



MINISTERIAL STATEMENT

By:

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Junior Minister for the Cabinet Office with Responsibility for Government Reform

Implementation of the Code of Practice for Project Management and Procurement

Wednesday, 27th June, 2018

Madam President,

I wish to inform the people of Bermuda that the Government will implement the Code of Practice for Project Management and Procurement on July 2, 2018.

Madam President, the Code sets out the requirements and procedures for the procurement of goods and services for the Government that must be met and followed by all public officers. By complying with the Code, public officers will ensure that the Government's procurement activities achieve the best value for money while being fair, ethical and transparent.

Madam President, the Code is reflective of the Government's commitment to improve good governance standards and to use its purchasing power to create opportunities for historically disadvantaged groups.

Madam President, the Office of Project Management and Procurement conducted training sessions on the Code for Permanent Secretaries, Heads of Departments, Comptrollers, and the Accountant General's Department between the period November 2017 and March 2018.

During the course of last week, the Office conducted training sessions on the Code's requirements and procedures for other public officers with responsibility for engaging in purchasing and tendering activities. The Office will continue to train public officers, staff members of quangos and other public authorities on the procedures and requirements of the Code in the coming weeks.

Madam President, information sessions were conducted for the benefit of contractors, vendors, and suppliers that are associated with the Chamber of



Commerce, the Bermuda Economic Development Corporation, and the Construction Association of Bermuda on January 31, 2018, March 19, 2018, and April 4, 2018, respectively.

Madam President, valuable lessons were learned from feedback obtained from participants in the information sessions. There is strong support among small and medium-sized business owners for the Government's initiative to level the economic playing field and give Bermudians a fair opportunity to win contracts. Business owners are keen to understand how to best position themselves to supply goods and services to the public sector and participate in Government projects.

Madam President, entrepreneurs encouraged us to take adequate measures to ensure that the procurement process is open, fair and transparent. We were reminded that trust and confidence in the process is lost when more established businesses appear to get preferential treatment.

Madam President, suppliers welcomed the potential opportunity to participate in consortia to collectively deliver larger scale Government projects. The implementation of framework agreements and approved contractors lists were viewed as providing for participation of a broader pool of suppliers in contracting opportunities on a more efficient basis.

Madam President, suppliers also support the introduction of a systematic and objective process for vetting unsolicited proposals. The Government desires to take advantage of entrepreneurs' unique and innovative approaches to solving problems and overcoming challenges that are presented in the form of unsolicited proposals.

Madam President, in line with the Government's mandate to facilitate the establishment of a more diverse contractor base, the tender evaluation and selection process will now place more emphasis on recognising suppliers that support Bermudian employment and participation in contracting opportunities.

Madam President, business owners will be able to participate in debriefing sessions so that they can gain a better understanding of how their proposals can be improved and increase their knowledge of the Government's processes, documentation and requirements.

Madam President, the Code will replace section 8 of the Financial Instructions, which sets out the procedures that public officers must follow to purchase goods and services for the Government. The Accountant General will amend the Financial Instructions to reflect this change.



Public officers must continue to comply with the Financial Instructions to ensure that financial transactions are properly recorded and controlled on a consistent basis. The Financial Instructions will continue to form the minimum standard for financial controls in every department, ministry, or quango with additional specific procedures formulated at the departmental level or tailored to the respective needs of the quango.

Madam President, the procedures for the purchase of goods and services are contained in the Code to ensure that capital projects and significant expenditures for the purchase of goods and services have appropriate governance and control frameworks in place.

Following the implementation of the Code, requests for sole source waivers will be considered by the Director of the Office of Project Management and Procurement. The Accountant General will no longer be responsible for granting sole source waivers.

Madam President, the implementation of the Code is a notable achievement. This Government promised the completion of the Code and we have now delivered. We are committed to good governance and good government.

Madam President, through the implementation of the Code we are effectively raising the standards of governance in this country as that is what the voters expect.

This **Madam President**, is a true example of accountability. Others promised, but we have delivered.

Madam President, in closing, I would like to extend my appreciation to the Office of Project Management and Procurement for work they have undertaken to develop and implement the Code of Practice for Project Management and Procurement.

Thank you, **Madam President**.