

A SPEECH DELIVERED BY THE DIRECTOR GENERAL OF THE ADAMAWA STATE BUREAU OF PUBLIC PROCUREMENT (ADSBPP) ABBA B. UMAR, ON THE OCCASION OF THE COMMENCEMENT OF CAPACITY BUILDING WORKSHOP/SENSITIZATION ON THE IMPACT OF ADAMAWA STATE PROCUREMENT LAW AND PROCEDURES, ORGANIZED FOR HON. COMMISSIONERS, PERMANENT SECRETARIES AND HEADS OF AGENCIES IN THE STATE. HOLDING AT MADUGU ROCK VIEW HOTEL, JIMETA-YOLA, FROM 19th SEPTEMBER-21st SEPTEMBER, 2016 by 9:00AM.

It gives me a great pleasure to welcome you to this occasion which is the commencement of a capacity building training workshop/ sensitization on the State Procurement Law and Procedures (due process) carefully designed for Honorable Commissioners, Permanent Secretaries, and Head of Agencies in the State. Your Excellency Sir, Public Procurement is a process and it has come a long way and, permit me to say, it is here to stay. I am bold to say so because, using our experience here in Adamawa State, our movement towards best practice in Public Procurement has been steady, very steady and focused since the coming of this administration. We stand tall to say that we are now among the States in Nigeria that has successfully domesticated the Public Procurement Act 2007 of the Federal Government. Before now, Government Procurement of works, goods/equipments/furniture and services was not based on any statutory framework but various Government instruments like circulars, financial regulations, store regulations and verbal directives.

Sir, implementing the State Procurement Law is quite challenging, but we are confident that with your leadership, the Bureau will make positive progress, hopefully, with the remaining three (3) years first term in Office, we hope to engender a sustainable procurement practice anchored on value addition, aimed at propelling your administration to greater heights and our expectation for four (4) more years, in the not so-distance future, best procurement practices would become a "Service Culture" in Adamawa State.

This training workshop which is to last for three days is organized in collaboration with the Adamawa State Public Sector Good Governance Reform and Development Project (World Bank) and in conjunction with the Charter House Consulting Limited, Abuja. Similarly, Your Excellency Sir, the Bureau in conjunction with the World Bank, had also organized series of training workshops for the Procurement Officers in MDAs, held Round Table Sessions with Permanent Secretaries/ Accounting Officers of Parastatals and also the present Commissioners were engaged on ONE-on-ONE interactive sessions with the Bureau to acquaint them with the workings of the Bureau as well as guiding them in their day to day activities ahead of the expected training we are witnessing today.

Your Excellency, since the establishment of the Bureau and in line with our mandate, we were able to undertake a number of activities which include but not limited to; invitation to Ministries, Departments and Agencies (MDAs) to submit list of Procurement Officer Nominees for training as well as encouraging them to establish Procurement Departments, Ministerial Tenders Board/Parastatals Tenders Board and provision/adoption of Procurement Regulations and User Guide to facilitate and help the Public Officials involved in Public Procurement to perform optimally. Your Excellency, this is the first enlarged gathering ever organized for policy implementers and Accounting Officers in the State by the Bureau to sharpen their knowledge and understanding of the workings of the State Bureau as enshrined in the Adamawa State Procurement Law and other regulations, guidelines and procedures in carrying out procurement activities in MDAs/LGCs in the State.

Sir, you may also wish to note that this enlarged training at the end of the three (3) days session will guide the high level participants to learn the following, as well as stimulating their active participation in due process of public procurement processes and contract award in line with the guidelines and procedures set by the Bureau.

- (1) The Accounting Officer of a procuring entity and any Officer, to whom responsibility is delegated, are responsible and accountable for any actions taken or omitted to be taken either in compliance with or in contravention of the Law.
- (2) The Accounting Officer of a Procuring entity has the responsibility to ensure that provisions of the procurement Law and Regulations laid down by the Bureau are complied with and concurrent approval by the Tenders Board shall not absolve the Accounting Officer from accountability for anything done in contravention of the Procurement Law or Regulations laid down there in.
- (3) No funds shall be disbursed from the State Treasury or Account of the State or any Bank Account of any Procuring entity falling above the set threshold, unless the Cheque payment or other forms of request for payment is accompanied by the ***"CERTIFICATE OF NO-OBJECTION"*** to an award of contract dully issued by the Bureau.
- (4) Only projects for which funds have been appropriated shall be implemented except where supplementary budget or virement is obtained from the appropriate Government Agency and State Assembly.

- (5) Ministries/Parastatals and Agencies of Government shall not embark on new projects when there is a problem of funding or on existing ones and also ensuring that no reduction of values or splitting of procurement/contract is carried out as to evade the use of appropriate procurement method.
- (6) Project feasibility studies, design/drawings, BEME/Bill of quantity for construction project, specification for goods/equipments and terms of reference (TOR) for consultant services should be completed before embarking on procurement process and award, on contract variation, MDAs should note that variation to contract during implementation stage cause very high burden on the procuring entity and to the Government. If the contribution from the variation to the final contract sum is high it will dilute the procurement process that was carried out when awarding the contract. Therefore, MDAs must ensure that all professional and human effort is taken to minimize this situation. Variation is mainly due to change on scope and quantity variation.
- (7) On projects where the procurement window was not advertised, should not be undertaken (based on threshold) except where a waiver is obtained from the Bureau.
- (8) Projects should only be embarked upon when adequate cash flow projections had been done and agreed to, and only mobilization fee of not more than 30% may be paid to a supplier or contractor supported by the unconditional Bank guarantee issued by the Banking Institutions acceptable to the procuring entities (MDAs).
- (9) That any procurement proposed to be awarded above MDAs threshold set by the Bureau without '*Certificate of No-Objection*' to 'contract award' dully issued by the Bureau shall be null and void.
- (10) The 2013 State Procurement Law and 2014 Procurement Regulations, Guide Lines and Procedures provided by the Bureau to MDAs supersede all previous procurement regulations, guidelines, procedures, directives and any other due process guidelines in the State.
- (11) Every Procuring entity (MDAs) shall maintain documented records of all procurement proceedings made within their thresholds and above each financial year and that procurement record shall be maintain for a period of ten (10) years from the date of the award and shall be subjected to annual procurement audit to determine the level of

compliance with the State Procurement Law and guidelines, procedures and regulations set by the Bureau for conduct of Public Procurement and any other investigation agencies in the country i.e. the Police, EFCC and ICPC. Similarly, the Procurement Department of MDAs, will establish a system to continuously monitor all procurement (Projects) and financial information related to the procurement implementation. The monitoring should provide information on procurement implementation at all level.

(12) Contract shall be awarded to the lowest evaluated, responsive bid from the bidders substantially responsive to the bid solicitation.

(13) The Bureau may refuse to issue "*Certificate of No-Objection*" to contract award on ground that the price is at the higher side, cancel or conduct a re-tender.

(14) The participant would also learn that organizing Public procurement of Works, Goods and Services and, approving/recommendation for No Objection are done by:

- a. A Government Agency, Parastatal or Corporation i.e. a Parastatal Tenders Board and
- b. A Ministry or Extra-Ministerial Tenders Board.

Your Excellency, experience has shown that overtime, poor procurement practices had been responsible for monumental wastes of public funds in the State, often orchestrated through systematic delay of project execution, thereby creating a channel for corruption and other sharp practices which often led to unwarranted project abandonment by successive administrations in the State.

I must confess that with the establishment of the State Bureau of Public Procurement, there is a great departure from the old order of doing things in our dear State. Your personal commitment to zero tolerance to corruption and strict compliance to procurement guidelines procedures for contract award, has further added more impetus to our work in the BPP in the State.

It is in this regard that I am pleased to announce that the Bureau was able to save a total sum of ~~N~~4,299,125,868.25k From the capital project contracts awarded from 11th July, 2014 - 31st August, 2016 which has never happened before. This may sound unprecedented in the

history of our dear State that an Agency could save this much more than the State targeted annual Internally Generated Revenue (IGR) in this era of recession, then it means something great is happening in Adamawa State. Your Excellency Sir, we note with interest the recent negative media reports (specifically on social network) regarding the value of road projects awarded by the State Government through the instrumentality of the BPP, was not only naive but we believe it was unnecessarily a product of fifth-columnists who do not want to see good things happening in Adamawa State. With the establishment of the Bureau, the public may wish to note that the Governor does not award contract, contracts in Adamawa State are awarded through established Procurement Process conducted by the Ministerial Tenders Board (MTB) or Parastatal Tenders Board (PTB) as the case may be and prices determined through prudent cost estimation procedures as well as, the Scope of Work based on fair competition. Similarly, to the best of our knowledge, the State does not award road contract above ₦230million per kilometer and less than ₦170million for road rehabilitation/upgrading. Such insinuations are unfounded and baseless; we employ those responsible to always verify their facts on such matter with the Bureau or the procuring entity concerned with due consideration to freedom of speech and information before going to public domain.

Your Excellency, I cannot end this speech without drawing the attention of the Hon. Commissioners and Accounting Officers in various MDAs by making reference to the following:

- (i) On writing memos looking for release of funds for execution of projects within and above MDAs threshold particularly, memos going to His Excellency and the State Executive Council for approval of projects funding, MDAs should please note that all procurement processes and procedures (Due Process) should obtain appropriate approval base on the report and recommendation of various MDAs Financial and Technical Evaluation Committee for adoption/ approvals and recommendation by the MDAs Tenders Board and subsequent recommendation for No Objection for contract award before forwarding their memos to His Excellency and the State Executive Council for approval and release of funds.
- (ii) The provisions of Section 58 (1) - (6) particularly the provision of Section 58 sub-section (5) which provides for penalties which read thus: -

Any person while carrying out his duties as an officer of the Bureau (or of any procuring entity) contravenes, any provisions of this law, commits an offence and is liable on conviction to a cumulative punishment of:-

1. A term of imprisonment of not less than 5 calendar years without an option of fine or more depending on the gravity of the offence so committed.
2. Summary dismissal from Government Services.

Sub-section 6 further provides that: - Any legal person (e.g. company) that contravenes any provision of this law commits an offence and is liable on conviction to a cumulative penalty of: -

- (a) Debarment from all public procurement for a period of not less than 5 calendar years.
- (b) A fine equivalent to 25% of the value of the procurement in issue.

With regard to this Sections above I believe we are all human born to make mistakes, but mistakes can be corrected, therefore let join hands together to help ourselves and the Government to do the right thing at the right time before is late. Therefore ignorant of Law is not an excuse.

Your Excellency, Sir, before I conclude, permit me to make our special request and appeal to you to strengthen the Bureau with befitting office accommodation by releasing the Bureau Capital Project funds that was approved since year 2015, waiver to employ more Procurement Officers/ Pool more personnel from the State Civil Service to man our various Procurement Department in MDAs following the approval of Procurement Cadre Scheme Of Service by the National Council on Establishment (NCE) which subsequently was adopted by the State Board on Public Procurement which is now before the Head of Service of the State for implementation, operational vehicle for monitoring of project and more capacity building training programme to our Procurement Officers/various members of Ministerial Tenders Boards to enable the Bureau deliver on its mandate.