

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

OFFICE OF THE CONTRACTOR-GENERAL 17 KNUTSFORD BOULEVARD P.O. Box 540 Kingston 5 JAMAICA, W.I.

MEDIA RELEASE

CONTRACTOR-GENERAL STANDS BY FINDINGS AND CONCLUSIONS OF THE SANDALS REPORT

Contractor-General Greg Christie has refuted the claims of Chairman of the Urban Development Corporation (UDC) Dr. Vin Lawrence that the National Contracts Commission (NCC) Government Procurement Guidelines issued in 2001 made no reference to the appointment of consultants, and that project consultants who had started work in 2000 would not fall within these guidelines.

In a letter to Dr. Lawrence, the Contractor-General cited sections of the original edition of the Government Procurement Procedures Handbook (GPPH) noting that it includes a regime for the procurement of Consulting Services, and sets the Scope of Application of the Guidelines. The full text of the Contractor-General's letter to the UDC Chairman follows:

No.:

 $\begin{array}{l} \mbox{Telephone No.: } 929-8560/6466 \\ \mbox{Fax No.: } 929-7335 \\ \mbox{E-mail: general@ocg.gov.jm} \end{array}$



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July 18, 2006

Dr. The Hon. Vincent Lawrence, O.J. Chairman Urban Development Corporation (UDC) 12 Ocean Boulevard, Kingston Mall Kingston

Dear Dr. Lawrence:

<u>Re: Contractor General's Report – Sandals Whitehouse</u>

I write in acknowledgement of and further to your letter of even date in the captioned regard.

Having carefully read your comments, I must respectfully advise that the Office of the Contractor General re-iterates and stands firmly behind each and every one of its Findings and Conclusions as are set out in the referenced Report.

We would however wish to emphasize the following:

1. At the time of the engagement of the referenced Consultants by the Urban Development Corporation (UDC) and/or NEWTOWN, the National Contracts Commission (NCC)/Government Procurement Procedures Handbook (GPPH) regime was fully in place. Further, at all material times, the UDC and NEWTOWN were Public Bodies. Consequently, any purported award of contracts to any of these consultants, either by the UDC and/or by NEWTOWN, would have been clearly subjected to and governed by the NCC/GPPH regime. These are indisputable facts.

Whatever relationships any of these consultants may have had with the project, or with a private contractor, prior to their engagement by UDC/NEWTOWN, is wholly irrelevant. Equally, the magnitude of the Consultant's experience or its willingness to strike an agreement to reduce its fees beneath the prevailing industry levels, is likewise immaterial.

None of these considerations would in any way obviate the requirement for that Consultant's subsequent engagement by UDC/NEWTOWN to be subjected, inter alia, to the scrutiny and approval of the NCC and/or the Cabinet. Put succinctly, there is a mandatory procurement process which has been put in place by the Government and it must be complied with – without exception.



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2. You have stated in your letter that the "... National Contracts Commission, although coming into effect in 2000, did not issue its guidelines until 2001 and in doing so made reference to Contractors only and not to the appointment of Consultants". <u>This is an inaccurate statement</u>.

The Guidelines or GPPH, to which you refer were, from their very inception, expressed to govern contracts for the procurement of goods, works <u>and services</u>. Moreover, and contrary to what you have stated, the GPPH, in its original edition, makes abundant and specific reference to procedures for the procurement of consulting services.

To be specific and for the avoidance of doubt, we are compelled to assert that the GPPH, which is dated May 30, 2001, includes a regime for the procurement of Consulting Services. Section 5 of the GPPH refers specifically to the <u>Procurement of Services</u> and Sub-section 5.1 to <u>General Consulting Services</u>.

Section 5 highlights the selection process which is to be utilized for consultants and includes inter alia <u>Advertising Guidelines</u> (5.1.2.3) and <u>Selection Criteria For Short-List of</u> <u>Consultants</u> (5.1.2.5). In addition, Section 1.2 and 1.4 of the GPPH sets out the Scope of Application of the Handbook and the definition for the terms <u>Consultant</u> and <u>Consultant</u> <u>Services</u>. We would be happy to provide you with copies of the referenced provisions or documentation should you so require.

- 3. Section 4 of the Contractor General Act (1983) requires the Contractor General, inter alia, to monitor the award and implementation of Government contracts with a view to ensuring that "such contracts are awarded impartially and on merit" and that "the circumstances in which each contract is awarded … do not involve impropriety or irregularity". The implicit and/or expressed import of this law, which has been in force for more than 20 years and which preceded the onset of the NCC, should require no further explanation or elaboration.
- 4. You have characterized as an "allegation", the statement which we have made at paragraph #2 of the Conclusions section of our Report to the effect that "there was a deliberate attempt to conceal information regarding certain relevant decisions as well as the basis upon which those decisions were made".

We would respectfully disagree with your characterization and assert that our statement is indeed founded upon a considered, substantiated and fully informed determination.



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You should be well aware that on several occasions our representatives had requested from the UDC, <u>all</u> files and documentation which were related to the project. These requisitions included representations for certain documents which were directed personally to you, to Ms. Marjorie Campbell and to Mr. Richard Clarke, among other UDC and UDC associated officials.

However, despite these unequivocal requisitions, to date we are yet to receive adequate documents and information which would "... facilitate, (inter alia), an understanding of the chronological sequence of ... events in the implementation and execution of the project, particularly as they related to the significant changes which took place in the budget and Scope of Works of the project..."

We would so respectfully advise.

Very respectfully yours,

Greg Christie Contractor General

The letter was copied to The Most Hon. Portia Simpson-Miller, O.N., M.P., Prime Minister; Dr. The Hon. Omar Davies, M.P., Minister of Finance and Planning; Senator The Honourable Syringa Marshall-Burnett, CD; The Honourable Michael Peart, M.P.; Mr. Aubyn Hill, Chairman, The National Investment Bank of Jamaica (NIBJ); and Ms. Marjorie Campbell, President & Chief Executive Officer, Urban Development Corporation (UDC).



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Date: 19th July, 2006

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