Developing Special Handbooks & Guidelines

for Procurement, Retention and Disposal of Public Property

Presenters: Procurement Regulator and Team

Date: 30th November, 2021

1. Opening Remarks

AGENDA

1. Welcome, Introduction & Opening Remarks
2. Q & A Session
3. Setting the Context for Developing Handbooks and Guidelines
   - ✓ The Importance of Public Procurement: A Global Perspective
   - ✓ Public Procurement Reform: The Trinidad and Tobago Journey
   - ✓ New Philosophical Approaches
   - ✓ A Paradigm Shift
4. General Handbooks and Guidelines
5. Developing Special Handbooks and Guidelines
6. Some Helpful Pointers
7. Responses to Queries Raised by Public Bodies
8. Trivia (competition)
9. Closing Remarks

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2. Q & A Session

Trivia - Quiz

- **Why** do governments procure goods, works and services?
- **What** are some of the risks involved in public procurement?
- **What** are some of the risks involved in the retention and disposal of public property?

3. Setting the Context for Handbooks & Guidelines -

- The importance of Public Procurement: *A Global Perspective*
- Public Procurement, Retention & Disposal of Public Property Reform: *The Trinidad and Tobago Journey*
- New Philosophical Approaches
- A Paradigm Shift

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The Importance of Public Procurement:

A Global Perspective

Public Procurement, Retention and Disposal of Public Property – Why is this Topic so Important

- Governments are big spenders
  - Globally – 12% of GDP
  - Trinidad and Tobago – 32% of national budget ($18Bn)
- Corruption – National losses
- United Nations Convention against Corruption (UNCAC)

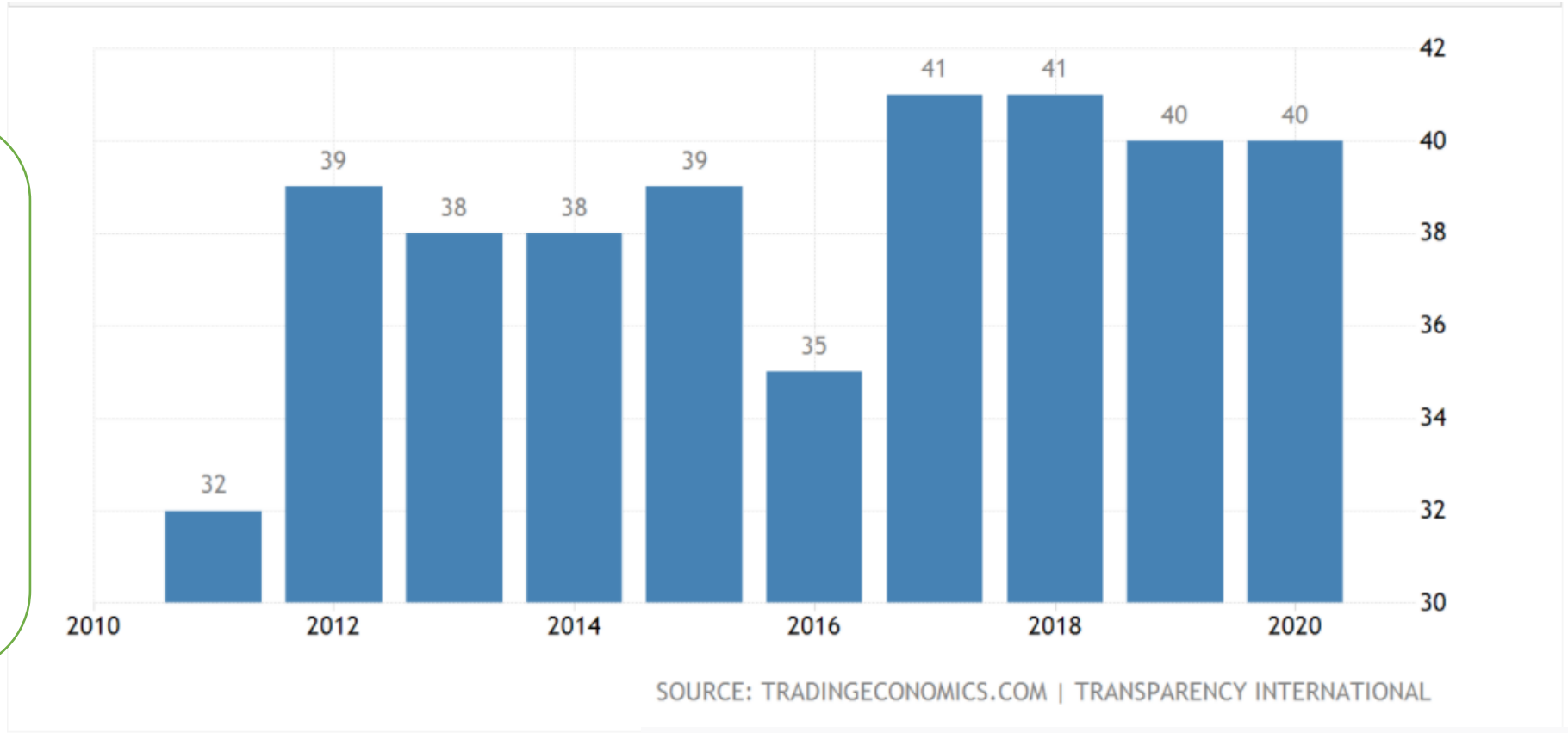
Trinidad and Tobago Corruption Perception Index

(perceived level of public sector corruption)

2020

Rank (86/180),

Score (40/100)



https://tradingeconomics.com/trinidad-and-tobago/corruption-index

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Public Procurement, Retention & Disposal of Public Property Reform:

The Trinidad and Tobago Journey

Recapping the Journey of Public Procurement, Retention & Disposal of Public Property Reform

CTB Act (1961) as amended

MoF's Guidelines for the State Sector (2011)

White Paper on Procurement Reform (2005) – Weaknesses and Limitations

Joint Select Committee Consideration of Legislative Proposals (2010)

PP&DPP Act 2015 – Accession and Partial Proclamation

Draft Handbook, Special Guidelines and Training by UNDP (2015 – 2017)

Appointment of the OPR Board and Establishment of the Office

(January 2018)

Development of the Regulations and Stakeholder Engagements (2018)

FULL PROCLAMATION & IMPLEMENTATION

(2022 …)

The New System of Public Procurement, Retention & Disposal of Public Property

- Incorporates procurement, retention and disposal of public property (real and personal)
- Independent Office of Public Procurement Regulation (reportable only to Parliament)
- 'Named' Procurement Officer in every public body (responsible for procurement and disposal)
- Principle-based Approach (Objects of the Act) – (*Considerations include organisational need; characteristics of the goods, works or services required; estimated value; market conditions*)
- Greater degree of transparency and accountability (*procurement depository; published listing of pre-qualified contractors and suppliers and ineligible listing; APP, Property Disposal Planning & Strategy Development,(DP&SD), ASPPA, APPR; publication of contract awards and framework agreements; standstill period; challenge proceedings*)

Public Procurement Reform – A Global Phenomenon

Drivers

- Globalisation
- National development
- Technology

Governing Bodies	UNCITRAL Model Law - 2011
Multi-lateral Funding Agencies	Inter-American Development Bank - 2020
International	- India - 2017 - Brazil – 2021 - Australia - 2021
Regional	- Guyana - 2019 - Jamaica – 2018 - Bermuda - 2017

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Public Procurement, Retention & Disposal of Public Property Reform:

New Philosophical Approaches

Philosophical Approaches (1)

From

- Policy objectives are **implicit** in the regulations governing public procurement & disposal transactions.

To

- Policy objectives for public procurement & disposal are **explicit**.

Adopted from the Draft Procurement and Disposal Handbook, 2015 (pp 8-14) developed for the Government of the Republic of Trinidad and Tobago by Christin Tonkin of behalf of the UNDP.

Philosophical Approaches (2)

From

- **Compliant application of regulated procedures** to each procurement & disposal transaction results in achievement of the public policy objectives.

To

- **Strategy, policies, procedures, systems and practices** applied to organisational effort and to category and transactional management are crafted to support the achievement of the policy objectives.

C A P A C I T Y

Adopted from the Draft Procurement and Disposal Handbook, 2015 (pp 8-14) developed for the Government of the Republic of Trinidad and Tobago by Christin Tonkin of behalf of the UNDP.

Philosophical Approaches (3)

From

- The same **fundamental procedures** can be applied with equal efficacy across all procurement transactions.

To

- The approach to be taken to each procurement action depends on the objectives to be achieved and the actual supply risks that are identified.

Adopted from the Draft Procurement and Disposal Handbook, 2015 (pp 8-14) developed for the Government of the Republic of Trinidad and Tobago by Christin Tonkin of behalf of the UNDP.

Philosophical Approaches (4)

From

- The compliant application of competitive procedures drives supply markets to be competitive and responsive.

To

- Competition and responsiveness to solicitations are a function of the operations of supply markets.

Adopted from the Draft Procurement and Disposal Handbook, 2015 (pp 8-14) developed for the Government of the Republic of Trinidad and Tobago by Christin Tonkin of behalf of the UNDP.

Philosophical Approaches (5)

From

- Supply & demand markets are generally competitive in nature.

To

- Supply & demand markets vary in the extent to which they are competitive.

Adopted from the Draft Procurement and Disposal Handbook, 2015 (pp 8-14) developed for the Government of the Republic of Trinidad and Tobago by Christin Tonkin of behalf of the UNDP.

Philosophical Approaches (6)

From

- Stakeholder influences are neutralised through the compliant application of regulated procedures.

To

- Stakeholder needs, issues are actively identified and their influences managed.

Adopted from the Draft Procurement and Disposal Handbook, 2015 (pp 8-14) developed for the Government of the Republic of Trinidad and Tobago by Christin Tonkin of behalf of the UNDP.

Philosophical Approaches (7)

From

- The procurement effort of an entity is represented by the sum of all procurement transactions.

To

- The procurement effort of the entity is represented by all the categories of goods and services that are procured.

Adopted from the Draft Procurement and Disposal Handbook, 2015 (pp 8-14) developed for the Government of the Republic of Trinidad and Tobago by Christin Tonkin of behalf of the UNDP.

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Public Procurement, Retention & Disposal of Public Property Reform:

A Paradigm Shift

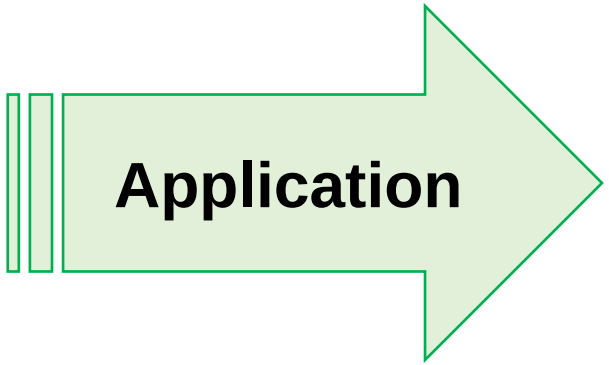
Paradigm Shift: New approaches

- Philosophical approach
  - Prescriptive to principle
    - Accountability, integrity, transparency, value for money, efficiency, fairness, equity and public confidence, local industry development, sustainable procurement & disposal, sustainable development
- Organisation structure
  - ‘Named’ Procurement Officer, Disposal Committee, PDAC
- Strategies
  - Price estimate only, to inclusion of supply/disposal market analysis
- Operational approach
  - Ad hoc /amorphous to strategic planning, monitoring & control, reporting, continuous improvement (APP, ASPPA, APPR, DP&SD)
- Governance perspective
  - Greater degree of transparency and accountability
    - Record keeping, challenge proceedings

Practical changes to Public Procurement, Retention and Disposal of Public Property (1)

From

- CTB Act & SEPMM focused on **tendering, evaluation and award**.



To

- PP&DPP Act covers the four stages of procurement proceedings: **planning, tendering, evaluation and award, contract management to close-out**, as well as **retention** and **disposal** of public property.

New Approaches to Public Procurement, Retention and Disposal of Public Property (2)

From

- **Promote the principles of**
  a) Accountability
  b) Integrity
  c) Transparency
  d) Value for Money
  e) Efficiency
  f) Fairness
  g) Equity
  h) Public Confidence

Implied

Objectives

To

- **Promote the principles of**
  a) Accountability
  b) Integrity
  c) Transparency
  d) Value for Money
  e) Efficiency
  f) Fairness
  g) Equity
  h) Public Confidence
  i) Local Industry Development
  j) Sustainable Procurement & Disposal
  k) Sustainable Development

Expressed

New Approaches to Public Procurement, Retention and Disposal of Public Property (3)

From

- Board of Directors
- Tenders Committee
- Central Tenders Board
- Ministerial Tenders Committee
- Permanent Secretaries

Responsible party

To

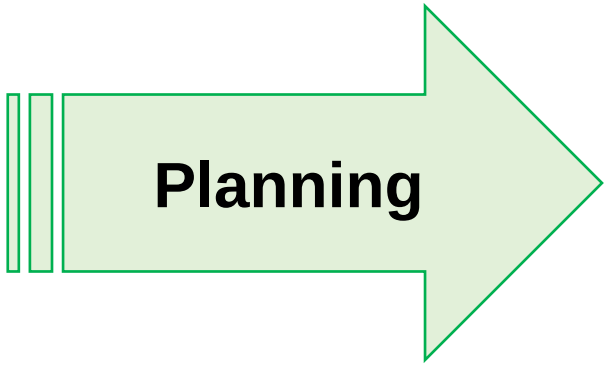
- Accounting Officer
  - **(Exchequer & Audit Act)**
- ‘Named’ Procurement Officer
  - **(Section 61, PP&DPP Act)**

Adopted from the Draft Procurement and Disposal Handbook, 2015 (pp 8-14) developed for the Government of the Republic of Trinidad and Tobago by Christin Tonkin of behalf of the UNDP.

New Approaches to Public Procurement, Retention and Disposal of Public Property (4)

From

- Ad hoc and/or ‘urgent’ procurements/ disposals
- Individual procurement/ disposal transactions



To

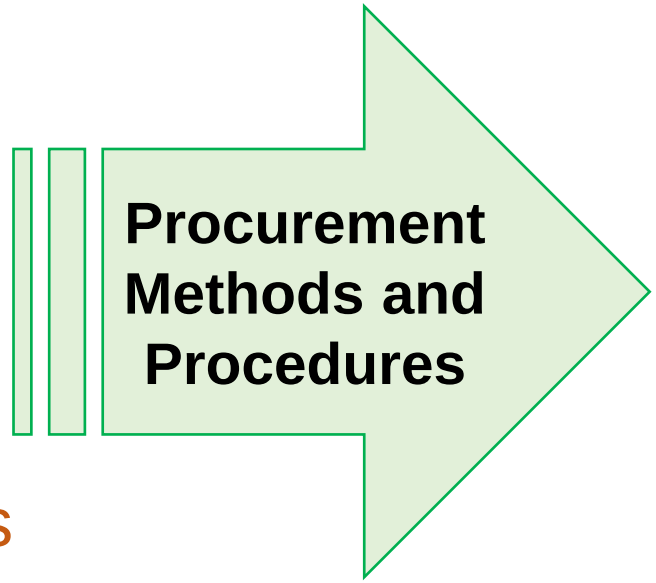
- Strategic level
- Operational level

Adopted from the Draft Procurement and Disposal Handbook, 2015 (pp 8-14) developed for the Government of the Republic of Trinidad and Tobago by Christin Tonkin of behalf of the UNDP.

New Approaches to Public Procurement, Retention and Disposal of Public Property (5)

From

- Open/Public
- Restricted/Selected
- Single & Sole Source
- Invitation for bids
- Request for Proposals
- Request for Quotations



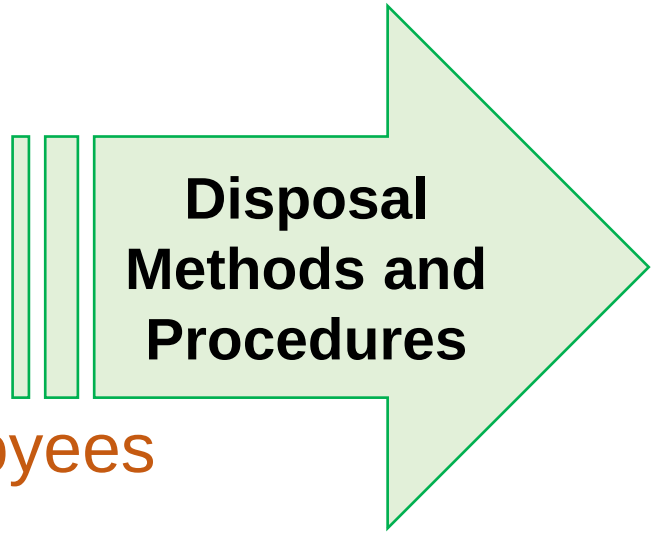
To

- Open/Public
- Restricted/Selected
- Single & Sole Source
- Two-stage bidding
- Invitation for bids
- Request for Proposals
- RFP with dialogue
- RFP with consecutive negotiations
- Request for Quotations

New Approaches to Disposal of Personal Public Property (6)

From

- Sell
- Donate
- Destroy
- Repair
- Disposal to employees (CTB)



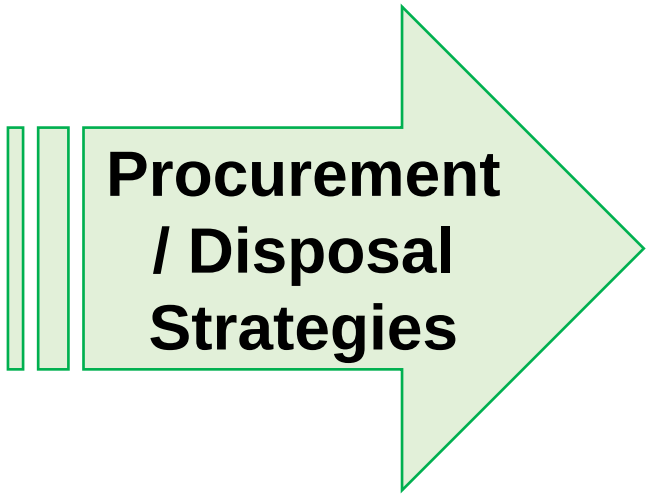
To

- Recycle
- Cannibalise/ Reuse
- Public Sale
- Public Tender
- Donate
- Destroy/ Dump
- Public Auction
- Trade-In
- Transfer
- Selling to Employees

New Approaches to Public Procurement, Retention and Disposal of Public Property (7)

From

- Driven only by estimated price for goods, works, services
- Considering only book value for disposal value



To

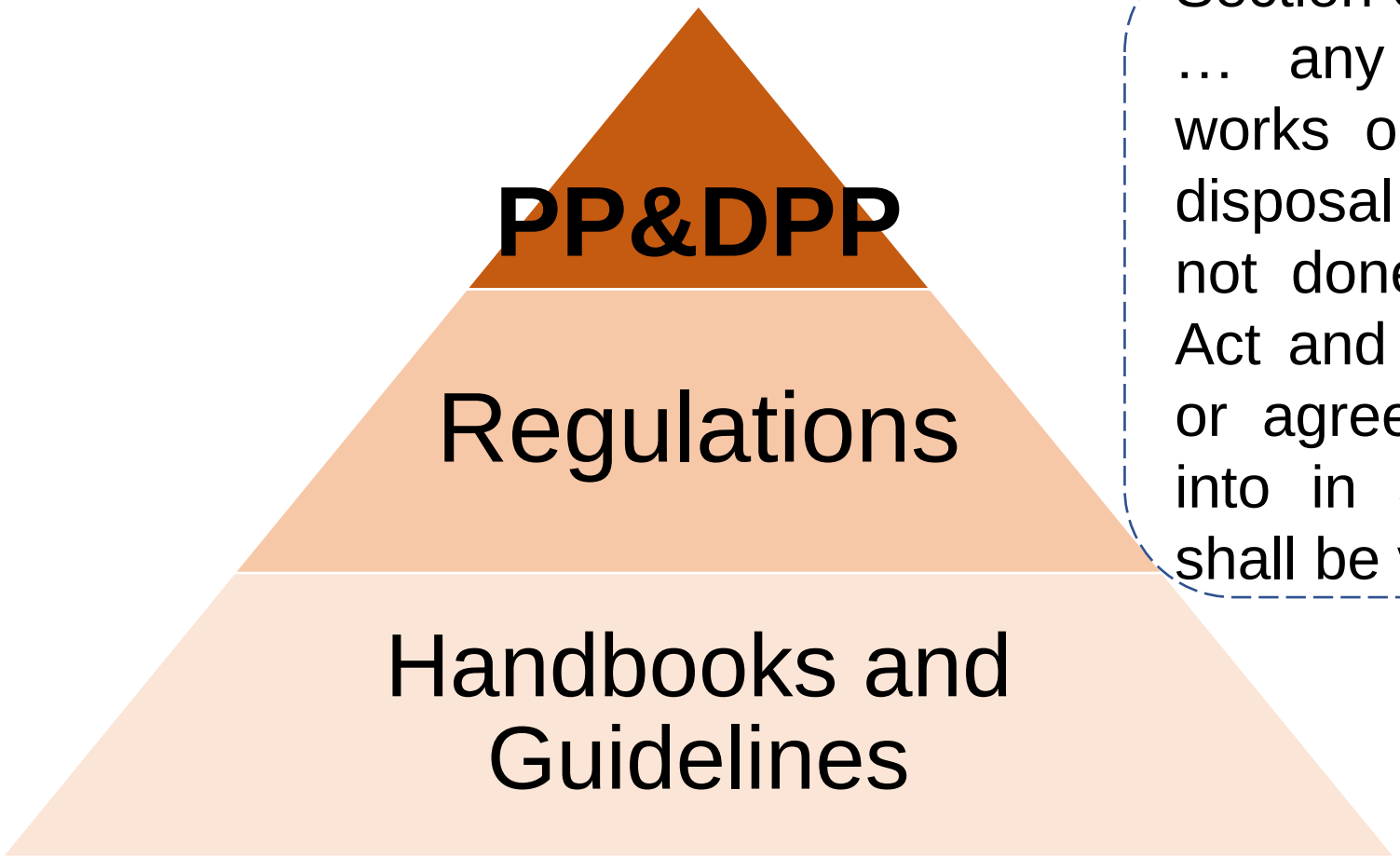
- Procurement portfolio management (Price & Market Conditions)
  - Risk-based approach
  - High-risk/high-value
  - Low-risk/low-value
  - Contract management strategies
  - Disposal Value – book value, current market value, replacement cost, acquisition cost etc.

4. General Handbooks & Guidelines

Discussion Items

1. Legal Structure & Relevant Sections of the Act
2. Understanding the Procurement ‘House’
3. Procedural Forms and Forms of Contract
4. Review of Comprehensive Handbook
5. Special Handbooks & Guidelines

Legal Structure



Section 6. (1)
… any procurement of goods, works or services or retention or disposal of public property that is not done in accordance with this Act and any procurement contract or agreement that is not entered into in accordance with this Act shall be void and illegal.

Authority of the OPR

Section 13 (1) (c), (d), (e), (p) (Procurement, Retention & Disposal of Public Property)

13 (1) (c) issue and review

- Guidelines; including model guidelines for special guidelines under sections 30(1)(b) and 54(1)(b)

13 (1) (d) prepare, update and issue

- Model handbooks, specialised bidding documents, procedural forms and relevant documents for use …

13 (1) (p) create and publish

- Standard form contracts

13 (1) (e) approve

- Each procuring entity's special guidelines and handbooks

Responsibility of the Public Body

Sections 30 and 54 (Procurement, Retention & Disposal of Public Property)

30 (1) Comply with

- General Guidelines and Special Guidelines issued by the OPR

30 (2) (b) Identify exceptions or indicate exemptions

- To the General Guidelines issued by the OPR

54 (2) (b) Prepare

- Special Guidelines for approval by the OPR

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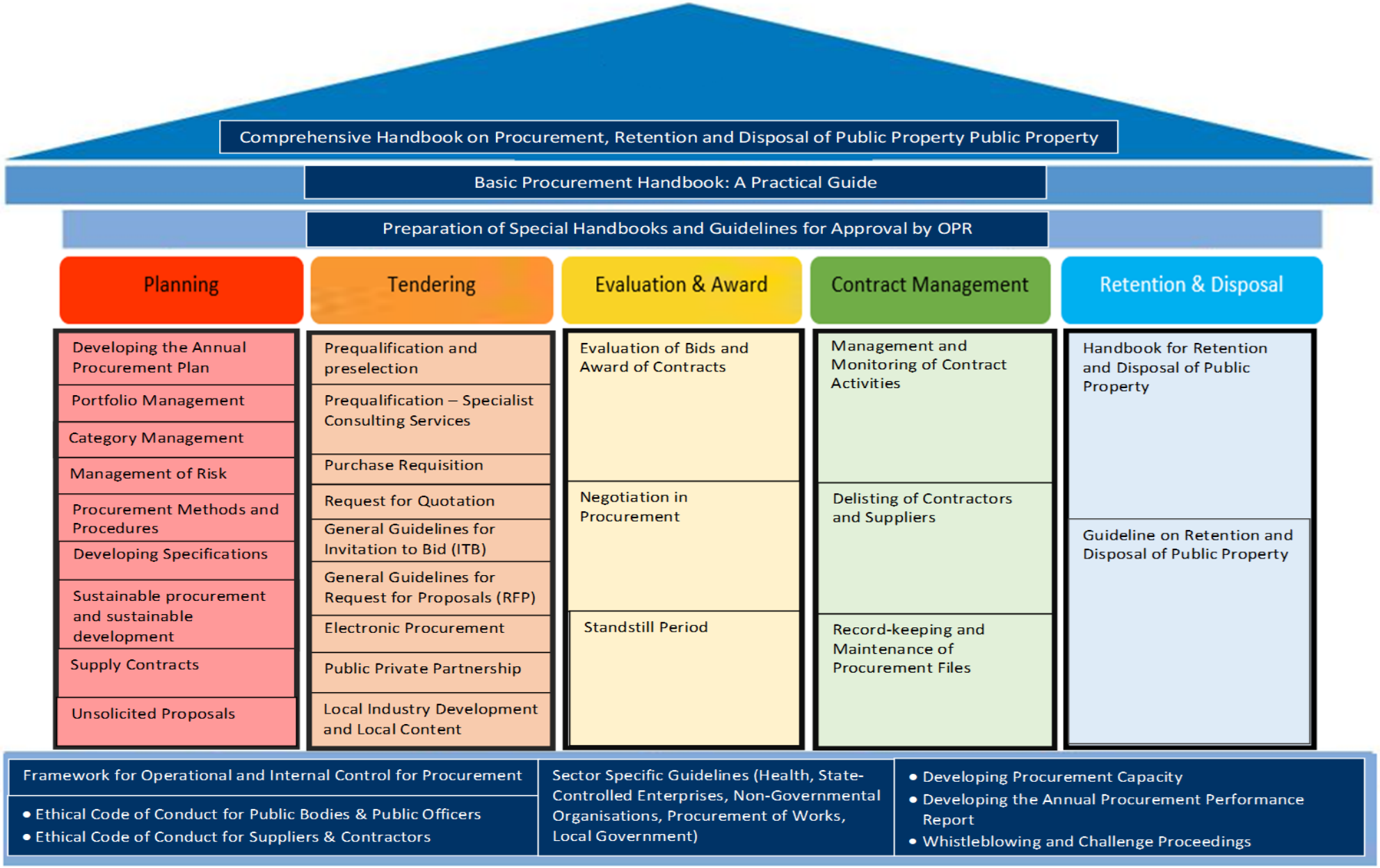
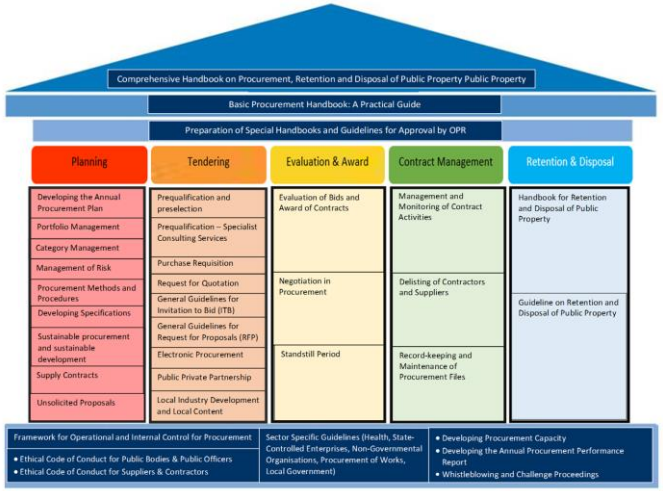
Handbooks & Guidelines



Procurement 'House' (1)



R O O F T O P

- ✓Comprehensive Handbook of Procurement, Retention and Disposal of Public Property
- ✓Basic Procurement Handbook
- ✓General Guideline: *Preparation of Special Guidelines and Handbooks, for approval by OPR*

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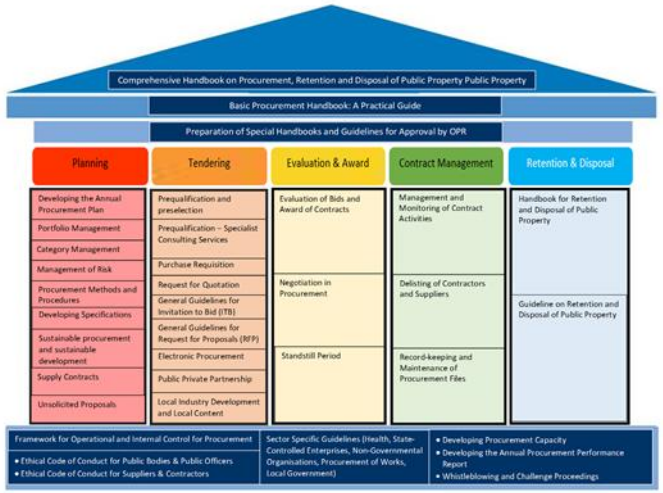
Procurement 'House' (2)



FOUNDATION

- ✓Framework of Internal Control for Procurement
- ✓Code of Conduct (for public bodies & suppliers and contractors)
- ✓Sector Specific Guidelines (Health, State-Controlled Enterprises, Non-Governmental Organisations, Procurement of Works, Local Government)
- ✓Developing Procurement Capacity
- ✓ Developing the Annual Procurement Performance Report
- ✓Whistleblowing and Challenge Proceedings

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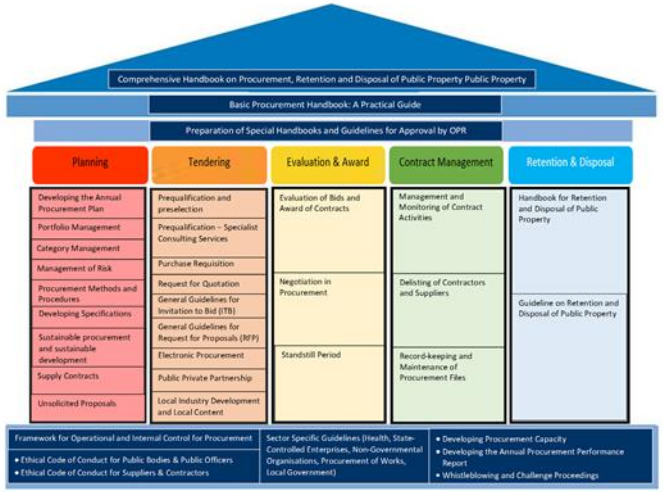
Procurement 'House' (3)



PLANNING

- ✓ Developing the Annual Procurement Plan
- ✓ Portfolio Management
- ✓ Category Management
- ✓ Management of Risk in Procurement
- ✓ Procurement Methods and Procedures
- ✓ Developing Specifications
- ✓ Sustainable Procurement and Sustainable Development
- ✓ Supply Contracts
- ✓ Unsolicited Proposals

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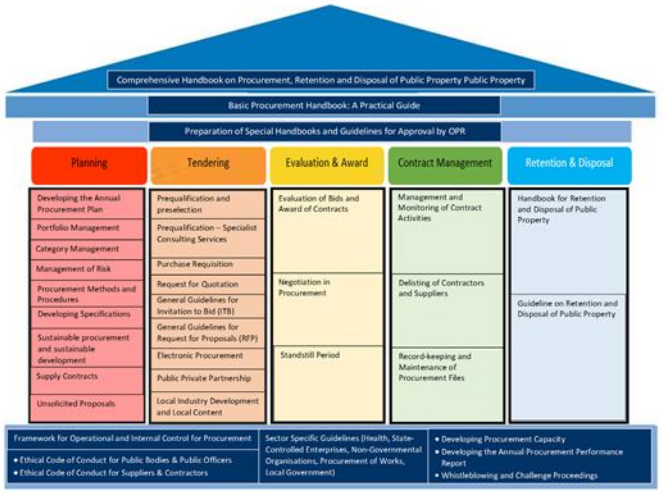
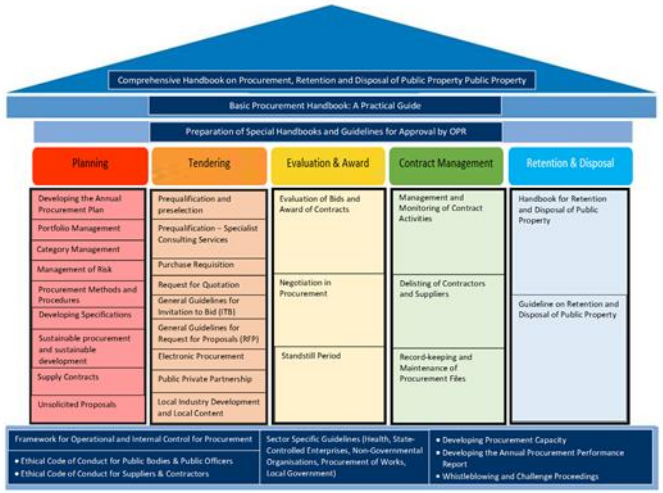
Procurement 'House' (4)



TENDERING

- ✓Prequalification and preselection
- ✓Prequalification – Specialist Consulting Services
- ✓Purchase Requisition
- ✓Request for Quotation
- ✓General Guidelines for Invitation to Bid (ITB)
- ✓General Guidelines for Request for Proposals (RFP)
- ✓Electronic Procurement
- ✓Public Private Partnership
- ✓Local Industry Development and Local Content

Procurement ‘House’ (5)



EVALUATION & AWARD

- ✓Evaluation of Bids and Award of Contracts
- ✓Negotiation in Procurement
- ✓Standstill Period

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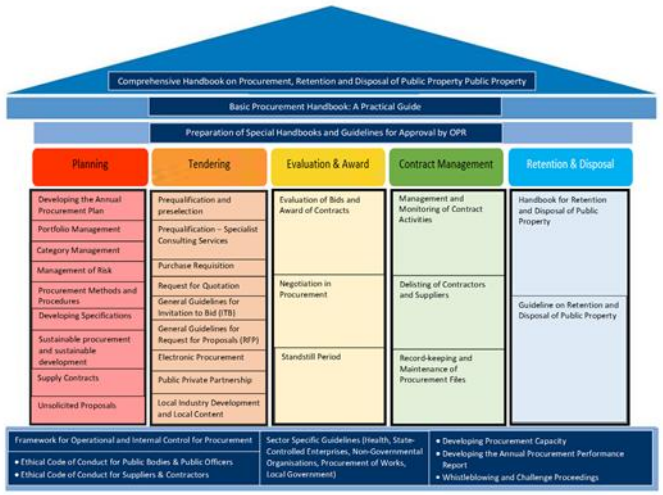
Procurement 'House' (6)



CONTRACT MANAGEMENT

- ✓Management and Monitoring of Procurement Contracts
- ✓Delisting of Contractors and Suppliers
- ✓Recording-keeping and Maintenance of Procurement Files

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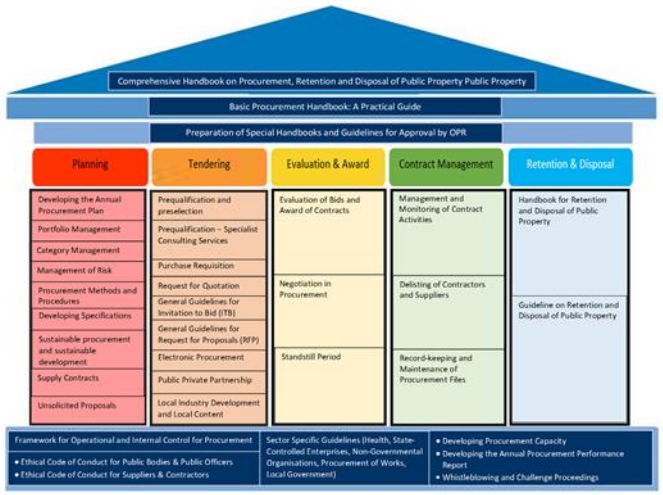
Procurement 'House' (7)



RETENTION & DISPOSAL

- ✓Handbook for Retention and Disposal of Public Property
- ✓Guideline on Retention and Disposal of Public Property

Procedural Forms & Templates (Procurement & Disposal)

- ✓ Procurement Notices
- ✓ Market Research Report
- ✓ Procurement Strategy Development Form
- ✓ Tender Evaluation Report
- ✓ Supplier/Contractor Performance Appraisal

- ✓ Form A - Request for Asset Disposal
- ✓ Form B - Inventory & Inspection Report
- ✓ Form C – Appraisal/ Valuation Report
- ✓ Form D - Disposal Strategy Development Approval Template
- ✓ Form E - Summary Report of Approved Disposal Action

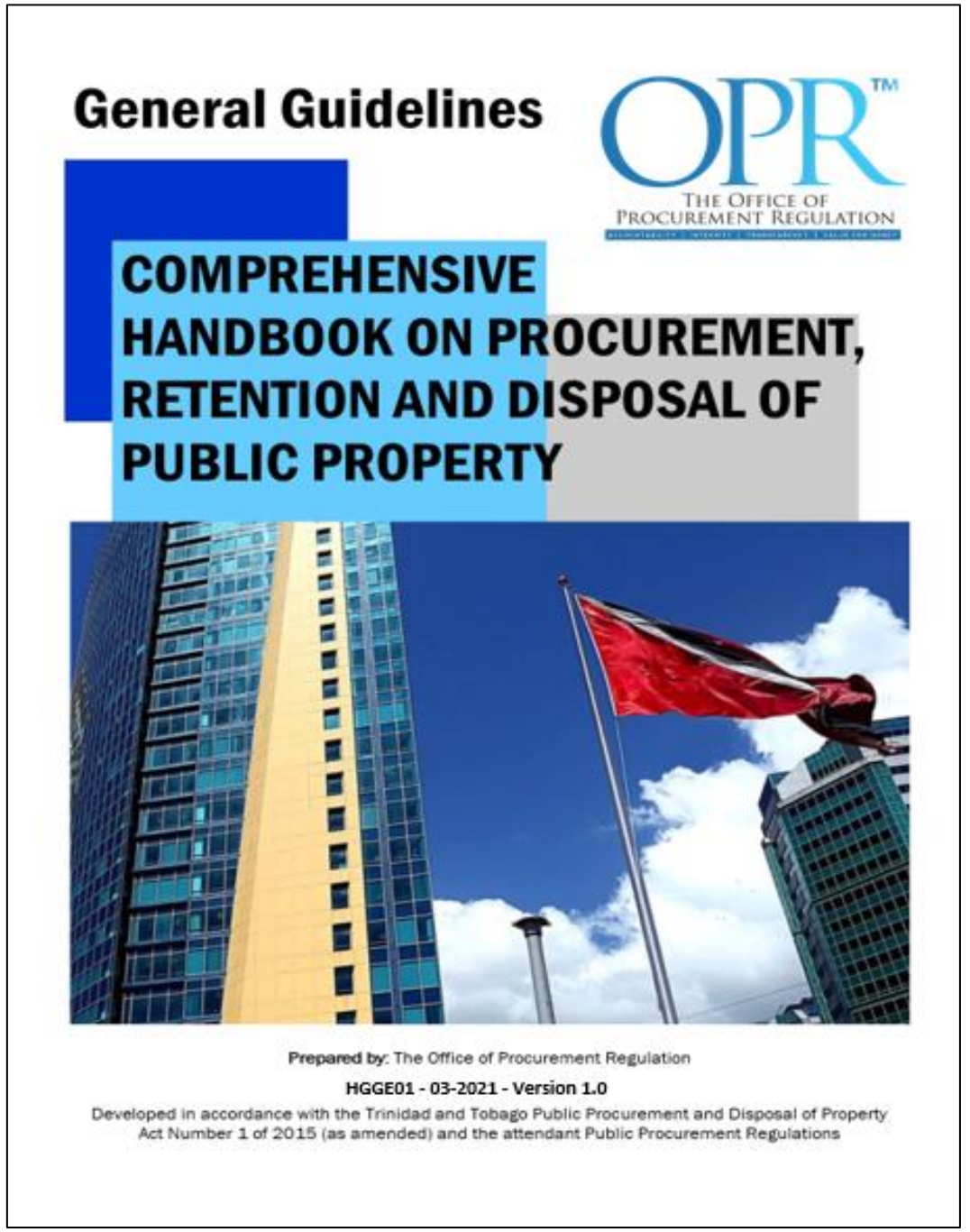
- **As Applicable**

- ✓ Form F - Transfer/Donation Form
- ✓ Form G - Notice of Rejection Form

Standard Forms of Contract

- ✓ Purchase Order – General Terms and Conditions
- ✓ Goods and Ancillary Services
- ✓ Consultancy Services
- ✓ Framework Agreement
- ✓ Service Level Agreement

Comprehensive Handbook on Procurement, Retention and Disposal of Public Property

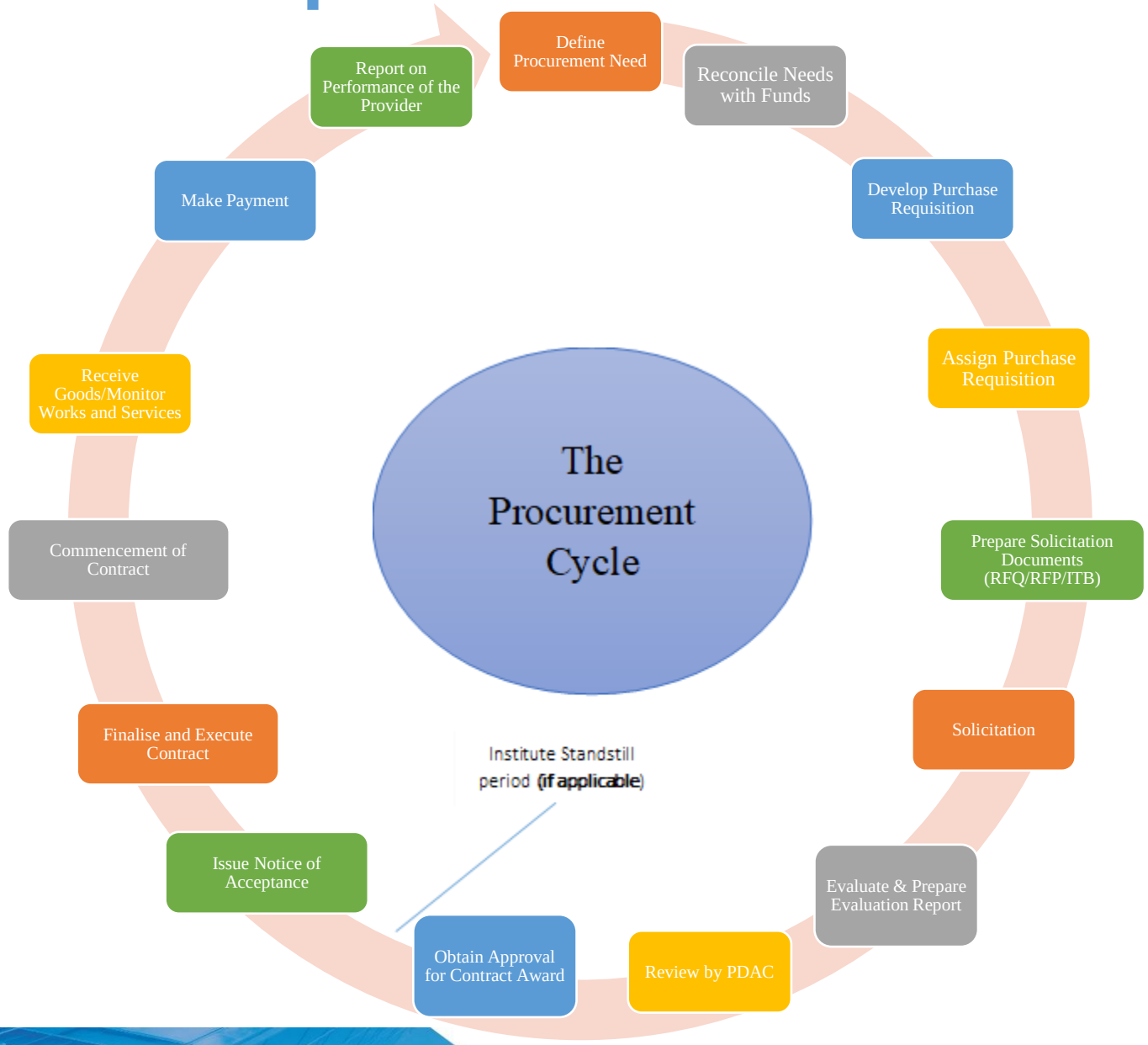


Comprehensive Handbook

ORGANISATION

OF PROCUREMENT UNDER

THE NEW REGIME



RETENTION

AND

DISPOSAL

OF PUBLIC PROPERTY

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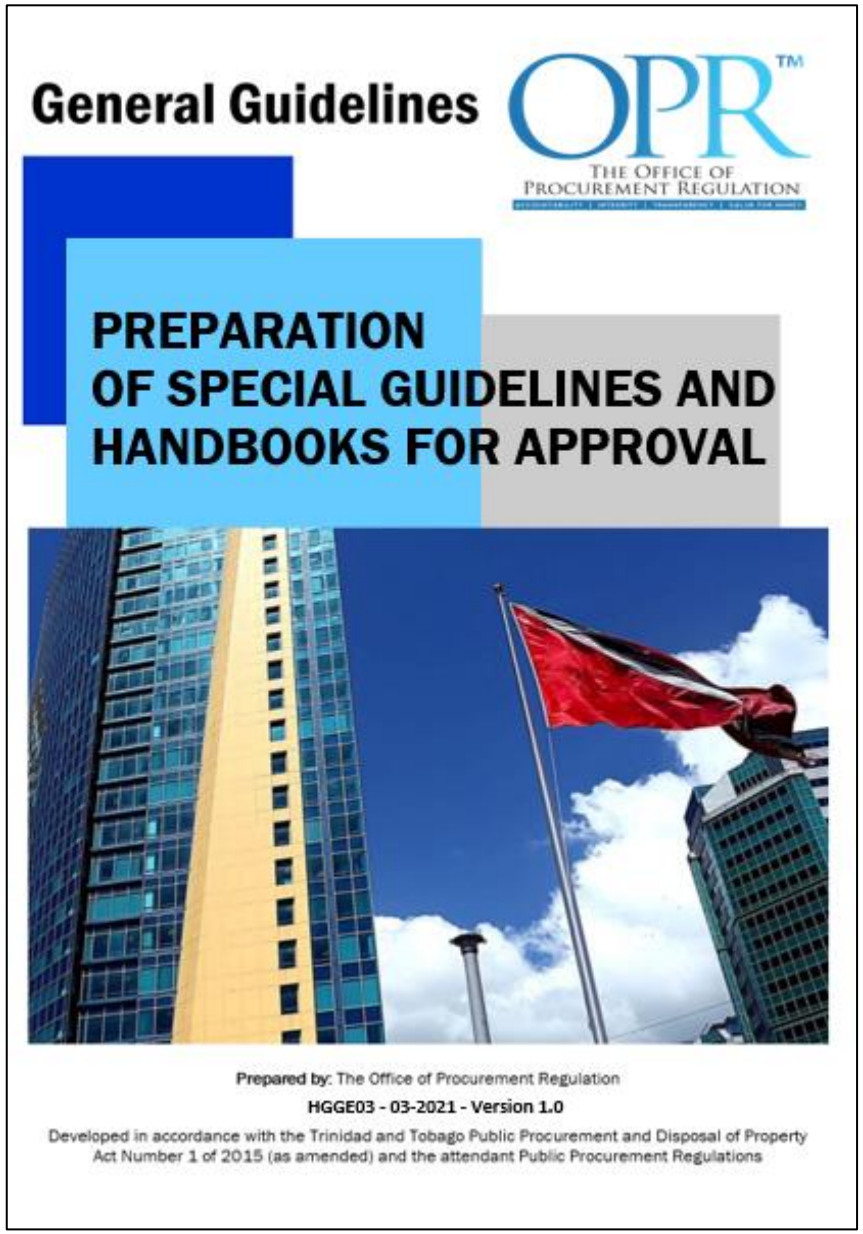
5. Developing Special Handbooks & Guidelines

Special Handbooks and Guidelines



Adopt

ADOPT OPR's Handbooks & Guidelines 'AS IS'

Write a letter to the OPR indicating that your organisation desires to ADOPT the OPR's Handbooks & Guidelines 'AS IS' to guide it's operations.

Amend

Considerations:

AMEND the Handbooks & Guidelines issued by the OPR

1. Customise/Ownership
2. Organisation Structure
3. Internal Control Framework
4. Unique circumstances (*Special Mandate*, *National Security, Commercial Sensitivity, Specialised Operations, Unique Market Conditions*)

Develop

Considerations:

DEVELOP Handbooks & Guidelines issued by the OPR

1. Legal, regulatory, operational and internal control frameworks
2. Unique circumstances (*Special Mandate*, *National Security, Commercial Sensitivity, Specialised Operations, Unique Market Conditions*)
3. Entire procurement cycle
4. Retention and disposal of public property

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Amend or Develop: The Approval Process

6. Some Helpful Pointers

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Pointers

Philosophical Approaches	Procurement, Retention & Disposal	Organisational Structure & Internal Control Framework
Objects of the Act (11 Principles)	Sentence Construction	Standardised Terms and Definitions

7. Question
&
Answer Segment

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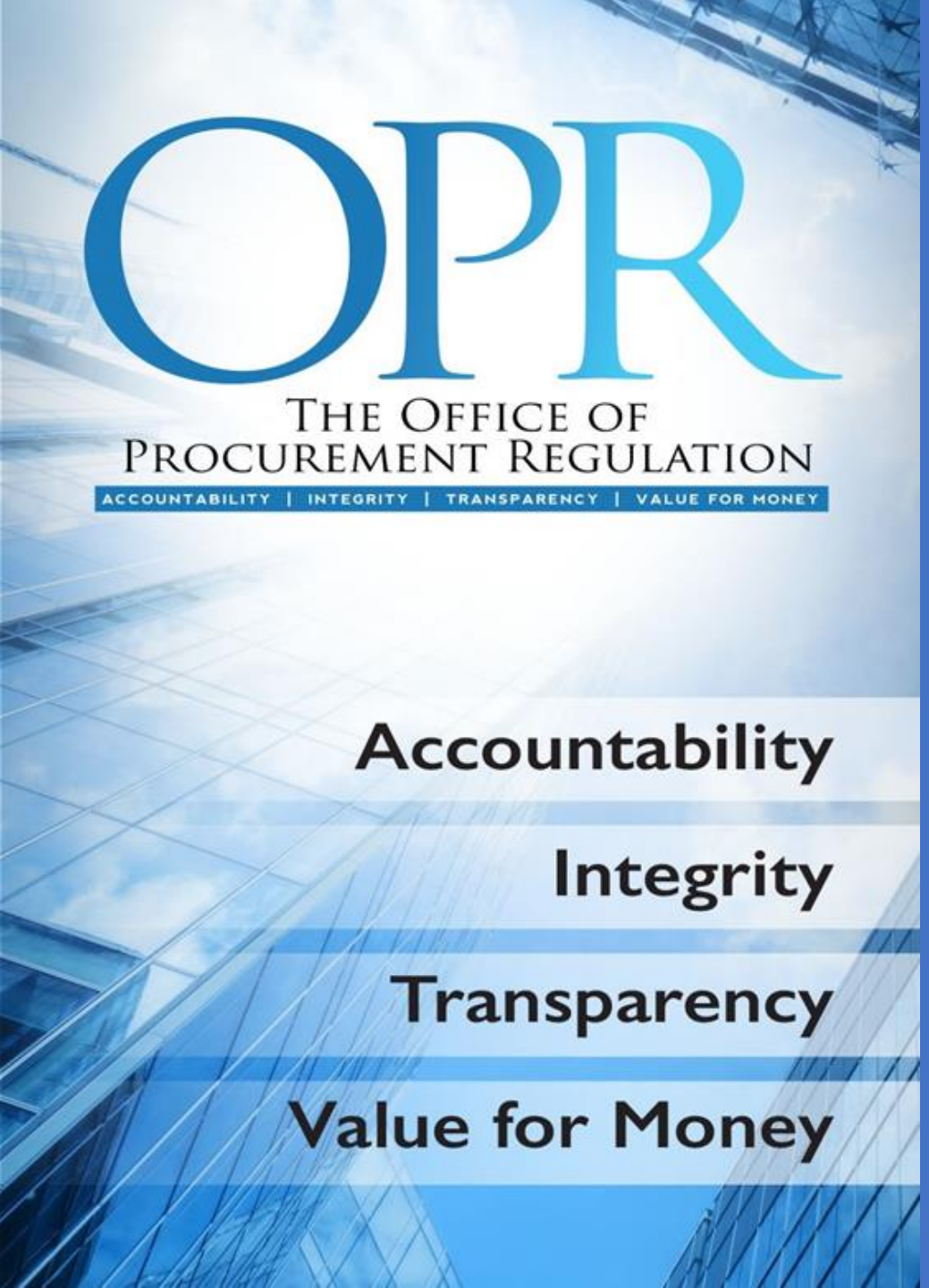
9. Closing Remarks



Thank you for your kind attention!

Level 19, Tower D, Port of Spain
International Waterfront Centre,
1A Wrightson Road, Port of Spain
Tel: 1 868 627 4677 or 1 868 226 4677
Website: www.oprtt.org