



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

No. :

TELEPHONE No.:876-929-8560/6466

FAX No. : 876-929-2476

E-mail: communications@ocg.gov.jm

OFFICE OF THE CONTRACTOR-GENERAL

PIOJ Building

16 Oxford Road

P.O. BOX 540

KINGSTON 5

JAMAICA, W.I

MEDIA RELEASE

OCG Refers Results of Special Audit to Parliament, the DPP and the Police

Kingston; July 26, 2012 – The Office of the Contractor General (OCG) has today referred to Parliament, the Commissioner of Police and the Director of Public Prosecutions, the results of a Special Enquiry Audit that it has conducted into the Quarterly Contract Award (QCA) Reports which have been filed with the OCG, by the Rural Electrification Programme Ltd. (REP), for the 11 quarter period commencing with the 1st quarter of 2009 and ending with the 3rd quarter of 2011.

The Special OCG Audit was triggered after the OCG discovered that several contracts, amounting to millions of dollars, had been awarded by the REP to two companies that were not registered with the National Contracts Commission (NCC) as is required by the Government Procurement Guidelines and the Public Sector Procurement Regulations.

Despite the fact that the companies were never registered with the NCC, fictitious NCC contractor registration numbers were nevertheless entered upon the REP's QCA Reports, for several quarters, thus representing to the OCG that the companies were duly registered.

It is a criminal offence under Section 29 of the Contractor General Act to make a false statement to mislead a Contractor General, and it is also a criminal offence, under Section 40 of the Public Sector Procurement Regulations, to award a Government contract in contravention of the Regulations.

Altogether, 17 contracts, with an aggregated value of more than \$35 million, were reportedly awarded by the REP to the two (2) unregistered companies. Overall, the highest valued contract was \$4.9 million, and the lowest, \$453,900. At the time, Public Bodies were barred from awarding contracts, in excess of \$275,000 in value, to a contractor which was not duly registered with the NCC.

In keeping with the requirements of the Contractor General Act, copies of the OCG's Report of Investigation into the matter were today despatched by the Contractor General to 8 State Authorities.

Pursuant to Section 20 (1) of the Act, copies of the referenced Report were conveyed this morning to the Hon. Phillip Paulwell, Minister of Science, Technology, Energy and Mining, Mr. Garfield Daley, General Manager, REP, and Mrs. Hillary Alexander, Permanent Secretary in the Ministry of Science, Technology, Energy and Mining.



Section 20 (1) of the Act provides as follows:

“After conducting an investigation under this Act, a Contractor General shall, in writing, inform the principal officer of the public body concerned and the Minister having portfolio responsibility therefor of the result of that investigation and make such recommendations as he considers necessary in respect of the matter which was investigated”.

In compliance with the obligations that are imposed upon him by Section 21 of the Contractor General Act, the Contractor General has also despatched copies of the Investigation Report to the Commissioner of Police and the Director of Public Prosecutions.

Section 21 of the Contractor General Act provides as follows:

“If a Contractor General finds, during the course of his investigations or on the conclusion thereof that there is evidence of a breach of duty or misconduct or criminal offence on the part of an officer or member of a Public Body, he shall refer the matter to the person or persons competent to take such disciplinary or other proceeding as may be appropriate against that officer or member and in all such cases shall lay a special report before Parliament”.

The Contractor General, pursuant to the requirements of Section 21 of the Act, has also formally sent copies of the Report to the Hon. Speaker of the House of Representatives, the Hon. President of the Senate, and the Clerk to the Houses.

Section 28 (3) of the Act requires the Speaker and the President to have the Report tabled in both Houses of Parliament *‘as soon as possible’*. As is customary, the Clerk to the Houses has been provided with a compact disc which bears a full electronic copy of the OCG’s Special Report of Investigation.

In the interest of public transparency, and acting in pursuance of the special powers that are reserved to a Contractor General by Section 28 (4) of the Contractor General Act, the OCG’s 29 page Special Enquiry Management Report of Investigation into the matter will be published on the OCG’s website at www.ocg.gov.jm, but only after the Report has been formally laid in both Houses of Parliament.

The OCG wishes to caution that where Reports of its Special Investigations find their way into the Media prior to the tabling of the said Reports in the Houses of Parliament, or before the formal posting of same on the OCG’s official website, care should be taken to disassociate any such publication from the OCG.

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Contact: The Communications Department, Office of the Contractor General of Jamaica
C/o Craig Beresford, Senior Director of Monitoring Operations, Corporate Communications and Special Projects
E-mail: communications@ocg.gov.jm. Tel: 876-929-8560; Direct: 876-926-0034; Mobile: 876-564-1806