

CIRCULAR MEMORANDUM NO. 1 OF 2020

Our Ref: Gen/3/01/20(26)

From: Contractor-General

To: Financial Secretary, Cabinet Secretary, Office of the Prime Minister, Attorney General, Solicitor General, Accountant General, Auditor General
Chief Executive Officers, Clerk-National Assembly, Heads of Departments and ALL Other Accounting Officers

SUBJECT: Information Paper

February 25th, 2020

The Office of the Contractor General has resumed operations after a hiatus of two years. Immediately an increase in functional momentum was noted as Departments started submitting their documents with the expectation that their needs would be addressed with minimum delay.

These first weeks have been a period of adjustment, re-orientation, prioritization and re-direction. At the onset, it should be noted that the Office of the Contractor General will insist on the use of procedures and practices that are not only proper but are transparent, equal opportunity, fair-play and balanced. "Value Engineering", cost-effectiveness, management of risks, competitive procurement practices shall be the pillars supporting this Office.

International Agencies fund most development in Belize. We are all acutely aware of the uncompromising layers of checks and balances demanded and the strict protocols throughout the different facets of implementation. Since the slightest deviation may trigger suspension of funding; this Office must ensure compliance.

Corruption appears to be the national narrative. It is therefore incumbent that the Office of the Contractor-

General become the instrument in the fight against corruption and its perception. We stand shoulder to shoulder with you in your quest for propriety and transparency. The first step is the transmittal of balanced documentation underpinned by openness and fairness.

Our system for accountability, verification and certification is inherently secured and this is going to be further enhanced by the upcoming initiatives for public procurement by the Ministry of Finance. If we comply, we are in the subset of the accepted norm. Refer to the funding agencies. Their requirements for verification and accountability can be overwhelming at times. My advice is simply to embrace those protocols and use it to our advantage. If it meets their needs, then by extension, it should also protect us.

Consistent with my engineering background, my queries will be concise, focused and decisive. If criticism needs to be levelled, it will be constructive. I shall invoke the provisions of the Act as a last resort. Undermining is not an option. If clarification is needed, please call the office, lets discuss. This will ensure that your submission is expedited and swiftly processed. In the pursuit to clarify, the office will quickly call to your attention; a win/win in the interest of expediency.

All contracts, and supporting documentation from all public bodies must be submitted prior to signing as prescribed. Sufficient time must be allocated for the proper analysis and review. This exercise will include evaluating value-for-money to ensure that the tendering procedure and awarding of contract got the loudest 'bang-for-its-buck'. We shall judge each circumstance on its merits.

I consider the above to be the pillar and foundation upon which we will build this Office. Below are some of my preliminary more detailed comment:-

1. The Office of the Contractor General shall function under the Contractor General Act and the applicable

sections of the 2011 Finance and Audit (Reform) Act (FARA).

2. My assessment of an award of contract will include examining the procurement method utilized and the quality of the evaluation process. The 'open-tendering' method and public opening is by far the least-risk approach. The goal should always be to have the widest possible participation of bidders thereby reducing the risk of 'finger-pointing, insinuations and aspersions. The 'Selective' and 'Limited' Tendering methods can be fraught with potential criticism and when used must be accompanied by safe-guards and due process and require justification. We will insist on sufficient justification for its use. Furthermore, using the new CARICOM portal, especially after next week's training, will make open tendering more convenient for all parties. The basis for the selection process of specialized service providers and the contract deliverable must be clear and well defined especially when limited and selective tendering are applied.
3. We should refrain from the use of 'automatic renewal' clauses and rollovers of contracts. Open-ended contractual arrangement also must be discouraged. As well, in my review, I will take into consideration the possibility of 'contract splitting', namely splitting contacts to avoid thresholds.
4. This Office will verify that contracts contain a clear outline of responsibilities, penalties, liabilities for non-performance, detailed descriptions of contractual deliverables, their time schedules and disbursement details. We will monitor that there is adequate management of risk exposure, including robust indemnification when inevitable, and sufficient verification procedures to protect the Government. This Office shall call for these layers of precautionary measures before we endorse.

5. For works, interim, partial, practical, and completion certificates will be the basis to ensure quality control compliance. Those tasked with contract-administration know the importance and financial leverage these certificates possess. The random and arbitrary issuance of these certificates without due regard to construction quality and progress will be viewed as professional misconduct. Too often we complain about shoddy workmanship or inadequate construction quality when the supervising project engineer has signed off on the project certifying that the work has been performed under the technical specs. Who ends up bearing the loss? Government and the people!

I have attempted to share with you my initial thoughts and vision on how this Office intends to serve you and the citizens of Belize. As I become more established, I will be issuing further directions and guidelines. I would welcome any suggestions and invite you to come in and talk. The Office of the Contractor General would like to work in a cooperative environment and sees itself as here to support the procuring entities and not just as an oversight body.



Omar Mitchell, P.Eng.
Contractor-General

congeneral@bt1.net
omar.mitchell@contractorgeneral.gov.bz