



Any reply or subsequent reference to this communication should be addressed to the Contractor-General and the following reference quoted:-

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Dear Editor

Re: Open Letter to the Media – Compliance with Government's Procurement Procedures is Mandatory

Successive annual reports of the Contractor General have time and time again sought to draw Parliament's, the Government's and the public's attention to the outright lack of familiarity, on the part of some Public Officials, with the provisions of the Government's Procurement Procedures Handbook (GPPH). The Contractor General's annual report has also raised the issue of the open defiance which is often exhibited by certain Public Officials who are aware of the procedures but who feel that they can set them aside whenever they like.

Mr. Dennis Morrison, who is the chairman of two major Public Bodies - the Airports Authority and the Jamaica Tourist Board, and who otherwise holds significant and high public office, has made certain statements in his August 2, 2006 contribution as a columnist to one of our country's daily newspapers.

His remarks, which relate in part to the integrity of the public sector procurement process, are so serious in their import that I believe that the public interest demands that I should publicly respond in an effort to clarify the situation. I should be grateful, therefore, if you would be so kind as to permit me the opportunity to do so.

In his column, Mr. Morrison has openly questioned the legitimacy and logic of putting to tender, certain Government contract awards which were related to the Sandals Whitehouse Hotel Project.

He alludes, in particular, to the Gorstew technical services consultancy contract and the Jentech contract. In relation to the Gorstew contract he states thus: "This could only be provided by an entity familiar with the Sandals/Beaches brand, and hence public tender would be irrelevant". In the case of the Jentech contract, he expresses the view that because Jentech "had full knowledge of the site and works, ... going to public tender once the government companies took over would have been unnecessary, unless it was thought that Jentech's fees were extravagant or that they were not performing".

Mr. Morrison's preamble to these surprising remarks was that "The strident charges made by the contractor-general about compelling evidence of a conflict of interest, absence of transparency, and the like, are exaggerated. In fact, some of those charges are misplaced".

For the avoidance of doubt and for those of us who are ignorant of the GPPH, I would like to use this opportunity to briefly outline what the applicable GPPH procedures are, particularly in respect of the specific contract award circumstances which Mr. Morrison has raised.

1. The Government of Jamaica's primary method of procurement is that all proposed Government contract awards must be put to public competitive (or "Selective") tender. If the contract is of a value of \$4 million or above, the winning or recommended tender must thereafter be evaluated and endorsed by the National Contracts Commission (NCC) before the contract is awarded by the recommending Public Body. If the contract is of a value of \$15 million or above, the prior approval of the Cabinet must also be secured.



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2. If the Public Body believes that the circumstances of a particular contract justifies that only a limited number of contractors ("Limited") or only one contractor ("Sole Source") should be invited to tender for the contract, then the Public Body, depending upon the value of the contract, will be required to secure the prior approval of the NCC before it can proceed. This rule is so stringent that if the Public Body desires to invite only one contractor to tender on a specific Government contract award, the value threshold above which a Public Body is required to secure the prior approval of the NCC drops instantly from \$4 million to \$1 million. If, in any such case, the NCC's approval is not sought or if it is not secured, the Public Body **must** comply with the GOJ's primary method of procurement which requires public, competitive (or "selective") tendering.

As senior Public Officers such as Mr. Morrison should know, the reasons for having these rules and procedures are quite simple and elementary. One is that Public Bodies and Public Officers, when they award Government contracts, are spending the taxpayers' money ... not their own. Another is to ensure that there is absolutely no place in the public sector procurement process for the subjective opinions or discretion of Public Officers, especially those who may be inclined to usurp the prescribed and mandatory contract award and tender process by summarily deeming it to be "irrelevant" or "unnecessary" whenever it suits them to do so.

The bottom line is that Public Officers must follow the prescribed procurement rules. They must do so irrespective of whether they like them or not. If they do not comply, they should be held accountable. For what is at risk is not only the irretrievable loss of the trust that the public has reposed in its Servants but also the very principles and ideals upon which the Jamaica public sector procurement process is founded - namely, competition, independent scrutiny, transparency, fairness, impartiality, probity and ensuring that the tax-payer gets value for his/her money.

The full contents of the GPPH are available for reading or download at the Office of the Contractor General's website at www.ocg.gov.jm.

Respectfully yours,

Greg Christie (Signed)

Greg Christie
Contractor General