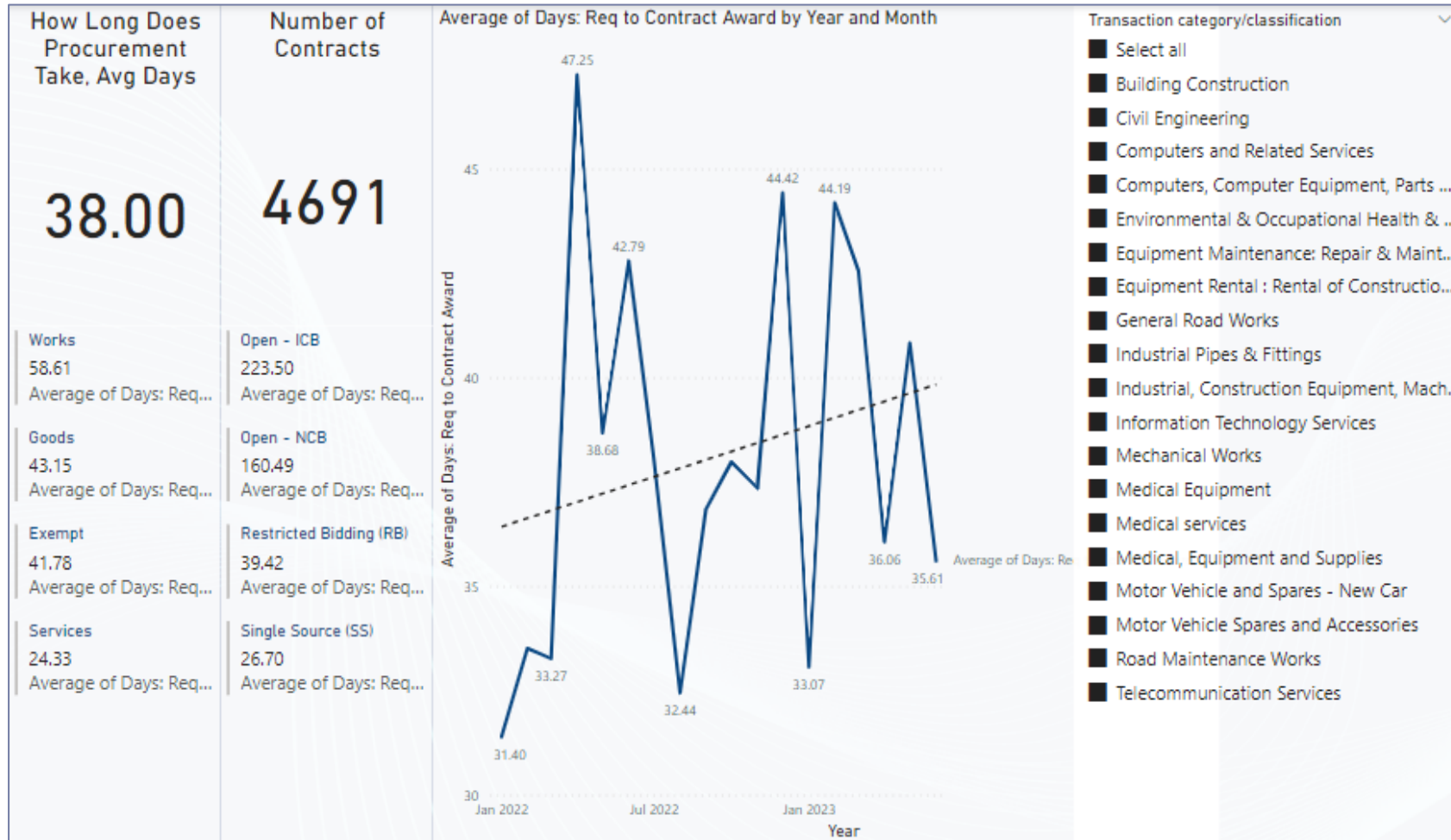


Transaction Turnaround: Date Requisition Received to Contract Award Date



- ▶ 2023 has seen an improvement, declining from average 32.96 (2022) days to 29.82 days (2023).
- ▶ Chart represents average turnaround all measurable contracts.

Transaction Turnaround: Date Requisition Received to Contract Award Date (subset)

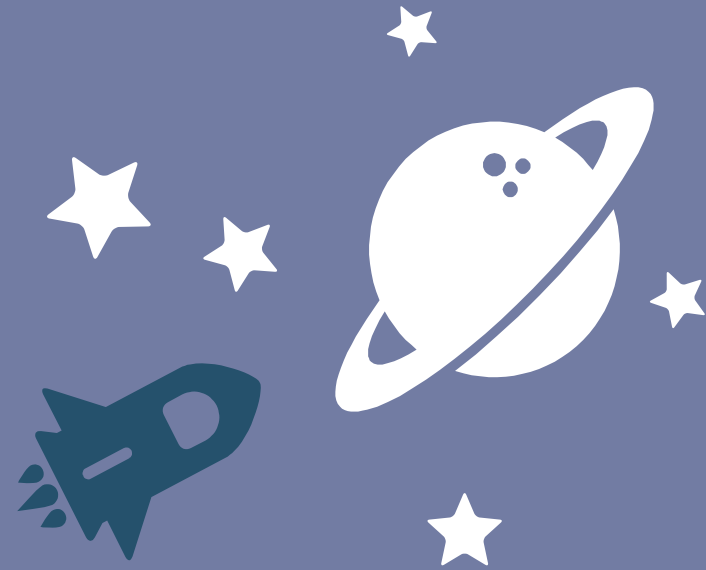


This dashboard shows the trend, considering:

- ▶ Top 5 spend technical spend categories for goods, works and services
- ▶ Health/Medical related contracts.

Idea 2

Common sense and
Professionalisation



(Objectives) Goals of Public Procurement (See Section 5 of The Public Procurement Act 2015)

Economy & Efficiency



Utilising resources in a proportionate manner and eliminating waste

Economic Development



Environment that enables and facilitates commercial activity, leading to increased local productivity

Value for money



- adequacy of the subject matter
- Best possible contract terms (may not be lowest price!)
- Capability of supplier

Integrity and Public Confidence



- Ensuring contracts are awarded without bias
- Ensuring taxpayer funds are not used to finance criminal enterprise

Fostering transparency



Openness and clarity in procurement

Encouraging participation



Implementing systems and procedures to generate supplier interest in government contracts

Promoting competition



Including as many suppliers as practicable and possible when deciding to raise a new contract

Fair and equitable treatment



- Ensures that no irrelevant distinction is made between suppliers who desire to participate in public procurement
- Provides fair opportunity for supplier to challenge decisions

Enabling MSMEs



Special measures to assist disadvantaged economic actors to earn government contracts



Flexibility, adaptability- Three tensions

1. Economic efficiency against so-called equal treatment constraints...
2. Short term benefit against life-cycle costing
3. Design specifications against performance and functional specifications



Flexibility, adaptability- Professionalisation

Ethical conduct

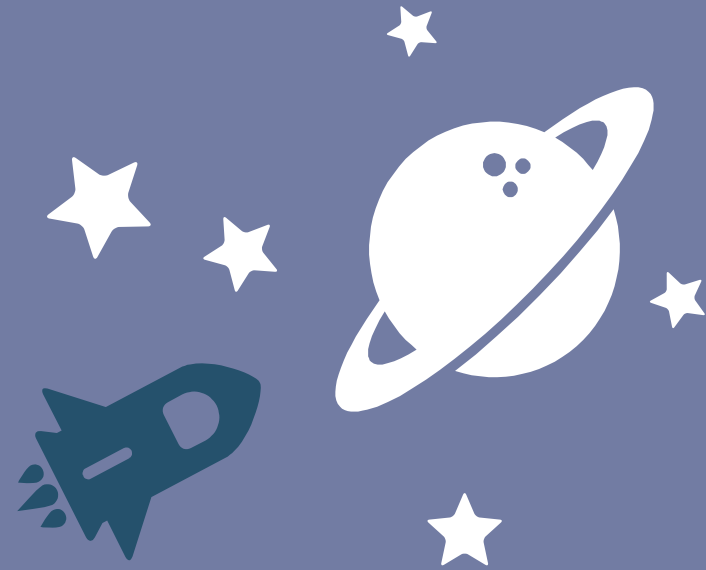
Systematic theory

Dedicated authority



Idea 3

We must not be
deterred



Continuous reform

- ▶ The people
- ▶ The process-
- ▶ The IT systems- Electronic procurement etc.



Questions?

