



SENATE OF THE FEDERAL REPUBLIC OF NIGERIA

VOTES AND PROCEEDINGS

Thursday, 16th June, 2016

1. The Senate met at 10:59 a.m. The Senate President read Prayers.
2. **Votes and Proceedings:**
The Senate examined the Votes and Proceedings of Wednesday, 15th June, 2016.
Question was put and the Votes and Proceedings were approved.
3. **Announcements:**
 - (a) **One-day National Summit on Political Representative and Constituency Intervention and Zonal Services:**
The Senate President read a letter from Senator Abubakar O. Saraki (*Kwara Central*) as follows:



ANNOUNCEMENT

ONE-DAY NATIONAL SUMMIT ON POLITICAL REPRESENTATIVE AND CONSTITUENCY INTERVENTION AND ZONAL SERVICES

Distinguished Senators are invited to participate in a One-day National Summit on Political Representation and Constituency and Zonal Intervention Services, organized by the National Assembly in collaboration with the Office of the Conference of Speakers.

Date: Monday, 20th June, 2016
Time: 9.00 am
Venue: International Conference Centre, Abuja

The overall objective of this summit is to provide an avenue for all the stakeholders to engage and interact on the conception, implementation, sustainability and effectiveness of constituency and zonal intervention projects and political representation in Nigeria.

Resource Persons and Participants at the summit include Members of the National Assembly, Members of State Houses of Assembly, State Governors, Local Government Chairmen, Ministers, MDA's and other stakeholders.

All Distinguished Senators are kindly requested to attend.

(SIGNED)

PRESIDENT OF THE SENATE

(Thursday, 17 June, 2016)

(b) Opening of National Institute of Legislative Studies-National Assembly Liaison Office (Senate):

The Senate President read a letter from Senator Abubkar O. Saraki (*Kwara Central*) as follows:



ANNOUNCEMENT

OPENING OF NILS-NASS LIAISON OFFICE (SENATE)

I wish to inform all Distinguished Senators that the National Institute for Legislative Studies (NILS) has opened its Liaison Office in the National Assembly.

The Office is located at the Senate New Wing Room 2.14. NILS-NASS Liaison Office offers free services to Senators in the following areas: drafting and analysis of bills, drafting of motions and briefs of argument, bills scrutiny, preparation of research reports, data and policy briefs and more.

All Senators are encouraged to fully utilize the services that NILS offers.

(SIGNED)

PRESIDENT OF THE SENATE

(THURSDAY, 17 JUNE 2016)

(c) Re: Payment for Hajj Seats Provided for Members of the Senate

The Senate President read a letter from Senator Monsurat J. Sunmonu (*Oyo Central*) as follows:



THE SENATE
FEDERAL REPUBLIC OF NIGERIA
COMMITTEE ON FOREIGN AFFAIRS
National Assembly Complex
Three Arms Zone, Abuja-Nigeria

15th June, 2016

Distinguished Senators,

RE: PAYMENT FOR HAJJ SEATS PROVIDED FOR MEMBERS OF THE SENATE

This is to inform Distinguished Senators that the allocation of the Hajj Seats earlier announced is in progress. Distinguished Senators who have applied are listed below. Those who have applied, but their name is not reflected under, should please, contact the Chairman immediately as the allocation will close today.

1. Senator Aliyu M. Wamako
2. Senator Tijjani Yahaya Kaura
3. Senator Ibrahim A. Danbaba
4. Senator Isah Hama Misau
5. Senator Abu Ibrahim
6. Senator Kabiru Gaya
7. Senator Rafiu Adebayo Ibrahim
8. Senator Muhammad Ubali Shitu
9. Senator Yusuf A. Yusuf
10. Senator Hope Uzodimma
11. Senator Olugbenga B. Ashafa
12. Senator Mao Oluabunwa
13. Senator Muhammad A. Aliero
14. Senator Usman Bayero Nafada
15. Senator Mustapha Bukar
16. Senator Mustapha Sani M.
17. Senator Aliyu Sabi Abdullahi
18. Senator Ali Wakili

Thank you

(Signed)

Senator Monsurat Sunmonu
Chairman

(d) **Acknowledgement:**

The Senate President acknowledged the presence of the following who were in the gallery to observe Senate Proceedings:

- (i) Staff and Students of Deo Gratias International School, Gwarinpa, Abuja;
- (ii) Staff and Students of Kings Crown College, Mararaba, Nasarawa State; and
- (iii) Staff and Students of Daisies Academy, Dakwo District, Abuja.

4. **Petitions:**

- (i) Rising on Rule 41, Senator Ovie A. Omo-Agege (*Delta Central*) drew the attention of the Senate to a petition from PC Ovuomariani Akpometeaho, over his wrongful dismissal from the Nigeria Police. He urged the Senate to look into the matter.

Petition laid and accordingly referred to the Committee on Ethics, Privileges and Public Petitions [Rule 41(3)] to report within two (2) weeks.

- (ii) Rising on Rule 41, Senator Dino Melaye (*Kogi West*) drew the attention of the Senate to a petition from Acting High Commissioner to Kenya, Mr. Friday O. Okai, over the list of the forty-seven (47) Career Ambassadorial Nominees sent by Mr. President, Commander-in-Chief of the Armed Forces of the Federation for confirmation. He observed that his name was excluded from the list. He urged the Senate to look into the matter before any action is taken on it.

The Committee on Foreign Affairs to look into the matter when considering the screening of nominees.

5. Personal Explanation:

Rising on Rule 43, Senator Donald O. Alasoadura (*Ondo Central*) drew the attention of the Senate to the list of the forty-seven (47) Career Ambassadorial Nominees sent by Mr. President, Commander-in-Chief of the Armed Forces of the Federation for confirmation. He observed that the list did not reflect the principles of Federal Character as enshrined in section 14(3) of the 1999 Constitution (as amended) because there was no representation from Ondo State, despite the fact that the State has qualified candidates working in the Federal Ministry of Foreign Affairs. He urged the Senate to look into the matter before any action is taken on it.

The Committee on Foreign Affairs to look into the matter when considering the screening of nominees.

6. Presentation of Bills:

- (i) Nation Wide Toll Bill, 2016 (SB.107) — *Read the First Time.*
- (ii) Anti-Corruption Court (Establishment, etc.) Bill, 2016 (SB.112) — *Read the First Time.*
- (iii) Existing vacancies (Publication) Bill, 2016 (SB. 52) — *Read the First Time.*
- (iv) Solid Minerals Producing Areas Development Commission (Establishment, etc.) Bill, 2016 (SB. 61) — *Read the First Time.*
- (v) National Energy Bill, 2016 (SB. 77) — *Read the First Time.*
- (vi) Federal Capital Territory (FCT) Hospital Management Board (Establishment, etc.) Bill, 2016 (SB. 69) — *Read the First Time.*
- (vii) Constitution of the Federal Republic of Nigeria 1999 (Alteration) Bill, 2016 (SB. 302) — *Read the First Time and referred to the Committee on the Review of the 1999 Constitution.*

7. Committee on Environment:

Report on the Forestry Research Institute of Nigeria Bill, 2016 (SB. 014):

Motion made: That the Senate do receive the Report of the Committee on Environment on the Forestry Research Institute of Nigeria Bill, 2016 (*Senator Foster Ogola — Bayelsa West*).

Question put and agreed to.

Report Laid.

8. Committee on Public Procurement:

Report on the Procurement Act, 2007 (Amendment) Bill, 2016 (SB. 232):

Motion made: That the Senate do consider the Report of the Committee on Public Procurement on the Procurement Act, 2007 (Amendment) Bill, 2016 (*Senator Joshua C. Dariye — Plateau Central*).

Question put and agreed to.

Report presented.

Motion made: That the Senate do resolve into the Committee of the Whole to consider the Report (*Senate Leader*).

Question put and agreed to.

(SENATE IN THE COMMITTEE OF THE WHOLE)

CONSIDERATION OF A BILL FOR AN ACT TO AMEND THE NATIONAL PROCUREMENT ACT TO PROVIDE FOR AND ADOPT A LOCAL CONTENT POLICY AND TIMELY COMPLETION OF PROCUREMENT PROCESSES; AND OTHER RELATED MATTERS

Clause 1: Establishment of the National Council on Public Procurement and its membership.

- (1) There is established the National Council on Public Procurement (in this Act referred to as "the Council").
- (2) The Council shall consist of :
 - (a) the Minister of Finance as Chairman ;
 - (b) The Ministers of Finance; National Planning and Budget;
 - (c) the Attorney-General and Minister of Justice of the Federation;
 - (d) the Secretary to the Government of the Federation;
 - (e) the Head of Service of the Federation;
 - (f) six part-time members to represent;
 - (i) the Chattered Institute of Purchasing and Supply Management of Nigeria;
 - (ii) Nigeria Bar Association ;
 - (iii) Nigeria Association of Chambers of Commerce, Industry, Mines and Agriculture ;
 - (iv) Nigeria Society of Engineers;
 - (v) Nigerian Institute of Architects;
 - (vi) Nigerian Institute of Quantity Surveyors;
 - (vii) Civil Society ;
 - (viii) the Media ; and
 - (g) the Director-General of the Bureau who shall be the Secretary of the Council.
- (3) Notwithstanding the provisions of Section (2), the Council may co-opt any person to attend its meeting but the person so co-opted shall not have a casting vote or be counted towards quorum.
- (4) The Chairman and other members of the Council shall be appointed by the President.

- (5) Subject to sub-section (2) of this Section, a member of the Council being:
- (a) the holder of an elective office under the Constitution of Nigeria, shall hold office for a period he remains so elected and no more; and
 - (b) the Director-General of the Bureau, shall hold office on such terms and conditions as may be specified in his letter of appointment.

Committee's Recommendation:

That the provision in Clause 1 be retained (*Senator Joshua C. Dariye — Plateau Central*) — *Agreed to.*

Question that Clause 1 do stand part of the Bill, put and agreed to.

Clause 2: Functions of the Council.

The Council shall :

- (a) consider, approve and amend the monetary and prior review thresholds for the application of the provisions of this Act by procuring entities ;
- (b) consider and approve policies on public procurement ;
- (c) approve the appointment of the Directors of the Bureau ;
- (d) receive and consider, for approval, the audited accounts of the Bureau of Public Procurement ; and
- (e) approve changes in the procurement process to adapt to improvements in modern technology" ;
- (f) give such other directives and perform such other functions as may be necessary to achieve the objectives of this Act.

Committee's Recommendation:

That the provision in Clause 2 be retained (*Senator Joshua C. Dariye — Plateau Central*) — *Agreed to.*

Question that Clause 2 do stand part of the Bill, put and agreed to.

PART II - ESTABLISHMENT OF THE BUREAU OF PUBLIC PROCUREMENT

Clause 3: The establishment of the Bureau of Public Procurement.

- (1) There is established an agency to be known as the Bureau of Public Procurement in this Act referred to as "the Bureau".
- (2) The Bureau :
 - (a) shall be a body corporate with perpetual succession and a common seal ;
 - (b) may sue and be sued in its corporate name ; and
 - (c) may acquire, hold or dispose of any property, movable or immovable for the purpose of carrying out any of its functions under this Act.

Committee's Recommendation:

That the provision in Clause 3 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 3 do stand part of the Bill, put and agreed to.

Clause 4: Objectives of the Bureau.

The objectives of the Bureau are :

- (a) the harmonization of existing government policies and practices on public procurement and ensuring probity, accountability and transparency in the procurement process ;
- (b) the establishment of pricing standards and benchmarks ;
- (c) ensuring the application of fair, competitive, transparent, value-for-money standards and practices for the procurement and disposal of public assets and services ; and
- (d) the attainment of transparency, competitiveness, integrity cost effectiveness and professionalism in the public sector procurement system.

Committee's Recommendation:

That the provision in Clause 4 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 4 do stand part of the Bill, put and agreed to.

Clause 5: Functions of the Bureau.

The Bureau shall :

- (a) formulate the general policies and guidelines relating to public sector procurement for the approval of the Council ;
- (b) publicize and explain the provisions of this Act ;
- (c) subject to thresholds as may be set by the Council, certify Federal procurement prior to the award of contract ;
- (d) supervise and monitor the implementation of established procurement policies ;
- (e) monitor the prices of tendered items and keep a national database of standard prices that shall be used procuring entities;
- (f) publish the details of major contracts in the procurement journal ;
- (g) publish paper and electronic editions of the procurement journal and maintain an archival system for the procurement journal;
- (h) maintain a national database of the particulars and classification and categorization of federal contractors, suppliers, consultants and service providers ;
- (i) collate and maintain in an archival system, all federal procurement plans and information ;

- (j) undertake procurement research and surveys ;
- (k) organize training and development programmes for procurement professionals ;
- (l) periodically review the socioeconomic effect of the policies on procurement and advise the Council accordingly;
- (m) prepare and update standard bidding and contract documents ;
- (n) prevent fraudulent and unfair procurement and where necessary apply administrative sanctions ;
- (o) review the procurement and award of contract procedures of every entity to which this Act applies ;
- (p) perform procurement audits and reviews and after approval of the Council, submit such report, respectively to the President, Senate President and Chief Justice of Nigeria annually;
- (q) introduce, develop, update and maintain related database and technology;
- (r) establish a single internet portal that shall, subject to Section 16 (21) to this Act serve as a primary and definitive source of all information on government procurement containing and displaying all public sector procurement information at all times ; and
- (s) co-ordinate relevant training programs to build institutional capacity.
- (p) perform procurement audits and reviews and after approval of the Council, submit such report, respectively to the President, Senate President and Chief Justice of Nigeria National Assembly bi-annually;
- (q) introduce, develop, update and maintain procurement related database and technology;
- (r) establish a single internet portal that shall, subject to Section 16 (21) to this Act serve as a primary and definitive source of all information on government procurement containing and displaying all public sector procurement information at all times; and
- (s) co-ordinate relevant training programs to build institutional capacity.;
- (t) subject to the approval of the Council, establish and staff the procurement unit or department in each procuring entity in the Executive, Legislative and Judicial arms of Government of the Federal Republic of Nigeria;
- (u) maintain a register of all procuring entities in the public service and members and secretaries of Tenders Boards;
- (v) develop, promote and support the training and professional development of the public personnel involved in procurement;
- (w) assist and support the local business community to become competitive and efficient supplier to the public sector;

- (x) facilitate the resolution of public procurement and disposal complaints; and
- (y) convene consultation meetings atleast once a year with relevant local and international stakeholders in the public and private sectors who have interest in the proper and effective functioning of the public procurement system. The meetings shall be chaired by the chairman of the Council or his representative.

Committee's Recommendation:

That the provision in Clause 5 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 5 do stand part of the Bill, put and agreed to.

Clause 6: Powers of the Bureau.

- (1) The Bureau shall have the power to :
 - (a) enforce the monetary and prior review thresholds set by the Council for the application of the provisions of this Act by the procuring entities;
 - (b) subject to the paragraph (a) of this sub-section, issue certificate of "No Objection" for Contract Award" within the prior review threshold for all procurements within the purview of this Act ;
 - (c) from time to time stipulate to all procuring entities, the procedures and documentation pre-requisite for the issuance of Certificate of 'No Objection' under this Act;
 - (d) where a reason exist:
 - (i) cause to be inspected or reviewed any procurement transaction to ensure compliance with the provisions of this Act,
 - (ii) review and determine whether any procuring entity has violated any provision of this Act ;
 - (e) debar any supplier, contractor or service provider that contravenes any provision of this Act and regulations made pursuant to this Act;
 - (f) maintain a national database of federal contractors and service providers and to the exclusion of all procuring entities prescribe classifications and categorizations for the companies on the register;
 - (g) maintain a list of firms and persons that have been debarred from participating in public procurement activity and publish them in the procurement journal ;
 - (h) call for such information, documents, records and reports in respect of any aspect of any procurement proceeding where a breach, wrongdoing, default, mismanagement and or collusion has been alleged, reported or proved against a procuring entity or service provider ;

- (i) recommend to the Council, where there are persistent or serious breaches of this Act or regulations or guidelines made under this Act for :
 - (i) the suspension of officers concerned with the procurement or disposal proceeding in issue ;
 - (ii) the replacement of the head or any of the members of the procuring or disposal unit of any entity or the Chairperson of the Tenders Board as the case may be ;
 - (iii) the discipline of the Accounting Officer of any procuring entity;
 - (iv) the temporary transfer of the procuring and disposal function of a procuring and disposing entity to a third party procurement agency or consultant ; or
 - (v) any other sanction that the Bureau may consider appropriate;
 - (j) call for the production of books of accounts, plans, documents, and examine persons or parties in connection with any procurement proceeding ;
 - (k) act upon complaints in accordance with the procedures set out in this Act ;
 - (l) nullify the whole or any part of any procurement proceeding or award which is in contravention of this Act ;
 - (m) do such other things as are necessary for the efficient performance of its functions under this Act.
- (2) The Bureau shall serve as the Secretariat for the Council.
- (3) The Bureau shall, subject to the approval of the Council, have power to:
- (a) enter into contract or partnership with any company, firm or person which in its opinion will facilitate the discharge of its functions ;
 - (b) subject to the paragraph (a) of this subsection, issue certificate of "No Objection for Contract Award" within the prior review threshold for all procurements within the purview of this Act; and
 - (c) liaise with relevant bodies or institutions national and international for effective performance of its functions under this Act.

Committee's Recommendation:

That the provision in Clause 6 be retained (*Senator Joshua C. Dariye — Plateau Central*) — *Agreed to.*

Question that Clause 6 do stand part of the Bill, put and agreed to.

Clause 7: Director-General and staff of the Bureau.

- (1) There shall be for the Bureau, a Director-General who shall be appointed by the President, on the recommendation of the Council after competitive selections.
- (2) The Director-General shall be:
 - (a) the Chief Executive and accounting officer of the Bureau ;
 - (b) responsible for the execution of the policy and day to day administration of the affairs of the Bureau ; and
 - (c) a person who is competent and experience in public procurement and possesses the relevant and adequate professional qualifications.
- (3) The Director-General shall hold office :
 - (a) for a term of 4 years in the first instance and may be re-appointed for a further term of 4 years and no more ; and
 - (b) on such terms and conditions as may be specified in his letter of appointment.
- (4) Without prejudice to the provisions of this Act, the Director-General of the Bureau may be removed from office at the instance of the President on the basis of gross misconduct of financial impropriety, fraud, and manifested incompetence proven by the Council.
- (5) In the absence of the Director General the Council may designate a staff member of the Bureau as acting Director General.

Committee's Recommendation:

That the provision in Clause 7 be retained (*Senator Joshua C. Dariye — Plateau Central*) — *Agreed to.*

Question that Clause 7 do stand part of the Bill, put and agreed to.

Clause 8: Principal officers of the Bureau.

- (1) The Council shall appoint the principal officers for the Bureau after competitive selection process.
- (2) The principal officers appointed under Section 9(1) of this Section shall each have the requisite qualification and experience required for the effective performance of the functions of their respective Departments and the Bureau as specified under this Act.
- (3) The Council shall have power to modify the operational structure of the Bureau as may be necessary to enhance the Bureau's duties and functions under this Act.

Committee's Recommendation:

That the provision in Clause 8 be retained (*Senator Joshua C. Dariye — Plateau Central*) — *Agreed to.*

Question that Clause 8 do stand part of the Bill, put and agreed to.

Clause 9: Other staff of the Bureau.

- (1) The Council may appoint such officers and other employees as may, from time to time, deem necessary for the purposes of the Bureau.
- (2) Subject to the Pension Reform Act, the terms and conditions of service (including remuneration, allowances, benefits and pensions) of officers and employees of the Bureau shall be as determined by the Council.
- (3) Without prejudice to the generality of sub-section of this Section, the Council shall have power to appoint either on transfer or on secondment from any public service in the Federation, such number of employees as may, be required to assist the Bureau in the discharge of any of its functions under the Act and persons so employed, shall be remunerated (including allowances) as the Council may consider appropriate.

Committee's Recommendation:

That the provision in Clause 9 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 9 do stand part of the Bill, put and agreed to.

Clause 10: Staff Regulations.

- (1) The Council may, subject to the provisions of this Act and within six months of the inauguration, make staff regulations relating generally to the conditions of service of the employees of the Bureau and without prejudice to the foregoing, such regulations may provide for :
 - (a) the appointment, promotion and disciplinary control (including dismissal) of employees of the Bureau ; and
 - (b) appeals by such employees against dismissal or other disciplinary measures.
- (2) Until such regulations are made, any instrument relating to the conditions of service of officers in the civil service of the Federation shall be applicable.

Committee's Recommendation:

That the provision in Clause 10 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 10 do stand part of the Bill, put and agreed to.

Clause 11: Pension provisions.

Employees of the Bureau shall be entitled to pensions, and other retirement benefits as prescribed under the Pension Act.

Committee's Recommendation:

That the provision in Clause 11 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 11 do stand part of the Bill, put and agreed to.

Clause 12: Funds of the Bureau.

- (1) The Bureau shall establish and maintain a Fund, to be approved by the Council into which shall be paid and credited :
 - (a) the sums appropriated by the National Assembly for the running of the Bureau ;
 - (b) all subventions, fees and charges for services rendered or publications made by the Bureau ; and
 - (c) all other assets which may, from time to time, accrue to the Bureau; and
 - (d) local and international grants, loans and donations received by the Bureau for its activities.
- (2) The Bureau shall charge its fund to meet all its expenditure.
- (3) The Council may make regulations for the Bureau :
 - (a) specifying the manner in which assets or the fund of the Bureau are to be held, and regulating the making of payment into and out of the fund ; and
 - (b) requiring the keeping of proper accounts and records for the purposes of the fund in such form as may be specified in the rules.
- (4) The Bureau may, from time to time, apply the proceeds of the fund for:
 - (a) the cost of administration of the Bureau;
 - (b) the payments of salaries, fees and other remuneration of employees of the Bureau or experts or professionals appointed by the Bureau;
 - (c) the maintenance of any property acquired by or vested in the Bureau; and
 - (d) any matter or expenditure connected with all or any of the functions of the Bureau under this Act.
 - (e) the payments of salaries, fees and other remuneration, of employees of the Bureau or experts or professionals appointed by the Bureau ; and
 - (f) any expenditure connected with all or any of the functions of the Bureau under this Act.
 - (g) local and international grants, loans and donations received by the Bureau for its activities.

Committee's Recommendation:

That the provision in Clause 12 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 12 do stand part of the Bill, put and agreed to.

Clause 13: Financial year, budgeting and annual report.

- (1) The financial year of the Bureau shall be the same as that of the Federal Government.
- (2) Not later than 6 months before the end of the financial year, the Bureau shall submit to the Council an estimate of its expenditure and projected income during the next succeeding year.
- (3) The Bureau shall keep proper accounts and records of its receipts, payments, assets and liabilities and shall in respect of each financial year prepare a statement of account in such form as the Council may direct.
- (4) The Bureau, subject to the approval of the Council, shall within 6 months after the end of the financial year to which the accounts relate cause the accounts to be audited in accordance with guidelines supplied by the Auditor-General of the Federation.
- (5) The Bureau shall at the end of each financial year, prepare and submit to the Council a report in such form as shall accurately capture all the activities of the Bureau during the preceding year and shall include in the report a copy of the audited accounts of the Bureau for that year.

Committee's Recommendation:

That the provision in Clause 13 be retained (*Senator Joshua C. Dariye — Plateau Central*) — *Agreed to.*

Question that Clause 13 do stand part of the Bill, put and agreed to.

Clause 14: Legal proceedings.

- (1) Subject to the provisions of this Act, no suit shall be commenced against the Bureau before the expiration of 30 days after written notice of an intention to commence the suit shall have been served upon the Bureau by the intending plaintiff or his agent; and the notice shall clearly and explicitly state :
 - (a) the cause of action ;
 - (b) the particulars of the claim ;
 - (c) the name and address of legal practitioner of the intending plaintiff; and
 - (d) the relief being sought.
- (2) The Director-General of the Bureau, its officers, employees or agents shall not personally be subject to any action, claim or demand by, or liable to any person in respect of anything done or omitted to be done in exercise of any functions or power conferred by this Act upon the Bureau, its Director-General, officers, employees or agents.
- (3) A member of the Bureau or the Director-General or any officer or employee of the Bureau shall be indemnified out of the assets of the Bureau against any liability incurred by him in defending any proceeding, whether civil or criminal, if the proceeding is brought against him in his capacity as a member, Director-General, officer or other employee of the Bureau.

- (4) A notice, summons or other documents required or authorized to be served upon the Bureau under the provisions of this Act or any other law or enactment may be served by delivering it to the Director-General or by sending it by registered post and addresses to the Director-General at the principal office of the Bureau.

Committee's Recommendation:

That the provision in Clause 14 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 14 do stand part of the Bill, put and agreed to.

Clause 15: Scope of application.

- (1) This Act shall be applicable to all public procuring and disposal entities under the three arms of the Federal Government. The provisions of this Act shall apply to all procurement of goods, works, and services carried out by:
- (a) the Federal Government of Nigeria and all procurement entities;
 - (b) all entities outside the foregoing description which derive at least 35% of the funds appropriated or proposed to be appropriated for any type of procurement described in this Act from the Federation share of Consolidated Revenue Fund.
 - (c) Without limiting subsections (a) and (b) above, the Act applies to:
 - (i) Federal Government Ministries, Departments and Agencies;
 - (ii) Federal Government Institutions;
 - (iii) Federal Government owned enterprises, corporations, councils, authorities and commissions provided that they utilize public funds;
 - (iv) Tertiary and non-Tertiary Educational Institutions;
 - (v) Hospitals and other Health Institutions;
 - (vi) The Central Bank of Nigeria and other Federal Government owned Financial Institutions;
 - (vii) The National Defence and National Security Agencies;
 - (d) Procurement with grants, loans taken or guaranteed by the Federal Government and foreign aid funds except where the applicable loan agreement, guarantee contract or foreign agreement specifically provides the procedure for the use of the funds.
 - (e) Disposal of public properties including stores, plants and equipment.

- (2) The national defence and national security agencies shall comply with the provisions of this Act subject to the following:
- (a) The Ministers of Defence and Interior shall seek and obtain President's approval categorizing the goods, works and services to be procured into either open or special/restricted items;
 - (b) The national defence and national security agencies and the Council shall agree on the special and restricted procurement methods, including request for proposals and request for quotations, set out in this Act that shall be applied for the procurement of the restricted items accordingly; and
 - (c) The national defence and national security agencies shall include the Armed Forces, the Nigeria Police Force and any other agency as may be approved by the President.

Committee's Recommendation: -

That the provision in Clause 15 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 15 do stand part of the Bill, put and agreed to.

Clause 16: Fundamental principles for procurement.

- (1) Subject to any exemption allowed by this Act, all public procurement shall be conducted:
 - (a) subject to the prior review thresholds as may from time to time be set by the Council;
 - (b) based only on procurement plans supported by prior budgetary appropriations and no procurement proceedings shall be formalized until the procuring entity has ensured that funds are available to meet the obligations and subject to the threshold in the regulations set by the Council, and has obtained a "Certificate of 'No Objection' to Contract Award";
 - (c) by open competitive bidding or any other procurement method approved by the Council;
 - (d) in a manner which is transparent, timely, equitable for ensuring accountability and in conformity with this Act and regulations deriving there from;
 - (e) with the aim of achieving value for money and fitness for purpose;
 - (f) in a manner which promotes competition, economy and efficiency;
 - (g) in accordance with the procedures and time-line laid down in this Act and as may be specified by the Bureau from time to time; and
 - (h) in a corporate manner carried out by the departments and units of the procuring entity in respect of procurement initiation, processing, receipt and utilization of goods, works and services.

- (2) Where the Council has set prior review thresholds in the procurement regulations, no funds shall be disbursed from the Treasury or Federation Account or any bank account of any procuring entity for any procurement, unless the cheque, payments or other form of request for payments is accompanied by a certificate of "No Objection" and an approval by a Tenders board to an award of contract. duly issued by the Bureau.
- (3) For all cases where the Council shall set a prior review threshold. The Bureau shall prescribe by regulation, guidelines and the conditions precedent to the issuance of certificate of "No Objection" under this Act.
- (4) Subject to the prior review thresholds as may be set by the Council, any procurement purported to be awarded without a "Certificate of 'No Objection' to Contract Award" and an approval of the contract award by a Tenders board shall be null and void.
- (5) A supplier, contractor or service provider may be a natural person, a legal person or a combination of the two. Suppliers, contractors or service providers acting jointly are jointly and severally liable for all obligations and or responsibility arising from this Act and the non- performance or improper performance of any contract awarded pursuant to this Act.
- (6) All bidders in addition to requirements contained in any solicitation documents shall:
 - (a) possess the necessary:
 - (i) professional and technical qualifications to carry out particular procurements;
 - (ii) financial capability;
 - (iii) equipment and other relevant infrastructure; and
 - (iv) shall have adequate personnel to perform the obligations of the procurement contracts.;
 - (b) possess the legal capacity to enter into the procurement contract;
 - (c) not be in receivership, the subject of any form of insolvency or bankruptcy proceedings or the subject of any form of winding up petition or proceedings;
 - (d) have fulfilled all its obligations to pay taxes, pensions and social security contributions;
 - (e) not have any director who has been convicted in any country for any criminal offence relating to fraud or financial impropriety or criminal misrepresentation or falsification off acts relating to any matter; and
 - (f) accompany every bid with an affidavit disclosing whether or not any officer of the relevant committees of the procurement entity or Bureau is a former or present director, shareholder or has any pecuniary interest in the bidder and confirm that all information presented in its bid are true and correct in all particulars.

- (7) The procuring entity may require a bidder to provide documentary evidence or other information it considers necessary as proof that the bidder is qualified in accordance with this Act and the solicitation documents and for this purpose any such requirements shall apply equally to all bidders.
- (8) Whenever it is established by a procuring entity or the Bureau that any or combinations of the situations set out exist, a bidder may have its bid or tender excluded from any particular procurement proceeding if:
- (a) there is verifiable evidence that any supplier, contractor or consultant has given or promised a gift of money or any tangible item, or has promised, offered or given employment or any other benefit, item or a service that can be quantified in monetary terms to a current or former employee of a procuring entity or the Bureau, in an attempt to influence any action, or decision making of any procurement activity;
 - (b) a supplier, contractor or consultant during the last three years prior to the commencement of the procurement proceedings in issue, failed to perform or to provide due care in performance of any public procurement;
 - (c) the bidder is in receivership or is the subject of any type of insolvency proceedings or if being a private company under the Companies and Allied Matters Act, is controlled by a person or persons who are subject to any bankruptcy proceedings or who have been declared bankrupt and or have made any compromises with their creditors within two Calendar-years prior to the initiation of the procurement proceeding;
 - (d) the bidder is in arrears regarding payment of due taxes, charges, pensions, or social insurance contributions, unless such bidders have obtained a lawful permits with respect to allowance, difference of such outstanding payments or payment thereof in installments;
 - (e) the bidder has been validly sentence for a crime committed in connection with a procurement proceeding, or any other crime committed to gain financial profit;
 - (f) the bidder has in its management or is in any portion owned by any person that has been validly sentence for a crime committed in connection with a procurement proceeding, or other crime committed to gain financial profit; ; and
 - (g) the bidder fails to submit a statement regarding its dominating or subsidiary relationships with respect to other parties to the proceedings and persons acting on behalf of the procuring entity participating in same proceeding or whom remains in subordinate relationship with other participants to the proceedings.

- (9) In such cases the procuring entity shall inform the Bureau and person referred to in subsection (8) (a)-(g) of this Section, in writing that the bid or tender in question has been excluded and the grounds for the exclusion and to keep a record of same in the file pertaining to the public procurement proceeding in question.
- (10) All communications and documents issued by procuring entities and the Bureau shall be in English language.
- (11) All communications regarding any matter deriving from this Act or proceedings of public procurement shall be in writing or such other form as may be stipulated by the Bureau.
- (12) Every procuring entity shall maintain both file and electronic records of all procurement proceedings made within each financial year and the procurement records shall be maintained for a period of ten years from the date of the award.
- (13) Copies of all procurement records shall be transmitted to the Bureau not later than 3 months after the end of the financial year and shall show:
 - (a) information identifying the procuring entity and the contractors;
 - (b) the date of the contract award;
 - (c) the value of the contract; and
 - (d) the detailed records of the procurement proceedings.
- (14) All unclassified procurement records shall be open to inspection by the public at the cost of copying and certifying the documents plus an administrative charge as may be prescribed from time to time by the Bureau as directed by the Council.
- (15) The criteria stipulated as the basis upon which suppliers or contractors would be evaluated shall not be changed in the course of any procurement proceeding.
- (16) The burden of proving fulfillment of the requirements for participation in any procurement proceeding shall lie on the supplier or contractor.
- (17) A contract shall be awarded to the lowest evaluated responsive bid from the bidders substantially responsive to the bid solicitation.
- (18) Notwithstanding subsection (16) of this Section, the Council may refuse to issue a 'Certificate of "No Objection" to Contract Award' on the grounds that the price is excessive.
- (19) Pursuant to subsection (17) of this Section, the Bureau may direct either that the procurement proceedings be entirely cancelled or that the procuring entity conduct a re-tender.
- (20) 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 this Act.

- (21) The accounting officer of a procuring entity has the responsibility the responsibility to ensure that the provisions of this Act and the regulations laid down by the Council are complied with, and concurrent approval by any Tenders Board shall not absolve the accounting officer from accountability for anything done in contravention of this Act or the regulations laid down hereunder.
- (22) Procurement and disposal decisions of a procuring entity shall be taken in strict adherence to the provisions of this Act and any regulations as may from time to time be laid down by the Council. Specifically, procurement and disposal decisions by an entity shall be taken in a corporate manner and any internal departments/units or committees or boards concerned, shall accordingly contribute to the decision making process as provided in the Act.
- (23) Persons who have been engaged in preparing for a procurement or part of the proceedings thereof may neither bid for the procurement in question or any part thereof either as main contractor or sub-contractor nor may they cooperate in any manner with bidders in the course of preparing their tenders.
- (24) A procuring entity shall not request or stipulate that a bidder should engage a particular subcontractor as a requirement for participating in any procurement proceedings.
- (25) All procurement contracts shall contain provisions for arbitral proceedings as the primary forms of dispute resolution.
- (26) The values in procurement documents shall be stated in Nigerian currency and where stated in a foreign currency shall be converted to Nigerian currency using the exchange rate of the Central Bank of Nigeria valid on the day of opening a tender or bid.
- (27) All procurement contracts shall contain warranties for durability of goods, exercise of requisite skills in service provision and use of genuine materials and inputs in execution.

Committee's Recommendation:

That the provision in Clause 16 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 16 do stand part of the Bill, put and agreed to.

Clause 17: Approving authority.

- (1) Subject to the monetary and prior review thresholds for procurements in this Act as may from time to time be determined by the Council, the following shall be the approving authority for the conduct of public procurement:
 - (a) in the case of :
 - (i) a government agency, parastatal, or corporation, a Parastatals Tenders Board; and
 - (ii) a ministry or extra-ministerial entity, the Ministerial Tender Board.

- (iii) the House of Representatives or Senate, the House of Representatives or Senate Tenders Board respectively; and
- (iv) the Federal High Court or Court of Appeal or Supreme Court, the Federal High Court or Court of Appeal or Supreme Court Tenders Board respectively.

Amendment Proposed:

Immediately after the words "High Court" in line 1, *insert* the words "the Federal Capital Territory High Court, or National Industrial Court" (*Senator Ike Ekweremadu — Enugu West*).

Question that the amendment be made, put and agreed to.

- (b) in the case of:
any other public procurement the value of which exceeds the Ministerial Tenders Board threshold or any other thresholds set by the Council:
 - (i) the Federal Tenders Board which is the Federal Executive Council for the Executive Arm of Government;
 - (ii) the National Assembly Tenders Board which is the Body of Principal Officers for the Legislative Arm of Government; and
 - (iii) the Judiciary Tenders Board which is the Federal Judicial Council for the Judicial Arm of Government.
- (2) The Chief Executive Officer of the procuring agency shall chair the Parastatal Tenders Board, while the Permanent Secretary shall chair the Ministerial Tenders Board.

The Clerk of the House shall chair the House of Representatives Tenders Board, while the Clerk of the Senate shall chair the Senate Tenders Board and the Chief Registrars shall chair the Federal High Court Tenders Boards, the Court of Appeal Tenders Board and the Supreme Court Tenders Board respectively.
- (3) The President shall chair the Federal Tenders Board, while the Senate President shall chair the National Assembly Tenders Board and the Chief Justice of Nigeria shall chair the Judiciary Tenders Board.

Amendment Proposed:

Leave out the provision in Sub-clause 3 and *insert* the following instead thereof:

"The Chairman of Public Procurement Council shall chair the Federal Tenders Board, while Clerk to the National Assembly shall chair the National Assembly Tenders Board and the Chief Registrar shall chair the Judiciary Tenders Board" (*Senator Ike Ekweremadu — Enugu West*).

Question that the amendment be made, put and agreed to.

- (4) The respective Heads of the procurement unit/department of the procuring entity shall be the Secretary of the Parastatal Tenders Board, Ministerial Tenders Board, House of Representatives Tenders Board, Senate Tenders Board, Federal High Courts Tenders Boards, the Court of Appeal Tenders Board and the Supreme Court Tenders Board.

- (5) The Secretary to the Government of the Federation shall be the Secretary of the Federal Tenders Board, while the Clerk of the National Assembly shall be the Secretary of the National Assembly Tenders Board and the Chief Registrar of the Supreme Court shall be the Secretary of the Judiciary Tenders Board (*Senator Joshua C. Dariye — Plateau Central*)

Question that Clause 17 as amended do stand part of the Bill, put and agreed to.

Clause 18: Procurement planning.

Subject to regulations as may from time to time be made by the Bureau under the direction of the Council, a procuring entity shall plan its procurement by :

- (a) preparing the needs assessment and evaluation;
- (b) identifying the goods, works or services required ;
- (c) carrying appropriate market and statistical surveys and on that basis prepare an analysis of the cost implications of the proposed procurement;
- (d) aggregating its requirements whenever possible, both within the procuring entity and between procuring entities, to obtain economy of scale and reduce procurement cost ;
- (e) integrating its procurement expenditure into its yearly budget ;
- (f) prescribing any method for effecting the procurement subject to the necessary approval under this Act ; and
- (g) ensuring that the procurement entity functions stipulated in this Section shall be carried out by the Procurement Planning Committee.

Committee's Recommendation:

That the provision in Clause 18 be retained (*Senator Joshua C. Dariye — Plateau Central*) — *Agreed to.*

Question that Clause 18 do stand part of the Bill, put and agreed to.

Clause 19: Procurement Implementation.

Subject to regulations as may from time to time be made by the Bureau under direction of Council, a procuring entity shall, in implementing its procurement plans :

- (a) advertise and solicit for bids in adherence to this Act and guidelines as may be issued by the Bureau from time to time. ;
- (b) to invite two credible persons as observers in every procurement process, one person each representing a recognized ;
 - (i) private sector professional organisation whose expertise is relevant to the particular goods or service being procured, and
 - (ii) non-governmental organisation working in transparency, accountability and anti-corruption areas, and the observers shall not intervene in the procurement process but shall have right to submit their observation report to any relevant agency or body including their own organisations or associations ;

- (c) receive, evaluate and make a selection of the bids received in adherence to this Act and guidelines as may be issued by the Bureau from time to time;
- (d) obtain approval of the approving authority before making an award ;
- (e) debrief the bid losers on request ;
- (f) resolve complaints and disputes if any ;
- (g) obtain and confirm the validity of any performance guarantee ;
- (h) obtain a "Certificate of 'No Objection' to Contract Award" from the Bureau within the prior review threshold as stipulated in Section 3 (a) of this Act ;
- (i) execute all Contract Agreements ; and
- (j) Announce and publicize the award in the format stipulated by this Act and guidelines as may be issued by the Bureau from time to time.

Committee's Recommendation:

That the provision in Clause 19 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 19 do stand part of the Bill, put and agreed to.

Clause 20: Accounting officer.

- (1) The accounting officer of a procuring entity shall be the person charged with line supervision of the conduct of all procurement processes; in the case of ministries, the Permanent Secretary; in the case of extra-ministerial departments and corporations, the Director-General or officer of co-ordinate responsibility; in the case of the National Assembly, the Clerk; and in the case of the Judiciary, the Registrar.
- (2) The accounting officer of every procuring entity shall have overall responsibility for the planning of, organization of tenders, evaluation of tenders and execution of all procurements and in particular shall, primarily be responsible for:
 - (a) ensuring compliance with the provisions of this Act by his entity and liable in person for the breach or contravention of this Act or any regulation made hereunder whether or not the act or omission was carried out by him personally or any of his subordinates and it shall not be material that he had delegated any function duty or power to any person or group of persons;
 - (b) constituting the Procurement Planning Committee and its decisions;
 - (c) ensuring that adequate appropriation is provided specifically for the procurement in the Federal budget;
 - (d) integrating his entity's procurement expenditure into its yearly budget;

- (e) ensuring that no reduction of values or splitting of procurements is carried out such as to evade the use of the appropriate procurement method; and
 - (f) liaising with the Bureau to ensure the implementation of its regulations.
- (3) The accounting officer of each procuring entity is empowered to purchase or approve contracts without open competitive tendering provided the value of such procurement (low-value procurement) does not exceed certain threshold set by the Council. For such low-value procurement, the Council shall prescribe the procedure and other conditions applicable for different procuring entities and for different goods, works and services to be procured.
- (4) Each employee of a procuring entity and each member of a board or committee of a public entity shall ensure that this Act, within the areas of assigned responsibility of the employee or member, is complied with.
- (5) All bidders, contractors and suppliers for the procurement of any goods, works and services for any public entity shall comply with all relevant provisions of this Act.
- (6) Any stakeholder, be it the accounting officer, an officer of the procuring entity, a member of a committee or board of a public entity and any bidder or contractor or supplier of public goods, works and services, who fails to independently perform within the respective assigned responsibility as prescribed in this Act and or who contravenes the provisions of this Act, shall be guilty of an offence.

Committee's Recommendation:

That the provision in Clause 20 be retained (*Senator Joshua C. Dariye — Plateau Central*) —
Agreed to.

Question that Clause 20 do stand part of the Bill, put and agreed to.

Clause 21: Procurement planning committee.

- (1) For each financial year each procuring entity shall establish a Procurement Planning Committee.
- (2) The Procurement Planning Committee shall consist of —
 - (a) the accounting officer of the procuring entity or his representative who shall chair the Committee ;
 - (b) a representative of —
 - (i) the procurement unit of the procuring entity who shall be the Secretary,
 - (ii) the unit directly in requirement of the procurement (the user department/unit),
 - (iii) the financial unit of the procuring entity,
 - (iv) the planning, research and statistics unit of the procuring entity,

- (v) technical personnel of the procuring entity with expertise in the subject matter for each particular procurement, and
 - (vi) the legal unit of the procuring entity.
- (3) The Procurement Planning Committee shall carry out the functions of the procuring entity as spelt out in Section 18 of this Act and shall issue the Certificate of No Objection for contracts within the prior review thresholds set by the Council.
 - (4) The procurement unit or department of the procuring entity shall undertake independent mandatory regular monitoring of all projects and render returns to the relevant Tenders Board and directly to the Bureau on monthly basis.
 - (5) The user department/unit shall be responsible for initiating procurement or disposal, proposing technical specifications for the goods, works and services to be procured and work directly with consultants, contractors/suppliers to ensure that the items are delivered as signed in the contract agreement.

Committee's Recommendation:

That the provision in Clause 21 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 21 do stand part of the Bill, put and agreed to.

Clause 22: Tenders Board.

- (1) There is hereby established by this Act the Parastatal Tenders Board in each procuring entity, procuring entity the Ministerial Tenders Board in each Ministry and Extra-Ministerial Department, the Federal Tenders Board for the Executive arm of Government, (in this Act each referred to as "the Tenders Board").
- (2) Subject to the approval of the Council, the Bureau shall —
 - (a) from time to time prescribe guidelines for the membership of the Tenders Boards for —
 - (i) Ministries, Departments and Agencies;
 - (ii) Government owned enterprises, corporations, councils, authorities and commissions;
 - (iii) Tertiary and non-Tertiary Educational Institutions;
 - (iv) Hospitals and other Health Institutions;
 - (v) The Central Bank of Nigeria and other Financial Institutions;
 - (vi) The National Defence and National Security Agencies;
 - (b) Set the thresholds for the various accounting officers of all procuring entities below which they are empowered to make purchase or approve contracts (low-value procurement) without open competitive tendering;

- (c) Set the thresholds below which the Procurement Planning Committee and above which the Council shall issue the Certificates of No Objection to contracts awards;
 - (d) Set the Parastatals Tenders Boards thresholds as the approving authority limit for the Parastatal Tenders Boards;
 - (e) Set the Ministerial Tenders Board thresholds as the approving authority limit for the Ministerial Tenders Boards;
 - (f) Set special thresholds as the approving authority limits for some selected procuring entities and Tenders Boards identified in (a) above;
 - (g) Set the thresholds as the approving authority limits for the Federal, National Assembly and Judiciary Tenders Boards respectively;
 - (h) Set thresholds for all procuring entities, above which no bank shall make any disbursement from the account of any procuring entity unless the request for such payment is accompanied with the issued Certificate of No Objection to contract award; and
 - (i) Set thresholds for and procurement methods and procedures to be used by all procuring entities.
- (3) Each Tenders Board shall be responsible for the approval of the award of procurements goods, works and services within the thresholds set in the regulations.
- (4) (a) The Procurement Planning Committee of the procuring entity shall appoint Tenders Opening Committee of at least three members and at least one of the members shall not be directly involved in the processing or evaluation of the tenders. The Legal Officer of the procuring entity shall be the secretary of the Tenders Opening Committee. The Tenders Opening Committee shall submit tenders opening report to the Technical Evaluation Sub-committee;
- (b) In all cases where there is a need for pre-qualification and tenders evaluation, the Chairman of the each Tenders Board shall constitute a technical evaluation sub-committee of the Tenders Board charged with the responsibility for the evaluation of bids which shall be made up of some members of the Board, professional staff of the procuring entity, some selected other professionals and the Secretary of the Tenders Board who shall also be the Chair of the Technical Evaluation Sub-committee.
- (c) For the Federal Tenders Board, the Minister in charge of the procuring entity shall chair the Technical Evaluation Sub-committee as representative of the Secretary of the Federal Tenders Board.
- (d) For the Judiciary Tenders Board the Chief Judge of the State Federal High Court shall chair the Technical Evaluation Sub-committee as representative of the Secretary of the Judiciary Tenders Board.

- (e) All members of the Technical Evaluation Sub-committee shall sign the Code of Ethics designed by the Council declaring that they do not have a conflict of interest in any of the procurement under consideration.
- (f) After completing the evaluation exercise, the Technical Evaluation Sub-committee shall obtain the "Certificate of No Objection" to award contract.
- (g) Each Tenders Board shall review the evaluation and recommendation made by the Technical Evaluation Sub-committee of its Tenders Board and may either —
 - (i) Approve the recommendation to award the contract or part thereof; or
 - (ii) Refuse to accept the recommendation or part thereof and refer the evaluation back to the Technical Evaluation Sub-committee with an instruction to re-evaluate the tenders or a recommendation for re-tendering or other action.
- (5) The decision of the Parastatal Tenders Board shall be communicated to confirmed by the Minister for implementation. Chairman of the Governing Board of the procuring entity as the confirmation authority, while the decision of the Ministerial Tenders Board shall be confirmed by the Minister as the confirmation authority.
- (6) In the absence of the Chairman of the Governing Board or the Minister, the Procurement Planning Committee of the procuring entity shall confirm the approvals of the Parastatal Tenders Board and the Ministerial Tenders Board respectively.
- (7) The decision of the House of Representatives Tenders Board shall be confirmed by the Speaker, while the decision of the Senate Tenders Board shall be confirmed by the Senate President and the decision of the Federal High Courts Tenders Boards/Court of Appeal Tenders Board shall be confirmed by the Chief Judge/President of the Court of Appeal respectively.

Committee's Recommendation:

That the provision in Clause 22 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 22 do stand part of the Bill, put and agreed to.

Clause 23: Prequalification of bidders.

- (1) Where a procuring entity has made a decision with respect to the minimum qualifications of suppliers, contractors or service providers by requesting interested persons to submit applications, to pre-qualify, it shall set out precise criteria upon which it seeks to give consideration to the applications and in reaching a decision as to which supplier, contractor or service provider qualifies, shall apply only the criteria set out in the prequalification documents and no more.

- (2) Procuring entities shall supply a set of prequalification documents to each supplier, contractor or consultant that request them, and the price that a procuring entity may charge for the prequalification documents shall reflect only the cost of printing and provision to suppliers or contractors and consultants.
- (3) The prequalification document shall include —
 - (a) instructions to prepare and submit prequalification application ;
 - (b) a summary of the main terms and conditions required for the procurement contract to be entered into as a result of the procurement proceedings ;
 - (c) any documentary evidence or other information that must be submitted by suppliers, contractors or consultants to demonstrate their qualifications ;
 - (d) the manner and place for the submission of applications to pre-qualify and the deadline for the submission. expressed as a specific date and time which allows sufficient time for suppliers, contractors or consultants to prepare and submit their applications, taking into account the reasonable need of the procuring entity ; and
 - (e) any other requirement that may be established by the procuring entity in conformity with this Act and procurement regulations relating to the preparation and submission of applications to pre-qualify and to the prequalification proceedings.
- (4) The procurement entity shall respond to any request by a supplier, contractor or consultant for clarification of the prequalification documents if the request is made at least ten days before the deadline for the submission of applications to pre-qualify.
- (5) The response by the procuring entity shall be given within a reasonable time and in any event within a period of at most seven working days so as to enable the supplier, contractor or consultant to make a timely submission of its application to pre-qualify.
- (6) The response to any request that might reasonably be expected to be of interest to other supplier, contractor or consultant shall, without identifying the source of the request, be communicated to other suppliers or contractors or consultants provided with the prequalification documents by the procuring entity.
- (7) A procuring entity shall promptly notify each supplier, contractor or consultant which submitted an application to pre-qualify of whether or not it has been pre-qualified and shall make available to any member of the general public upon request, the names of the suppliers, contractors or consultants who have been pre-qualified.
- (8) Suppliers, contractors or consultants who have been pre-qualified may participate further in the procurement proceedings.

- (9) The procuring entity shall upon request communicate to suppliers, contractors or consultants who have not been pre-qualified, the grounds for disqualification.
- (10) The procuring entity may require a supplier, contractor or service provider who has been pre-qualified to demonstrate its qualifications again in accordance with the same criteria used to pre-qualify the supplier, contractor or consultant.
- (11) The procuring entity shall promptly notify each supplier, contractor or service provider requested to demonstrate its qualifications again whether or not the supplier, contractor or consultant has done so to the satisfaction of the procuring entity.
- (12) The procuring entity shall disqualify any supplier, contractor or service provider who fails to demonstrate its qualification again if requested to do so.

Committee's Recommendation:

That the provision in Clause 23 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 23 do stand part of the Bill, put and agreed to.

PART VI-PROCUREMENT METHODS (WORKS, GOODS AND SERVICES)

Clause 24: Open competitive bidding.

- (1) Except as provided by this Act, all procurements of goods and works by all procuring entities shall be conducted by open competitive bidding.
- (2) Any reference to open competitive bidding in this Act means the process by which a procuring entity based on previously defined criteria, effects public procurements by offering to every interested bidder, equal simultaneous information and opportunity to offer the goods, works and services needed.
- (3) The winning bid shall be that which is the lowest evaluated responsive bid which has been responsive to the bid with regards to work specification and standard.

Committee's Recommendation:

That the provision in Clause 24 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 24 do stand part of the Bill, put and agreed to.

Clause 25: Invitations to bid.

- (1) Invitations to bid may be either by way of National Competitive Bidding or International Competitive Bidding and the Bureau shall from time to time set the monetary thresholds for which procurements shall fall under either system.

- (2) Every invitation to an open competitive bid shall —
- (i) in the case of goods and works under International Competitive Bidding, the invitation for bids shall be advertised in at least two national newspapers and one relevant internationally recognised publication, any official websites of the procuring entity and the Bureau as well as the procurement journal not less than six weeks before the deadline for submission of the bids for the goods and works,
 - (ii) in the case of goods and works valued under National Competitive Bidding, the invitation for bids shall be advertised on the notice board of the procuring entity, any official web sites of the procuring entity, at least two national newspapers, and in the procurement journal not less than seven weeks before the deadline for submission of the bids for the goods and six weeks of works.

Committee's Recommendation:

That the provision in Clause 25 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 25 do stand part of the Bill, put and agreed to.

Clause 26: Bid security.

- (1) Subject to the monetary and prior review thresholds as may from time to time be set by the Bureau all procurements valued in excess of the sums prescribed by the Bureau shall require a bid security in an amount not more than 2% of the bid price by way of a bank guarantee issued by a reputable bank acceptable to the procuring entity.
- (2) The Bureau shall from time to time specify the principal terms and conditions of the required bid security in the tender documents.
- (3) When the procuring entity requires suppliers or contractors submitting tenders to provide a bid security the requirement shall apply to each supplier or contractor.

Committee's Recommendation:

That the provision in Clause 26 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 26 do stand part of the Bill, put and agreed to.

Clause 27: Submission of bids.

- (1) All bids in response to an invitation to open competitive bidding shall be submitted in writing and in addition to any other format stipulated in the tender documents, signed by an official authorized to bind the bidder to a contract and placed in a sealed envelop.
- (2) All submitted bids shall be deposited in a secured tamper-proof bid-box.
- (3) All bids submitted shall be in English language.
- (4) The procuring entity shall issue a receipt showing the date and time the bid was delivered.

- (5) Any bid received after the deadline for the submission of bids shall not be opened and must be returned to the supplier or contractor which submitted it.
- (6) No communication shall take place between procuring entities and any supplier or contractor after the publication of a bid solicitation other than as provided in this Act.

Committee's Recommendation:

That the provision in Clause 27 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 27 do stand part of the Bill, put and agreed to.

Clause 28: Rejection of bids.

A procuring entity or the Technical Evaluation Sub-Committee may —

- (a) reject all bids at any time prior or after the acceptance of a bid, without incurring thereby any liability to the bidders ; and
- (b) cancel the procurement proceedings in the public interest, without incurring any liability to the bidders.

Committee's Recommendation:

That the provision in Clause 28 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 28 do stand part of the Bill, put and agreed to.

Clause 29: Validity period of bids, modification and withdrawal of tenders.

- (1) The period of validity for a bid shall be the period specified in the tender documents.
- (2) A procuring entity may request suppliers or contractors to extend the period of validity for an additional specified period of time.
- (3) A supplier or contractor may refuse the request for the extension of bid, in which case the effectiveness of its bid will terminate upon the expiration of the unextended period of effectiveness.
- (4) A supplier or contractor may modify or withdraw its bid prior to the deadline for the submission of bids.
- (5) The modification or notice of withdrawal is effective if it is received by the procurement entity before the deadline for the submission of tenders.

Committee's Recommendation:

That the provision in Clause 29 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 29 do stand part of the Bill, put and agreed to.

Clause 30: Bid opening.

All bids shall be submitted before the deadline or date specified in the tender documents or any extension of the deadline for submission and the procuring entity shall —

- (a) permit attendees to examine the envelopes in which the bids have been submitted to ascertain that the bids have not been tampered with ;
- (b) cause all the bids to be opened in public, in the presence of the bidders or their representatives and any interested member of the public ;
- (c) ensure that the bid opening takes place immediately following the deadline stipulated for the submission of bids or any extension thereof ;
- (d) ensure that a register is taken of the names and addresses of all those present at the bid opening and the organizations they represent which is recorded by the Secretary of the tenders board ; and
- (e) call-over to the hearing of all present, the name and address of each bidder, the total amount of each bid, the bid currency and shall ensure that these details are recorded by the Secretary of the Tenders Board or his delegate in the minutes of the bid opening.

Committee's Recommendation:

That the provision in Clause 30 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 30 do stand part of the Bill, put and agreed to.

Clause 31: Examination of bids.

- (1) All bids shall be first examined to determine if they —
 - (a) meet the minimum eligibility requirements stipulated in the bidding documents ;
 - (b) have been duly signed ;
 - (c) are substantially responsive to the bidding documents ; and
 - (d) are generally in order.
- (2) A procuring entity may ask a supplier or a contractor for clarification of its bid submission in order to assist in the examination, evaluation and comparison of bids.
- (3) The following shall not be sought, offered or permitted —
 - (a) changes in prices ;
 - (b) changes of substance in a bid ; and
 - (c) changes to make an unresponsive bid responsive.
- (4) Notwithstanding sub-section (3) of this Section, the procuring entity may correct purely arithmetical errors that are discovered during the examination of tenders.
- (5) The procuring entity shall give prompt notice of the correction to the supplier or contractor that submitted the tender.
- (6) A major deviation shall result in a rejection of bid while a minor deviation shall be subject to clarification.

- (7) The following shall be considered as major deviations —
- (a) with respect to clauses in an offer —
 - (i) unacceptable sub-contracting,
 - (ii) unacceptable time schedule if time is of essence,
 - (iii) unacceptable alternative design, and
 - (iv) unacceptable price adjustment.
 - (b) with respect to the status of the bidder —
 - (i) the fact that he is ineligible or not pre-qualified, and
 - (ii) the fact that he is uninvited,
 - (c) with respect to bid documents an unsigned bid ;
 - (d) with respect to time, date and location for submission —
 - (i) any bid received after the date and time for submission stipulated in the solicitation document,
 - (ii) any bid submitted at the wrong location.
- (8) In cases of major deviations, bids shall not be considered any further and, where unopened, shall be returned as such to the bidder.
- (9) In all cases of rejection, a letter stipulating the reasons for rejection shall be sent, and the bidder shall not be permitted to amend his bid to become compliant.
- (10) Subject to any provision to the contrary, the following shall be considered as minor deviations —
- (a) the use of codes ;
 - (b) the difference in standards ;
 - (c) the difference in materials ;
 - (d) alternative design ;
 - (e) alternative workmanship ;
 - (f) modified liquidated damages ;
 - (g) omission in minor items ;
 - (h) discovery of arithmetical errors ;
 - (i) sub-contracting that is unclear and questionable ;
 - (j) different methods of construction ;
 - (k) difference in final delivery date ;
 - (l) difference in delivery schedule ;

- (m) completion period where these are not of essence ;
 - (n) non-compliance with some technical local regulation ;
 - (o) payment terms ; and
 - (p) any other condition that has little impact on the bid.
- (11) In cases not mentioned above and where there exists a doubt as to whether a particular condition in a bid is a major or a minor deviation, the following rules shall apply —
- (a) where the impact on the costs is major, it shall be regarded as a major deviation ; and
 - (b) where the impact on the costs is minor, it shall be regarded as a minor deviation.
- (12) In cases of minor deviations, written clarification may be obtained from the supplier or contractor and, where applicable, an offer made for the correction of the minor deviation.
- (13) Where a supplier or contractor does not accept the correction of a minor deviation, his bid shall be rejected.
- (14) At the stage of evaluation and comparison, all minor deviations shall be quantified in monetary terms.
- (15) For the rejection of a bid, a written notice shall be given promptly to the supplier.

Committee's Recommendation:

That the provision in Clause 31 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 31 do stand part of the Bill, put and agreed to.

Clause 32: Evaluation of bids.

- (1) For the evaluation and comparison of bids that have been adjudged as valid for the purposes of evaluation, no other method or criteria shall be used except those stipulated in the solicitation documents.
- (2) The objective of bid evaluation shall be to determine and select the lowest evaluated responsive bid from bidders that have responded to the bid solicitation.
- (3) In the course of its determination of the lowest evaluated responsive bid from the bidders that have responded to the bid solicitation the Tenders Board shall, in particular, undertake the following processes as applicable—
 - (a) checking of deviations ;
 - (b) checking of omissions with quantification of same ;
 - (c) application of discounts, as applicable ;

- (d) clarification with bidders of questionable minor deviations ;
 - (e) quantification in monetary terms of such questionable deviations ;
 - (f) conversion to common currency ;
 - (g) calculation and tabulation of bid amount with domestic preference where applicable ;
 - (h) determination of the lowest calculated prices in order of rank ;
 - (i) post-qualification of bidders, where applicable ;
 - (j) listing of rejection of bids, where applicable ;
 - (k) decision of rejection of all bids where justifiable ;
 - (l) recommendation for award ; and
 - (m) writing up of the bid evaluation report.
- (4) All relevant factors, in addition to price, that will be considered for the purposes of bid evaluation and the manner in which such factors will be applied shall be stipulated in the solicitation documents.
- (5) Such factors shall be calculated in monetary terms as stipulated in the solicitation documents and shall include —
- (a) for goods, among others, costs of transportation and insurance, payment schedule, delivery time, operating costs, efficiency, compatibility of the equipment, availability of services and spare parts, related training, safety, environmental benefits or losses by damages ;
 - (b) for works, in addition to factors stipulated in Section 34(1) of this Act, and subject to Section 34(2) of this Act, if time is a critical factor, the value of early completion ; and
 - (c) the value of early completion under Section 35(2) of this Act shall not be taken into account unless, in conformity with criteria pre-set in the bidding documents, the conditions of contract provide for commensurate penalties in case of late delivery.
- (6) When bid prices are expressed in two or more currencies, the prices of all bids shall be converted to Nigerian currency, according to the rate and date of rate specified in the solicitation documents.
- (7) If suppliers were pre-qualified, verification of the information provided in the submission or prequalification shall be confirmed at the time of award of contract and award may be denied to a bidder who no longer has the capability or resources to successfully perform the contract.
- (8) After opening of bids, information relating to the examination, clarification and evaluation of bids and recommendations concerning award shall not be disclosed to bidders or to persons not officially concerned with the evaluation process until the successful bidder is notified of the award.

Committee's Recommendation:

That the provision in Clause 32 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 32 do stand part of the Bill, put and agreed to.

Clause 33: Acceptance of bids.

- (1) The successful bid shall be that submitted by the lowest cost bidder from the bidders responsive as to the bid solicitation.
- (2) Notwithstanding subsection of this Section, the selected bidder needs not be the lowest cost bidder provided the procuring entity can show good grounds derived from the provisions of this Act to that effect.
- (3) Notice of the acceptance of the bid shall immediately be given to the successful bidder.

Committee's Recommendation:

That the provision in Clause 33 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 33 do stand part of the Bill, put and agreed to.

Clause 34: Domestic preferences.

- (1) A procuring entity shall grant a margin of preference in the evaluation of tenders, when comparing tenders from domestic bidders with those from foreign bidders or when comparing tenders from domestic suppliers offering goods manufactured locally with those offering goods manufactured abroad.
- (2) Where a procuring entity has allowed domestic preferences, the bidding documents shall clearly indicate any preference to be granted to domestic suppliers and contractors and the information required to establish the eligibility of a bid for such preference.
- (3) Margins of preference shall apply only to tenders under international competitive bidding.
- (4) The Bureau shall by regulation from time to time set the limits and the formulae for the computation of margins of preference and determine the contents of goods manufactured locally.

Committee's Recommendation:

That the provision in Clause 34 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 34 do stand part of the Bill, put and agreed to.

Clause 35: Mobilization fees.

- (1) In addition to any other regulations as may be prescribed by the Bureau, a mobilization fee of not more than 15% may be paid to a supplier or contractor supported by the following:

Amendment Proposed:

Leave out the figure "15%" in line 2, and insert the figure "25%" (Senator Mao A. Ohuabunwa — Abia North).

Question that the amendment be made, put and agreed to.

- (a) in the case of National Competitive Bidding - an unconditional bank guarantee or insurance bond issued by an institution acceptable to the procuring entity ; and
- (b) in the case of International Competitive Bidding, an unconditional bank guarantee issued by a banking institution acceptable to the procuring entity.

STANDARD PROCUREMENT PROCESSING TIME FOR QCBS

Activity	Processing Time in Days	Previously
Preparation of terms of Reference	3 - 7	7 - 14
Inviting for expression of interest up to submission of the same by consultants	10	14
Evaluation of Expression of interest and preparing shortlist and approval by the Tenders Board	15	21
Preparation and issuance of the request for proposal	15	21
Preparation and submission of proposals by consultants	21 -	30
Evaluation of technical proposals and approval of evaluation Report	21	30
Notification of technically qualified firms of date of financial proposal public opening	7	7 - 14
Opening of Financial proposals, approval of combined evaluation report and notification of negotiation to the firm with the highest combined score	10	21
Negotiations and approval of negotiated documents	7	7
Signature of contract	3	7

(Senator Joshua C. Dariye — Plateau Central).

Amendment Proposed:

Leave out the table (Standard Procurement Processing Time for QCBS) and insert a new table follows:

"STANDARD PROCUREMENT PROCESSING TIME FOR QCBS

Activity	Processing Time in Days	Previously
Preparation of terms of Reference	1 - 7	7 - 14
Inviting for expression of interest up to submission of the same by consultants	14	14
Evaluation of Expression of interest and preparing shortlist and approval by the Tenders Board	7- 15	21
Preparation and issuance of the request for proposal	7 -15	21
Preparation and submission of proposals by consultants	10 -21	30
Evaluation of technical proposals and approval of evaluation Report	10 - 21	30
Notification of technically qualified firms of date of financial proposal public opening	1 - 7	7 - 14
Opening of Financial proposals, approval of combined evaluation report and notification of negotiation to the firm with the highest		

combined score	5 - 10	21
Negotiations and approval of negotiated documents	1 - 7	7
Signature of contract	1 - 3	7"

(Senator Hunkuyi O. Suleiman — Kaduna North).

Question that the amendment be made, put and agreed to.

Question that Clause 35 as amended do stand part of the Bill, put and agreed to.

Clause 36: Contract performance guarantee.

The provision of a Performance Guarantee shall be a precondition for the award of any procurement contract upon which any mobilization fee is to be paid, provided however it shall not be less than 10% of the contract value in any case or an amount equivalent to the mobilization fee requested by the supplier or contractor whichever is higher.

Committee's Recommendation:

That the provision in Clause 36 be retained *(Senator Joshua C. Dariye — Plateau Central) — Agreed to.*

Question that Clause 36 do stand part of the Bill, put and agreed to.

Clause 37: Interest on delayed payments.

- (1) Payment for the procurement of goods, works, and services shall be settled promptly and diligently.
- (2) Any payment due after more than sixty days from the date of the submission of the invoice, valuation certificate and confirmation or authentication by the Ministry, Extra-Ministerial Office, Government Agency, Parastatal or Corporation shall be deem a delayed payment.
- (3) All delayed payments shall attract interest at the rate specified in the contract document.
- (4) All contracts shall include terms, specifying the interest for late payment of more than sixty days.

Committee's Recommendation:

That the provision in Clause 37 be retained *(Senator Joshua C. Dariye — Plateau Central) — Agreed to.*

Question that Clause 37 do stand part of the Bill, put and agreed to.

Clause 38: Recorded procurement proceedings.

- (1) Every procuring entity shall maintain a record of the comprehensive procurement proceedings.
- (2) The portion of the record referred to in this Section shall, on request, be made available to —
 - (a) any person after a tender, proposal, offer or quotation has been accepted or after procurement proceedings have been terminated without resulting in a procurement contract ; and

- (b) suppliers, contractors or consultants that submitted tenders, proposals, offers or quotations, or applied for prequalification, after a tender, proposal, offer or quotation has been accepted or procurement proceeding have been terminated without resulting in a procurement contract.
- (3) A disclosure of procurement proceeding records, prior to award of contract may be ordered by a court, provided that when ordered to do so by a court, the procurement entity shall not disclose such information, if its disclosure would —
 - (a) be contrary to law ;
 - (b) impede law enforcement ; or
 - (c) prejudice legitimate commercial interests of the parties.
- (4) The procuring entity shall not be liable to suppliers, contractors or service providers for damages owing solely to failure to maintain a record of the procurement proceedings in accordance with this Section.
- (5) The records and documents maintained by procuring entities on procurement shall be made available for inspection by the Bureau, an investigator appointed by the Bureau and the Auditor-General upon request, and where donor funds have been used for the procurement, donor officials shall also have access upon request to procurement files for the purpose of audit and review.

Committee's Recommendation:

That the provision in Clause 38 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 38 do stand part of the Bill, put and agreed to.

PART VII - SPECIAL AND RESTRICTED METHODS OF PROCUREMENT

Clause 39: Two stage tendering.

- (1) Notwithstanding the provisions of this Act, the Bureau may issue Certificate of 'No Objection' upon conditions hereinafter prescribed.
- (2) A procuring entity shall engage in procurement by two-stage tendering —
 - (a) where it is not feasible for the procuring entity to formulate detailed specifications for the goods or works or, in the case of services, to identify their characteristics and where it seeks tenders, proposals or offers on various means of meeting its needs in order to obtain the most satisfactory solution to its procurement needs ;
 - (b) where the character of the goods or works are subject to rapid technological advances ; where the procuring entity seeks to enter into a contract for research, experiment, study or development, except where the contract includes the production of goods in sufficient quantities to establish their commercial viability or to recover research and development costs, where the procuring

entity applies this Act to procurement concerned with national security and determines that the selected method is the most appropriate method of procurement ; or

- (c) where the tender proceedings have been utilized but were not successful or the tenders were rejected by the procuring entity under an open competitive bid procedure and the procuring entity considers that engaging in new tendering proceedings will not result in a procurement contract.
- (3) The provisions of this Act as regards the process for open competitive bidding shall apply to two-stage tendering proceedings except to the extent that those provisions vary from this Section.
 - (4) The invitation documents —
 - (a) shall call upon suppliers or contractors to submit, in the first stage of two stage tendering proceedings, initial tenders which contain their proposals without a tender price ; and
 - (b) may solicit proposals that relate to technical, quality or other characteristics of the goods, works or services as well as contractual terms and conditions of supply and may stipulate the professional competence and technical qualifications of the suppliers or contractors.
 - (5) The procuring entity may, in the first stage, engage in negotiations with any supplier or contractor whose tender has not been rejected under an open competitive bidding procedure with respect to any aspect of its tender.
 - (6) In the second stage of the two tender proceedings the procuring entity —
 - (a) shall invite suppliers or contractors whose tenders have not been rejected to submit final tenders with prices on a single set of specifications ;
 - (b) may, in formulating the specifications, delete or modify any aspect of the technical or quality characteristics of the goods, works or services to be procured together with any criterion originally set out in these documents, evaluate and compare tenders and ascertain the successful tender;
 - (c) may add new characteristics or criteria that conform with this Act;
 - (d) shall communicate to suppliers or contractors in the invitation to submit firm tenders, any deletion, modification or addition ; and
 - (e) may permit a supplier or contractor who does not wish to submit a final tender to withdraw from the tendering proceedings.
 - (7) The final tenders shall be evaluated and compared in order to ascertain the successful tender as defined in an open competitive bid.

Committee's Recommendation:

That the provision in Clause 39 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 39 do stand part of the Bill, put and agreed to.

Clause 40: Restricted Tendering.

- (1) Subject to the approval by the Bureau, a procuring entity may for reasons of economy and efficiency engage in procurement by means of restricted tendering if —
 - (a) the goods, works or services are available only from a limited number of suppliers or contractors ;
 - (b) the time and cost required to examine and evaluate a large number of tenders is disproportionate to the value of the goods, works or services to be procured ; or
 - (c) the procedure is used as an exception rather than norm.
- (2) where a procuring entity engages in restricted tendering on the basis that:
 - (a) the good works and services are available only from a limited number of suppliers or contractors, it shall invite tenders from all the suppliers and contractors who can provide the goods, works or services ; and
 - (b) the time and cost required to examine and evaluate a large number of tenders is disproportionate to the value of the goods, works or services, it shall select in a non-discriminatory manner of the number of suppliers or contractors to ensure effective competition.
- (3) For the purposes of subsection (2), of this Section, the procuring entity shall cause a notice of the selected tendering proceedings to be published in the procurement journal.
- (4) The provisions of this Act regarding the open competitive bidding procedure shall apply to the selective tendering proceedings, except to the extent that those provisions are varied by this Section.

Committee's Recommendation:

That the provision in Clause 40 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 40 do stand part of the Bill, put and agreed to.

Clause 41: Request for quotations.

- (1) A procuring entity may carry out procurements by requesting for quotations from suppliers or contractors where the value of the goods or works to be procured does not exceed a sum that shall be set in the procurement regulation.
- (2) Generally quotations shall be obtained from at least 3 unrelated contractors or suppliers.

- (3) Each contractor or supplier from whom a quotation is requested shall —
 - (a) be informed whether any factors other than the charges for the goods, works or services themselves, such as any applicable transportation and insurance charges, customs duties and taxes are to be included in the price ; and
 - (b) give only one quotation and shall not be allowed to change or vary the quotation.
- (4) No negotiation shall take place between a procuring entity and a contractor or supplier with respect to a quotation.
- (5) The procurement shall be awarded to the qualified contractor or supplier that gives the lowest priced responsive quotation.
- (6) Where the total value of the procurement is not more than a sum that shall be set in the regulation, the procurement entity may not obtain the Bureau's approval.

Committee's Recommendation:

That the provision in Clause 41 be retained (*Senator Joshua C. Dariye — Plateau Central*) —
Agreed to.

Question that Clause 41 do stand part of the Bill, put and agreed to.

Clause 42: Direct procurement.

- (1) A procuring entity may carry out any emergency procurement where —
 - (a) goods, works or services are only available from a particular supplier or contractor, or if a particular supplier or contractor has exclusive rights in respect of the goods, works or services, and no reasonable alternative or substitute exists ; or
 - (b) there is an urgent need for the goods, works or services and engaging in tender proceedings or any other method of procurement is impractical due to unforeseeable circumstances giving rise to the urgency which is not the result of dilatory conduct on the part of the procuring entity ;
 - (c) owing to a catastrophic event, there is an urgent need for the goods, works or services, making it impractical to use other methods of procurement because of the time involved in using those methods ;
 - (d) a procuring entity which has procured goods, equipment, technology or services from a supplier or contractor, determines that —
 - (i) additional supplies need to be procured from that supplier or contractor because of standardization,
 - (ii) there is a need for compatibility with existing goods, equipment, technology or services, taking into account the effectiveness of the original procurement in meeting the needs of the procurement entity,

- (iii) the limited size of the proposed procurement in relation to the original procurement provides justification,
 - (iv) the reasonableness of the price and the unsuitability of alternatives to the goods or services in question merits the decision.
 - (e) the procuring entity seeks to enter into a contract with the supplier or contractor for research, experiment, study or development, except where the contract includes the production of goods in quantities to establish commercial viability or recover research and development costs ; or
 - (f) the procuring entity applies this Act for procurement that concerns national security, and determines that single-source procurement is the most appropriate method of procurement.
- (2) The procuring entity —
- (a) may procure the goods, works or services by inviting a proposal or price quotation from a single supplier or contractor ;
 - (b) shall include in the record of procurement proceedings a statement of the grounds for its decision and the circumstances in justification of single source procurement.

Committee's Recommendation:

That the provision in Clause 42 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 42 do stand part of the Bill, put and agreed to.

Clause 43: Emergency procurement.

- (1) A procuring entity may for the purpose of this Act, carry out an emergency procurement where —
 - (a) the country is either seriously threatened by or actually confronted with a disaster, catastrophe, war, insurrection or Act of God ;
 - (b) the condition or quality of goods, equipment, building or publicly owned capital goods may seriously deteriorate unless action is urgently and necessarily taken to maintain them in their actual value or usefulness ; or
 - (c) a public project may be seriously delayed for want of an item of a minor value.
- (2) In an emergency situation, a procuring entity may engage in direct contracting of goods, works and services.
- (3) All procurements made under emergencies shall be handled with expedition but along principles of accountability, due consideration being given to the gravity of each emergency.

- (4) Immediately after the cessation of the situation warranting any emergency procurement, the procuring entity shall file a detailed report thereof with the Bureau which shall verify same and if appropriate issue a Certificate of 'No Objection'.

Committee's Recommendation:

That the provision in Clause 43 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 43 do stand part of the Bill, put and agreed to.

PART VIII - PROCUREMENT OF CONSULTANT (SERVICES)

Clause 44: Expressions of interest to provide services for ascertained needs.

Where a procuring entity wishes to procure services for its needs which are precise and ascertainable —

- (a) it shall solicit for expressions of interest or applications to pre-qualify to provide the services by publishing a notice to that effect in at least 2 national newspapers and the procurement journal ;
- (b) where the value of the services to be procured is less than one million naira, or with the approval of the Bureau, of such a low value that only national consultants would be interested, the procuring entity may without placing any notice request at least 3 and not more than 10 consultants or service providers to make proposals for the provision of the services in a format stipulating —
- (i) a statement of qualifications of the consultant to provide the service;
- (ii) a statement of understanding of the procuring entity's needs ;
- (iii) the methodology for providing the service ;
- (iv) the time frame for providing the service ; and
- (v) the cost or fee for the service.

Committee's Recommendation:

That the provision in Clause 44 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 44 do stand part of the Bill, put and agreed to.

Clause 45: Request for proposals to provide services for unascertained needs.

- (1) A procuring entity wishing to procure services for its needs may do so by requesting for proposals when it intends to enter into a contract for the purpose of research, experiment, study or development, except where the contract includes the production of goods in quantities sufficient to establish their commercial viability or to recover research and development cost.
- (2) The procuring entities shall procure the services of consultants by soliciting for expressions of interest by publishing a notice to that effect in 2 national newspapers and the procurement journal.

- (3) A procuring entity may make direct requests to a limited number of consultants, requesting proposals for the provision of a service if —
- (a) the services are only available from no more than 3 consultants;
 - (b) the time and cost required to examine and evaluate a large number of proposals would be disproportionate to the value of the services to be performed, provided that it invites enough consultants to ensure transparent competition ; or
 - (c) it is in the interest of national defence and security or similar reason of confidentiality.

Committee's Recommendation:

That the provision in Clause 45 be retained (*Senator Joshua C. Dariye — Plateau Central*) —
Agreed to.

Question that Clause 45 do stand part of the Bill, put and agreed to.

Clause 46: Content of the requests for proposals.

- (1) Request for proposals shall include —
- (a) the name and address of the procurement entity ;
 - (b) a requirement that the proposals are to be prepared in the English language ;
 - (c) the manner, place and deadline for the submission of proposals ;
 - (d) a statement to the effect that the procuring entity reserves the right to reject proposals ;
 - (e) the criteria and procedures for the evaluation of the qualifications of the consultants ;
 - (f) the requirements on documentary evidence or other information that shall be submitted by consultants to demonstrate their qualifications ;
 - (g) the nature and required characteristics of the services to be procured including the location where the services are to be provided and the time when the services are to be provided ;
 - (h) whether the procuring entity is seeking proposals on various possible ways of meeting its needs ;
 - (i) a requirement that the proposal price is to be expressed in Nigerian currency ;
 - (j) the manner in which the proposal price is to be expressed, including a statement on whether the price covers elements apart from the cost of services, such as reimbursement for transportation, lodging, insurance, use of equipment, duties or taxes ;

- (k) whether the procedure to ascertain the successful proposal shall be based on the lowest cost or quality and cost or a combination of the lowest cost, quality and criteria other than cost but stipulated in the request for proposals ; and
 - (l) a short list to be made of only national consultants for consulting assignment, contract within a set threshold in the procurement regulation provided that national consultants possess such requisite skills.
- (2) The procuring entity shall provide the same information to every consultant requested to submit proposals.

Committee's Recommendation:

That the provision in Clause 46 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 46 do stand part of the Bill, put and agreed to.

Clause 47: Clarification and modification of requests for proposals.

- (1) A consultant shall be allowed to request for clarification on the request from the procuring entity and such request may be made within a reasonable time to be specified.
- (2) A procuring entity may, whether on its initiative or as a result of a request for clarification by a consultant, modify the request for proposals by issuing an addendum at any time prior to the deadline for submission of proposals.
- (3) The addendum shall be communicated promptly before the deadline for the submission of proposals to the short listed consultants to whom the procuring entity has provided the request for proposals and shall be binding on those consultants.
- (4) If the procuring entity convenes a meeting of consultants, it shall prepare minutes of the meeting containing the issues submitted at the meeting for clarification of the request for proposal and its responses to those issues, without identifying the sources of the requests for clarifications.
- (5) The minutes shall be provided promptly before the deadlines for the submission of proposals to the consultants participating in the selection proceedings to enable them take the minutes into account in prepare their proposals.

Committee's Recommendation:

That the provision in Clause 47 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 47 do stand part of the Bill, put and agreed to.

Clause 48: Submission of proposals.

- (1) The procuring entity shall allow sufficient time for the preparation and submission of the requested proposals but shall in no case give less than 30 days between the issue of the notice or request and the deadline for submission.

- (2) The technical and financial proposals shall be submitted simultaneously but in separate envelopes.
- (3) A proposal received after the deadline for submission of proposals shall be returned to the sender unopened.
- (4) Immediately after the deadline for submission of proposals, the technical proposals shall be opened for evaluation whilst the financial proposals shall remain sealed and kept in a secure bid-box until they are opened publicly.
- (5) The technical evaluation committee shall not have access to or insights to the financial proposals until the evaluations including any Tender Boards review are concluded.

Committee's Recommendation:

That the provision in Clause 48 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 48 do stand part of the Bill, put and agreed to.

Clause 49: Criteria for evaluation of proposals.

- (1) The procuring entity shall establish criteria to evaluate the proposals and prescribe the relative weight to be accorded to each criterion and the manner in which they are to be applied in the evaluation of —
 - (a) the qualification experience reliability professional and managerial competence of the consultant or service provider and of the personnel to be involved in providing the services ;
 - (b) the effectiveness of the proposal submitted by the consultant or service provider in meeting the needs of the procuring entity ;
 - (c) the proposal price, including any ancillary or related cost ;
 - (d) the effect that the acceptance of the proposal will have on the balance of payments position and foreign reserves of the government, the extent of participation by local personnel, the economic development potential offered by the proposal, including domestic investment or other business activity, the encouragement of employment, the transfer of technology, the development of managerial, scientific and operational skills and the counter trade arrangements offered by consultant or service providers ; and
 - (e) national defence and security considerations.
- (2) A procuring entity may accord a margin of preference for domestic consultants or service providers, which shall be calculated in accordance with the regulations and guidelines as issued from time to time by the Bureau and shall be reflected in the record of the procurement proceedings.

Committee's Recommendation:

That the provision in Clause 49 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 49 do stand part of the Bill, put and agreed to.

Clause 50: General selection procedure (services).

- (1) The procuring entity shall select the successful proposal by either choosing the proposal with —
 - (i) the lowest evaluated price, or
 - (ii) the best combined evaluation in terms of the general criteria set out in the request for proposals and the price quoted.
- (2) The procuring entity shall include in the record of procurement a statement of the grounds and circumstances on which it relied to select either of the procedures in subsection (1) of this Section.
- (3) Nothing in this Section shall prevent the procuring entity from resorting to the use of any impartial panel of experts to make the selection.

Committee's Recommendation:

That the provision in Clause 50 be retained (*Senator Joshua C. Dariye — Plateau Central*) —
Agreed to.

Question that Clause 50 do stand part of the Bill, put and agreed to.

Clause 51: Procedure for selection of proposal where price is a factor.

- (1) Where the procuring entity elects to choose the successful proposal based on technical and price factors, it shall establish a weight with respect to quality and technical price factors of the proposals in accordance with the criteria other than price as might have been set out in the request for proposals and rate each proposal in accordance with such criteria and the relative weight and manner of application of the criteria as stipulated in the request for proposals ; and then
- (2) The procuring entity shall compare the prices of those proposals that have attained a rating at or above the threshold ;
- (3) The procuring entity shall notify the consultants whose proposals did not meet the minimum qualifying mark or were non responsive to the invitation for proposals and terms of reference after the evaluation of quality is completed within a period of 14 working days after the decision has been taken by the procurement entity ;
- (4) The name of the qualifying consultants, the quality scores for the technical component of the proposal shall be read aloud and recorded alongside the price proposed by each consultant or service provider when the financial proposals are opened ;
- (5) The procuring entity shall prepare the minutes of public opening of financial proposals which shall be part of the evaluation report and shall retain this record.
- (6) The successful proposals shall be —
 - (a) the proposals with the best combined evaluation in terms of the criteria established under subsection (1) of this Section from price in the case of quality and cost-based selection ;
 - (b) the proposals with the lowest price in the case of least-cost selection ; or

- (c) the highest ranked technical proposal within the budget.
- (7) The Consultants with the winning proposal shall be invited for negotiations, which shall focus mainly on the technical proposals.
- (8) The proposed unit rates for staff-months and reimbursable shall not be negotiated unless there are exceptional reasons.

Committee's Recommendation:

That the provision in Clause 51 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 51 do stand part of the Bill, put and agreed to.

Clause 52: Selection procedure where price is not a factor.

- (1) Where the procuring entity elects to make a quality-based selection, based on consultant's qualifications or single-source selection, it shall engage in negotiations with consultants in accordance with this Section.
- (2) The procurement entity shall —
 - (i) establish a weight with respect to quality and price of the proposals;
 - (ii) invite for negotiations on the price of its proposal, the Consultant that has attained the best rating in accordance with subsection (1) of this Section ;
 - (iii) inform the Consultants that attained ratings above the weight that may be considered for negotiations if the negotiations with the consultant with the best rating do not result in a procurement contract ; and
 - (iv) inform the Consultant with the best rating, that it is terminating the negotiations if it becomes apparent to the procuring entity that the negotiations with that Consultant, invited under subsection (b), will not result in a procurement contract.
- (3) The procuring entity shall, if negotiations with the consultant with the best rating fails, invite the Consultant that obtained the second best rating, and if the negotiations with that Consultant do not result in a procurement contract, the procuring entity shall invite the other suppliers or contractors for negotiations on the basis of their rating until it arrives at a contract or rejects the remaining proposals.
- (4) The procuring entity shall treat proposals and any negotiations on selection procedure as confidential and avoid the disclosure of their contents to competing consultants.

Committee's Recommendation:

That the provision in Clause 52 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 52 do stand part of the Bill, put and agreed to.

Clause 53: Bureau to recommend investigation.

- (1) The Bureau may review and recommend for investigation by any relevant authority any matter related to the conduct of procurement proceedings by a procuring entity, or the conclusion or operation of a procurement contract if it considers that a criminal investigation is necessary or desirable to prevent or detect a contravention of this Act.
- (2) The relevant authority may in the course of investigation —
 - (a) require an officer, employee or agent of the procuring entity or bidder, supplier, contractor, or consultant to produce any books, records, accounts or documents ;
 - (b) search premises for any books, records, accounts or documents;
 - (c) examine and make extracts from and copies of books, records, accounts or documents of any procuring entity, bidder, supplier, contractor or consultant ;
 - (d) remove books, records, accounts or documents of the procuring entity, bidder, supplier, contractor or consultant for as long as may be necessary to examine them or make extracts from or copies of them but the investigator shall give a detailed receipt for the books, records, accounts or documents removed ;
 - (e) require an officer, employee or agent of the procurement entity or bidder, supplier, or contractor or consultant —
 - (i) to explain an entry in the books, records, accounts or documents ;
 - (ii) to provide the investigator with information concerning the management or activities of the procurement entity or bidders as may be reasonably required ;
 - (f) explain an entry in the books, records, accounts or documents ; and
 - (g) provide the investigator with information concerning the management or activities of the procurement entity or bidders as may be reasonably required.
- (3) The Bureau may, pursuant to the advice of the procuring entity, results of its review of a procurement or report of investigation by a relevant government agency issue a variation order requiring a contractor at his own expense to repair, replace, or to do anything in his or her contract left undone or found to have been carried out with inferior or defective materials or with less skill and expertise than required by the contract of award.
- (4) The Bureau shall, if satisfied that there has been a contravention of this Act or any regulations in relation to procurement proceedings or procurement contracts, take action to rectify the contravention which action shall include—
 - (a) nullification of the procurement proceedings ;
 - (b) cancellation of the procurement contract ;

- (c) ratification of anything done in relation to the proceedings ; or
 - (d) a declaration consistent with any relevant provisions of this Act.
- (5) On completion of the investigation, the relevant authority shall if an offence is disclosed, take all necessary steps to commence prosecution and inform the Bureau and the procurement entity accordingly, but where no offence is disclosed, the file shall be closed and the Bureau and procuring entity shall be duly informed.

Committee's Recommendation:

That the provision in Clause 53 be retained (*Senator Joshua C. Dariye — Plateau Central*) —
Agreed to.

Question that Clause 53 do stand part of the Bill, put and agreed to.

Clause 54: Administrative review.

- (1) A bidder may seek administrative review for any omission or breach by a procuring or disposing entity under the provisions of this Act, or any regulations or guidelines made under this Act or the provisions of bidding documents.
- (2) A complaint by a bidder against a procuring or disposing entity shall first be submitted in writing to the accounting officer who shall —
 - (a) within fifteen working days from the date the bidder first became aware of the circumstances giving rise to the complaint or should have become aware of the circumstances, whichever is earlier ;
 - (b) on reviewing a complaint, the accounting officer shall make a decision in writing within 15 working days indicating the corrective measures to be taken if any, including the suspension of the proceedings where he deems it necessary and giving reasons for his decision ; or
 - (c) where the accounting officer does not make a decision within the period specified in sub-Section (2)(b).
- (3) The bidder is not satisfied with the decision of the accounting officer, the bidder may make a complaint to the Bureau within 10 working days from the date of communication of the decision of the accounting officer.
- (4) Upon receipt of a complaint, the Bureau shall promptly —
 - (a) give notice of the complaint to the respective procuring or disposing entity and suspend any further action by the procuring or disposing entity until the Bureau has settled the matter ;
 - (b) unless it dismisses the complaint —
 - (i) prohibit a procuring or disposing entity from taking any further action ;
 - (ii) nullify in whole or in part an unlawful act or decision made by the procuring or disposing entity ;
 - (iii) declare the rules or principles that govern the subject matter of the complaint ; and

- (iv) revise an improper decision by the procuring or disposing entity or substitute its own decision for such a decision.
- (5) Before taking any decision on a complaint, the Bureau shall notify all interested bidders of the complaint and may take into account representations from the bidders and from the respective procuring or disposing entity.
- (6) The Bureau shall make its decision within twenty-one working days after receiving the complaint, stating the reasons for its decisions and remedies granted, if any.
- (7) Where the Bureau fails to render its decision within the stipulated time, or the bidder is not satisfied with decision of the Bureau, the bidder may appeal to the Federal High Court within 30 days after the receipt of the decision of the Bureau, or expiration of the time stipulated for the Bureau to deliver a decision.

Committee's Recommendation:

That the provision in Clause 54 be retained (*Senator Joshua C. Dariye — Plateau Central*) — *Agreed to.*

Question that Clause 54 do stand part of the Bill, put and agreed to.

PART X-DISPOSAL OF PUBLIC PROPERTY

Clause 55: Disposal of public property.

- (1) This Section shall apply subject to the Public Enterprises (Commercialization and Commercialization) Act 1999.
- (2) For the purposes of this Act every procuring entity shall also be disposing entity.
- (3) The open competitive bidding shall be the primary source of receiving offers for the purchase of any public property offered for sale.
- (4) The Bureau shall, with the approval of the Council —
 - (a) determine the applicable policies and practices in relation to the disposal of all public property ;
 - (b) issue guidelines detailing operational principles and organizational modalities to be adopted by all procuring entities engaged in the disposal of public property ; and
 - (c) issue standardized document, monitor implementation, enforce compliance and set reporting standards that shall be used by all procuring entities involved in the disposal of public property.
- (5) For the purposes of this Act, public property is defined as resources in the form of tangible and non-tangible assets (ranging from serviceable to the unserviceable) —
 - (a) created through public expenditure ;
 - (b) acquired as a gift or through deeds ;

- (c) acquired in respect of intellectual or proprietary rights ;
 - (d) acquired on financial instruments (including shares, stocks, bonds, etc.) ; and
 - (e) acquired by good will and any other gifts of the Federal Government.
- (6) The means of the disposal of public assets shall include —
- (a) sale and rental ;
 - (b) lease and hire purchase ;
 - (c) licenses and tenancies ;
 - (d) franchise and auction ;
 - (e) transfers from one government department to another with or without financial adjustments ; and
 - (f) offer to the public at an authorized variation.

Committee's Recommendation:

That the provision in Clause 55 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 55 do stand part of the Bill, put and agreed to.

Clause 56: Planning of disposals.

- (1) Before slating any public property for disposal, the accounting officer (whether acting in his own authority or at the direction of any superior or other authority) in charge of any public property set for disposal shall authorize the preparation of a valuation report for such property by an independent Evaluator, or such professional with the appropriate competence to carry out the valuation.
- (2) The disposal of assets whether or not listed in the Assets register for a procuring entity shall be planned and integrated into the income and expenditure budget projection of the procuring entity.
- (3) The disposal of assets referred to in subsection (2) of this Section shall be timed to take place when the most advantageous returns can be obtained for the asset in order to maximize revenue accruing to the government.
- (4) All procuring entities shall distribute responsibilities for the disposal of public property between the procurement unit and the Tenders Board.

Committee's Recommendation:

That the provision in Clause 56 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 56 do stand part of the Bill, put and agreed to.

Clause 57: Code of conduct for public procurement.

- (1) The Bureau shall, with the approval of the Council, stipulate a Code of Conduct for all public officers, suppliers, contractors and service providers with regards to their standards of conduct acceptable in matters involving the procurement and disposal of public assets.
- (2) The conduct of all persons involved with public procurement, whether as official of the Bureau, a procuring entity, supplier, contractor or service provider shall at all times be governed by principles of honesty, accountability, transparency, fairness and equity.
- (3) All officers of the Bureau, members of Tenders Boards and other persons that may come to act regarding the conduct of public procurements shall subscribe to an oath as approved by Council.
- (4) All persons in whose hands public funds may be entrusted for whatever purpose should bear in mind that its utilization should be judicious.
- (5) Where a transaction involves the disposal of assets, principles of honesty, accountability, transparency, fairness and equity shall continue to apply to the same extent as where it involves procurement.
- (6) These principles shall apply at all times, particularly when —
 - (a) making requisition for or planning of procurements ;
 - (b) preparing solicitation documents ;
 - (c) receiving offers in response to any form of solicitation towards a procurement or disposal ;
 - (d) evaluating and comparing offers confidentially and in complete neutrality ;
 - (e) protecting the interest of all parties without fear or favor ; and
 - (f) obviating all situations likely to render an officer vulnerable to embarrassment or undue influence.
- (7) All public officers shall handle public procurement and disposal of assets by —
 - (a) ensuring adequate time for preparing offers ;
 - (b) complying with this Act and all derivative regulations ; and
 - (c) receiving strict confidentiality until completion of a contract.
- (8) All public officers involved in public procurement and disposal of assets shall maintain the highest standards of ethics in their relationships with persons real or corporate who seek government commerce whether as a bidder, supplier, contractor or service provider by developing transparent, honest and professional relationships with such persons.

- (9) Every public officer involved directly or indirectly in matters of public procurement and disposal of assets shall —
- (a) divest himself of any interest or relationships which are actually or potentially inimical or detrimental to the best interest of government and the underlining principles of this Act ; and
 - (b) not engage or participate in any commercial transaction involving the federal government, its ministries, extra-ministerial departments, corporations where his capacity as public officer is likely to confer any unfair advantage - pecuniary or otherwise on him or any person directly related to him.
- (10) Any person engaged in the public procurement and disposal of assets who has assumed or is about to assume, a financial or other business outside business relationship that might involve a conflict of interest, must immediately declare to the authorities any actual or potential interest.
- (11) Such a declaration shall be given such consideration at the relevant level as is necessary so that, where it is seen that remedial action is taken, a conflict of interest is present.
- (12) A conflict of interest exists where a person —
- (a) possesses an interest outside his official duties that materially encroaches on the time or attention which should otherwise be devoted to affairs of government ;
 - (b) possesses a direct or indirect interest in or relationship with a bidder, supplier, contractor or service provider that is inherently unethical or that may be implied or constructed to be, or make possible personal gain due to the person's ability to influence dealings ;
 - (c) entertains relationships which are unethical, rendering his attitude partial toward the outsider for personal reasons or otherwise inhibit the impartiality of the person's business judgments ;
 - (d) places by acts or omissions the procuring entity he represents or the Government in an equivocal, embarrassing or ethically questionable position ;
 - (e) entertains relationships compromising the reputation or integrity of the procuring entity he represents or the Government ;
 - (f) receives benefits by taking personal advantage of an opportunity that properly belongs to the procuring entity he represents or the Government ;
 - (g) creates a source of personal revenue or advantage by using public property which comes into his hands either in course of his work or otherwise ; and
 - (h) discloses confidential information being either the property of his procuring entity, the Government or to a supplier, contractor or service provider to unauthorized persons.

- (13) A person involved in the disposal of assets, shall not either by a third party or by himself be interested in any manner in buying directly or indirectly these assets and shall not have or obtain any type of advantage or revenue from the disposal for a period of three years after the disposal.

Committee's Recommendation:

That the provision in Clause 57 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 57 do stand part of the Bill, put and agreed to.

PART XII - OFFENCES

Clause 58: Offence relating to public procurement.

- (1) Any natural person not being a public officer who contravenes any provision of this Act commits an offence and is liable on conviction to a term of imprisonment not less than 5 calendar years but not exceeding 10 calendar years without an option of fine.
- (2) Any offence in contravention of this Act shall be tried by the Federal High Court.
- (3) Prosecution of offences under this Act shall be instituted in the name of the Federal Republic of Nigeria by the Attorney-General of the Federation or such other officer of the Federal Ministry of Justice as he may authorize so to do, and in addition, without prejudice to the Constitution of the Federal Republic of Nigeria 1999, he may —
 - (a) after consultation with the Attorney-General of any state of the federation, authorize the Attorney-General or any other officer of the Ministry of Justice of that state ; or
 - (b) if the relevant authority so requests, authorize any legal practitioner in Nigeria to undertake such prosecution directly or assist therein.
- (4) The following shall also constitute offences under this Act —
 - (a) entering or attempting to enter into a collusive agreement, whether enforceable or not, with a supplier, contractor or consultant where the prices quoted in their respective tenders, proposals or quotations are or would be higher than would have been the case has there not been collusion between the persons concerned ;
 - (b) conducting or attempting to conduct procurement fraud by means of fraudulent and corrupt acts, unlawful influence, undue interest, favor, agreement, bribery or corruption ;
 - (c) directly, indirectly or attempting to influence in any manner the procurement process to obtain an un fair advantage in the award of a procurement contract ;
 - (d) splitting of tenders to enable the evasion of monetary thresholds set ;
 - (e) bid-rigging ;

- (f) altering any procurement document with intent to influence the outcome of a tender proceeding ;
 - (g) uttering or using fake documents or encouraging their use ; and
 - (h) willful refusal to allow the Bureau or its officers to have access to any procurement records.
- (5) Any person who while carrying out his duties as an officer of the Bureau, or any procuring entity who contravenes any provision of this Act commits an offence and is liable on conviction to a cumulative punishment of —
- (a) a term of imprisonment of not less than 5 calendar years without any option of fine ; and
 - (b) summary dismissal from government services.
- (6) Any legal person that contravenes any provision of this Act commits an offence and is liable on conviction to a cumulative penalty of —
- (a) debarment from all public procurements for a period not less than 5 calendar years ; and
 - (b) a fine equivalent to 25 % of the value of the procurement in issue.
- (7) Where any legal person shall be convicted pursuant to subsection (4) of this Section, every director of the company as listed on its records at the Corporate Affairs Commission shall be guilty of an offence and is liable on conviction to a term of imprisonment not less than 3 calendar years but not exceeding 5 calendar years without an option of fine.
- (8) An alternation pursuant to subsection 4(f) shall include —
- (a) insertion of documents such as bid security or tax clearance certificate which were not submitted at bid opening ; and
 - (b) request for clarification in a manner not permitted under this Act.
- (9) Collusion shall be presumed from a set of acts from which it can be assumed that there was an understanding, implicit, formal or informal, overt or covert under which each person involved reasonably expected that the other would adopt a particular course of action which would interfere with the faithful and proper application of the provisions of this Act.
- (10) Bid-rigging pursuant to subsection 4(e) means an agreement between persons whereby —
- (a) offers submitted have been pre-arranged between them ; or
 - (b) their conduct has had the effect of directly or indirectly restricting free and open competition, distorting the competitiveness of the procurement process and leading to an escalation or increase in costs or loss of value to the national treasury.
- (11) For the purposes of the presumption under Section 51 (7) of this Section, consideration shall be given to a suspect's ability to control the procurement proceedings or to control a solicitation or the conditions of the contract in question, whether total or partial.

- (12) For the purposes of Section 59 (5) of this Section, it shall be sufficient to prove that a reasonable business person should have known that his action would result in his company or firm having an undue advantage over other bidders to the detriment of the national treasury.

Committee's Recommendation: -

That the provision in Clause 58 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 58 do stand part of the Bill, put and agreed to.

PART XIII - MISCELLANEOUS

Clause 59: Miscellaneous.

- (1) The fixing of the seal of the Bureau shall be authenticated by the signature of the Chairman, the Director-General or of any other person authorized generally or specially to act for that purpose by the Council.
- (2) Any contract or instrument which, if made or executed by a person not being a body corporate, would not be required to be under seal may be made or executed on behalf of the Bureau by the Director-General or any person generally or specially authorized to act for that purpose by the Council.
- (3) Any document purporting to be a document duly executed under the seal of the Bureau shall be received in evidence and shall, unless and until the contrary is proved, be presumed to be so executed.
- (4) The validity of any proceeding of Council or of a committee thereof shall not be adversely affected by any vacancy in the membership of the Council or committee, or by any defect in the appointment of a member of the Council or of a Committee, or by reason that a person not entitled to do so took part in the proceedings of the Council or Committee.

Committee's Recommendation:

That the provision in Clause 59 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 59 do stand part of the Bill, put and agreed to.

Clause 60: Interpretation.

In this Act :

"Accounting officer" means the person appointed by government to administer the day to day affairs of the Government Organ and holds a vote and account for all the monies expended from the vote and is also charged with line supervision of the conduct of all procurement processes;

Question: That the words "Accounting officer" defined in the Interpretation to this Act, put and agreed to.

"Approving authority" means an Accounting Officer of a Ministry or Extra-ministerial Department or Chief Executive of a procuring entity or Tenders Board;

Question: That the words " Approving authority" defined in the Interpretation to this Act, put and agreed to.

"Assets" includes tangible and intangible things which have been or may be sold or procured for consideration ;

Question: That the word " Assets" defined in the Interpretation to this Act, put and agreed to.

"Bid security" means a form of security assuring the bidder shall not withdraw a bid within the period specified for acceptance and shall execute a written contract within the time specified in the bid ;

Question: That the words " Bid security" defined in the Interpretation to this Act, put and agreed to.

"Debar" means the placing of a firm company or natural person on a list of person ineligible to participate in any procurement proceedings under this Act ;

Question: That the word " Debar" defined in the Interpretation to this Act, put and agreed to.

"Certificate of No Objection" means the document evidencing and authenticating that due process and the letters of this Act have been followed in the conduct of a procurement proceeding and allowing for the procuring entity to enter into contract or effect payments to contractors or suppliers from the Treasury

Question: That the words " Certificate of No Objection" defined in the Interpretation to this Act, put and agreed to.

"Contract" means an agreement entered in writing between a procuring entity and a contractor or a supplier of a consultant;

Question: That the word " Contract" defined in the Interpretation to this Act, put and agreed to.

"Confirmation Authority" means the Chairman of a Governing Board of a procuring entity or the Minister;

Question: That the words " Confirmation Authority" defined in the Interpretation to this Act, put and agreed to.

"Contractor or supplier" means any potential party to a procurement contract with the procuring entity and includes any corporation, partnership, individual, sole proprietor, joint stock company, joint venture or any other legal entity through which business is conducted ;

Question: That the words " Contractor or supplier" defined in the Interpretation to this Act, put and agreed to.

"Excessive price" means a monetary value proposed by a bidder for any procurement which is in the estimation of the Bureau unreasonable and injudicious after consideration of the actual value of the item in question plus all reasonable imputations of cost and profit ;

Question: That the words " Excessive price" defined in the Interpretation to this Act, put and agreed to.

"Goods" means objects of every kind and description including raw materials, products and equipment and objects in solid, liquid or gaseous form and electricity as well as services incidental to the supply of the goods ;

Question: That the word " Goods" defined in the Interpretation to this Act, put and agreed to.

"Interim Performance Certificates" means evidence that a contractor or supplier as performed its obligations under a procurement contract up to a level stipulated in the contract agreement but not meaning completion;

Question: That the words " Interim Performance Certificates" defined in the Interpretation to this Act, put and agreed to.

"International Competitive Bidding" means the solicitation of bids from both domestic and foreign contractors and suppliers ;

Question: That the words " International Competitive Bidding" defined in the Interpretation to this Act, put and agreed to.

"Lowest evaluated responsive bid" is the lowest price bid amongst the bids that meets all the technical requirements and standards as contained in the tender document ;

Question: That the words " Lowest evaluated responsive bid" defined in the Interpretation to this Act, put and agreed to.

"Margin of Preference" means the extra mark up on price allowed any domestic contractor or supplier bidding under International Competitive Bidding without being otherwise disadvantageous to the bid in terms of price ;

Question: That the words " Margin of Preference" defined in the Interpretation to this Act, put and agreed to.

"Minor Value" means a monetary value which is not in excess of the monetary thresholds set for any approving authority by the Bureau ;

Question: That the words " Minor Value" defined in the Interpretation to this Act, put and agreed to.

"Monetary Threshold" means the value limit in Naira set by the Bureau outside of which an approving authority may not approve a procurement contract;

Question: That the words " Monetary Threshold" defined in the Interpretation to this Act, put and agreed to.

"National Competitive Bidding" means the solicitation of bids from domestic contractors and suppliers registered or incorporated to carry on business under Nigeria Law;

Question: That the words " National Competitive Bidding" defined in the Interpretation to this Act, put and agreed to.

"Negotiation" means discussions to determine the terms and conditions of a contract or procurement ;

Question: That the word " Negotiation" defined in the Interpretation to this Act, put and agreed to.

"Open Competitive Bidding" means the offer of prices by individuals or firms competing for a contract, privilege or right to supply specified goods, works, construction or services ;

Question: That the words " Open Competitive Bidding " defined in the Interpretation to this Act, put and agreed to.

"Procurement Proceedings" means the initiation of the process of effecting a procurement up to award of a procurement contract ;

Question: That the words " Procurement Proceedings" defined in the Interpretation to this Act, put and agreed to.

"Procuring entity" means any public body or Government organ engaged in procurement and includes a Ministry, Extra-Ministerial office, government agency, parastatal, corporation, Commission, House of Representatives, Senate, High Court and Court of Appeal;

Question: That the words " Procuring entity" defined in the Interpretation to this Act, put and agreed to.

"Public Procurement" means the acquisition by any means of goods, works or services by the government ;

Question: That the words " Public Procurement" defined in the Interpretation to this Act, put and agreed to.

"Relevant authority" includes Economic and Financial Crimes Commission and Independent Corrupt Practices Commission ;

Question: That the words " Relevant authority" defined in the Interpretation to this Act, put and agreed to.

"Services" means the rendering by a contractor or supplier or Consultant of his time and effort and includes any object of procurement other than goods, works or construction ;

Question: That the word " Services" defined in the Interpretation to this Act, put and agreed to.

"Solicitation Documents" means the bid solicitation documents or any other documents for solicitation of offers proposals or quotations;

Question: That the words " Solicitation Documents" defined in the Interpretation to this Act, put and agreed to.

"Special Purpose Goods" means any objects of armaments ammunition mechanical electrical equipment or other thing as may be determined by the President needed by the Armed Forces or Police Force as well as the services incidental to the supply of the objects ;

Question: That the words " Special Purpose Goods " defined in the Interpretation to this Act, put and agreed to.

"Substantially Responsive" means the response to bid solicitations which virtually answers to all the needs of a procuring entity as stipulated in the bid solicitation documents ;

Question: That the words " Substantially Responsive " defined in the Interpretation to this Act, put and agreed to.

"Supplier" means a real or legal person that provides supply of goods, contracting of works or consultants;

Question: That the word "Supplier" defined in the Interpretation to this Act, put and agreed to.

"Threshold" means limit and refers only to the approving and not the actual process of award;

Question: That the word " Threshold " defined in the Interpretation to this Act, put and agreed to.

"Validity Period" means the period during which a bidder agrees not to increase the cost of its bid or to remove any components of the bid ;

Question: That the words " Validity Period " defined in the Interpretation to this Act, put and agreed to.

"Works" means all activities associated with the construction, reconstruction, demolition, repair or renovation of a building, structure or activities, such as site preparation, excavation, erection, building, installation of equipment or materials, decoration and finishing, as well as services incidental to construction such as drilling, mapping, satellite photography, seismic investigation and similar services provided pursuant to the procurement of contract, where the value of those services does not exceed that of the construction itself.

Question: That the word " Works " defined in the Interpretation to this Act, put and agreed to.

Committee's Recommendation:

That the provision in Clause 60 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 60 do stand part of the Bill, put and agreed to.

Clause 61: Citation.

This Act may be cited as the Public Procurement (Amendment) Bill, 2016.

Committee's Recommendation:

That the provision in Clause 61 be retained (*Senator Joshua C. Dariye — Plateau Central*) — Agreed to.

Question that Clause 61 do stand part of the Bill, put and agreed to.

Chairman to report Bill.

(SENATE IN PLENARY)

The Senate President reported that the Senate in the Committee of the Whole considered the Report of the Committee on Public Procurement on the Procurement Act, 2007 (Amendment) Bill, 2016 and approved as follows:

Clauses 1- 16	—	As Recommended
Clause 17	—	As Amended
Clauses 18- 34	—	As Recommended
Clause 35	—	As Amended
Clauses 36- 61	—	As Recommended

Question: That the Senate do approve the Report of the Committee of the Whole — *Resolved in the Affirmative.*

Motion made: That the Bill be now Read the Third Time (*Senate Leader*).

Question put and agreed to.

Bill accordingly Read the Third Time and Passed.

9. **Committee on Land Transport:**

Report on the Nigerian Railway Corporation Act, 1955 (Repeal and Re-enactment) Bill, 2016 (SB.01):

Consideration of Report deferred to another Legislative Day.

10. **Committee on Tertiary Institutions and TETFUND:**

Report on the Federal University of Petroleum Resources, Effurun (Establishment, etc.) Bill, 2016 (SB. 226):

Consideration of Report deferred to another Legislative Day.

11. **Committee on Agriculture and Rural Development:**

Report on the Nigerian Agricultural Quarantine Service Bill, 2016 (SB. 81):

Consideration of Report deferred to another Legislative Day.

12. **Motions:**

(a) *2016 International Day of the African Child Conflict and Crisis in Africa: Protecting all Children's Rights:*

Motion made: That the Senate notes that June 16 is observed as the International Day of the African child;

recalls that on June 16, 1976, in Soweto, South Africa, thousands of black school children took to the streets to protest the inferior quality of their education and to demand their right to be taught in their own language;

further recalls that hundreds of them were shot dead and thousands injured in the process;

aware that to honour their courage and in memory of those killed, in 1991, the Organization of African Unity, now African Union established the "Day of the African Child". The day is meant to draw attention to the lives of African children today;

further aware that in 1999, the "African Charter" on the rights and welfare of the child was adopted by the African Union, called the "Children's Charter", this document sets out the rights of children in all aspects of life - civil, political, economic, social and cultural;

worried that thirty million of the world's fifty-seven million children who are out of school are in Sub-Saharan Africa and ten million of this thirty million are in Nigeria- the highest in Africa;

further worried that one of the visions of the just concluded Millennium Development Goals (MDGs), 2000- 2015, to ensure that all children in the world are in school and learning was not achieved;

alarmed that one in six children born in Sub-Saharan Africa do not live to their 5th birthday;

further alarmed: that though a campaign to end child marriage across Africa was launched in May, 2014 by the African Union, and also attempts have been made to stop harmful practices such as female genital mutilation, one in three girls in low and middle income countries of Africa are married by the age of 18 and thirty million girls in Africa are in danger of undergoing female genital mutilation in the next decade;

concerned that children have been rendered more vulnerable because of insurgency and the depreciating security situation of the country. Presently, over 70% of the people in Internally Displaced Persons (IDPs) Camps are women and children;

further concerned that Child Soldiers were drafted in South Sudan, Democratic Republic of Congo, to fight in civil wars/armed conflict;

recognizes that by the year 2050 almost one in three of the world's children under 18 will be African;

further recognizes that the children of African women with at least five years of schooling have a 40% higher chance of survival; and

appreciates that there has been legislations in Nigeria such as the "Child Rights Act, 2003" and the "Universal Basic Education Act, 2004", that ensures the "Rights and Welfare of Children" and also makes the "Education of the Nigerian Child compulsory and enforceable rights, with penalties for parents and guardians who fail or neglect this obligation".

Accordingly resolves to:

- (i) congratulate the Children of Africa and Nigeria in particular on the celebration of the 2016 International Day of the African Child;

- (ii) urge the Federal Government not to relent in their effort to key into the Sustainable Development Goals (SDGs) that provide a framework for government programs to key into globally agreed development outcomes;
- (iii) urge the Federal and State Governments to ensure the implementation of the UBE Act and the domestication and implementation of the Child Rights Act in States that are yet to do so; and
- (iv) that there should be Budgetary Allocation for programs that have to do with Children's nutrition and education in the relevant ministries, as the good health and proper education of our children is key to our nation's development (*Senator Biodun C. Olujimi — Ekiti South*).

Debate:

Proposed Resolution (i):

Question: That the Senate do congratulate the Children of Africa and Nigeria in particular on the celebration of the 2016 International Day of the African Child — *Agreed to*.

Proposed Resolution (ii):

Question: That the Senate do urge the Federal Government not to relent in their effort to key into the Sustainable Development Goals (SDGs) that provide a framework for government programs to key into globally agreed development outcomes — *Agreed to*.

Proposed Resolution (iii):

Question: That the Senate do urge the Federal and State Governments to ensure the implementation of the UBE Act and the domestication and implementation of the Child Rights Act in States that are yet to do so — *Agreed to*.

Proposed Resolution (iv):

Question: That there should be Budgetary Allocation for programs that have to do with Children's nutrition and education in the relevant ministries, as the good health and proper education of our children is key to our nation's development — *Agreed to*.

Resolved:

That the Senate do:

- (i) congratulate the Children of Africa and Nigeria in particular on the celebration of the 2016 International Day of the African Child;
- (ii) urge the Federal Government not to relent in their effort to key into the Sustainable Development Goals (SDGs) that provide a framework for government programs to key into globally agreed development outcomes;
- (iii) urge the Federal and State Governments to ensure the implementation of the UBE Act and the domestication and implementation of the Child Rights Act in States that are yet to do so; and
- (iv) that there should be Budgetary Allocation for programs that have to do with Children's nutrition and education in the relevant ministries, as the good health and proper education of our children is key to our nation's development (*S/Res/003/02/16*).

- (b) ***Indiscriminate Rock Blasting in the FCT and other parts of Nigeria (Bearing in mind that with the passage of the 2016 Appropriation Act, construction works will soon commence):***

Consideration of Motion deferred to another Legislative Day.

- (c) ***The need to sustain the laudable Anti-Polio campaign in Nigeria:***

Consideration of Motion deferred to another Legislative Day.

- (d) ***State of National Preparedness against Possible Zika Virus Outbreak in Nigeria:***

Consideration of Motion deferred to another Legislative Day.

- (e) ***Urgent need to decongest the Nigerian Prisons:***

Consideration of Motion deferred to another Legislative Day.

- (f) ***The urgent need for value orientation and re-introduction of history as a course of study in the nation's educational sector:***

Consideration of Motion deferred to another Legislative Day.

13. **National Open University Act, No. 6 1983 (Amendment) Bill, 2015 (SB. 066):**

Consideration of Bill deferred to another Legislative Day.

14. **Employee's Compensation Act, 2010 (Amendment) Bill, 2016 (SB. 170):**

Consideration of Bill deferred to another Legislative Day.

15. **Foreign Exchange (Monitoring and Miscellaneous Provisions) Act, chapter F34, LFN 2004 (Repeal and Re-enactment) Bill, 2016 (SB.181):**

Consideration of Bill deferred to another Legislative Day.

16. **Chartered Institute of Facilities Management (Establishment, etc.) Bill, 2016 (SB.194):**

Consideration of Bill deferred to another Legislative Day.

17. **Adjournment:**

Motion made: That the Senate do now adjourn till Tuesday, 21st June, 2016 at 10:00 a.m. (*Senate Leader*).

Adjourned accordingly at 12:56 p.m.

Abubakar Olubukola Saraki, CON
President,
Senate of the Federal Republic of Nigeria.