



# Ekiti State

## PUBLIC PROCUREMENT LAW

### EKITI STATE NOTICE NO. 4

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# Ekiti State Public Procurement Law

## No. 2 of 2010

### EKITI STATE OF NIGERIA

#### ARRANGEMENT OF SECTIONS:

1. Establishment of the Ekiti State Council on Public Procurement and its membership.
2. Functions of the Council.

#### PART II – ESTABLISHMENT OF THE BUREAU OF PUBLIC PROCUREMENT

3. The establishment of the Bureau of Public Procurement.
4. The objectives of the Bureau
5. Functions of the Bureau
6. Powers of the Bureau
7. Director-General and staff of the Bureau
8. Principal officers of the Bureau
9. Other staff of the Bureau.
10. Staff regulations.
11. Pension provisions.
12. Funds of the Bureau
13. Financial year. budgeting and annual report
14. Legal proceedings.

#### PART III – SCOPE OF APPLICATION

15. Scope of application.

#### PART IV — FUNDAMENTAL PRINCIPLES FOR PROCUREMENT

16. Fundamental Principles for Procurement.

#### PART V— ORGANISATION OF PROCUREMENTS

17. Approving authority
18. Procurement planning
19. Procurement implementation
20. Accounting Officer
21. Procurement Planning committee
22. Tenders board
23. Pre-qualification demands
24. Open competitive bidding

#### PART VI – PROCUREMENT METHODS (GOODS AND SERVICES)

25. Invitations to bid
26. Bid security
27. Submission of bids
28. Rejection of bids
29. Validity period of bids, modification and withdrawal of tenders
30. Bid opening
31. Examination of bids
32. Evaluation of bids
33. Acceptance of bids
34. Domestic preferences
35. Mobilization fees
36. Contractor performance guarantee
37. Interest on delayed payments
38. Record of procurement proceedings

#### PART VII – SPECIAL AND RESTRICTED METHODS OF PROCUREMENT



39. Two stage tendering
40. Restricted tendering
41. Request for quotations
42. Direct procurement
43. Emergency procurements

#### **PART VIII—PROCUREMENT OF CONSULTANCY (SERVICES)**

44. Expressions of interest to provide services for ascertained needs
45. Request for proposals to provide services for unascertained needs
46. Content of the requests for proposals
47. Clarification and modification of requests for proposals
48. Submission of proposals
49. Criteria for evaluation of proposals
50. General selection procedure (services)
51. Procedure for selection of proposal where price is a factor
52. Selection procedure where price is not a factor

#### **PART IX—PROCUREMENT SURVEILANCE AND REVIEW**

53. Bureau to recommend investigation
54. Administrative Review

#### **PART X—DISPOSAL OF PUBLIC PROPERTY**

55. Disposal of public property
56. Planning of disposals

#### **PART XI—CODE OF CONDUCT**

57. Code of conduct for public procurement

#### **PART XII – OFFENCES**

58. Offences relating to public procurement

#### **PART XIII — MISCELLANEOUS**

59. Miscellaneous
60. Interpretation
61. Short title



No. 2

# Ekiti State of Nigeria

2010

A LAW TO ESTABLISH THE  
***EKITI STATE COUNCIL ON PUBLIC PROCUREMENT***  
AND THE  
**BUREAU OF PUBLIC PROCUREMENT**

AS THE REGULATORY AUTHORITIES RESPONSIBLE FOR THE MONITORING AND OVERSIGHT OF PUBLIC PROCUREMENT. HARMONIZING THE EXISTING GOVERNMENT (STATE AND LOCAL) POLICIES AND PRACTICES BY REGULATING, SETTING STANDARDS AND DEVELOPING THE LEGAL FRAMEWORK AND PROFESSIONAL CAPACITY FOR PUBLIC PROCUREMENT IN EKITI STATE AND FOR RELATED MATTERS.

Date of commencement: 12th May 2010

ENACTED by the House of Assembly of Ekiti State of Nigeria as follows:

## **PART I—ESTABLISHMENT OF STATE COUNCIL ON PUBLIC PROCUREMENT**

1. – (1) There is hereby established the State Council on Public Procurement (in this Law referred to as “the Council”).
- (2) The Council shall consist of:
- (a) a Chairman who shall be a retired Judge, retired Public Officer not lower than a Permanent Secretary
  - (b) the Commissioner of Finance and Economic Development;
  - (c) the Attorney-General and Commissioner of Justice;
  - (d) the Secretary to the State Government
  - (e) the Head of Service
  - (f) The Director General of the Bureau



- (g) Seven part-time members to represent:
- (i) Chartered Institute of Purchasing and Supply Management of Nigeria (CIPSMN);
  - (ii) Nigerian Bar Association, Ekiti State Chapter;
  - (iii) Ekiti State Chambers of Commerce, Industry, Mines and Agriculture;
  - (iv) Nigerian Society of Engineers, Ekiti State Chapter;
  - (v) Civil Society;
  - (vi) the Nigerian Union of Journalists, Ekiti State chapter.;
  - (vii) Nigerian Institute of Quantity Surveyors, Ekiti State Chapter.
- (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 Governor.
- (5) Subject to subsection (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 are set out under this law.

2. —

The Council shall

- (a) consider, approve and amend the monetary and prior review thresholds for the application of the provisions of this Law 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 Law.



**PART II-ESTABLISHMENT OF THE BUREAU OF PUBLIC PROCUREMENT**

- 3.— (1) There is established an agency to be known as the Bureau of Public Procurement in this Law 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 Law.
4. — The objectives of the Bureau are
- (a) the harmonization of the 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, cost effectiveness and professionalism in the public sector procurement system.
5. — 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 Law;
  - (c) subject to thresholds as may be set by the Council, certify State procurement prior to the award of contract;
  - (d) supervise the implementation of established procurement policies;
  - (e) monitor the prices of tendered items and keep a database of standard prices;
  - (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 database of the particulars and classification and categorization of State contractors and service providers;
  - (i) collate and maintain in an archival system, all State procurement plans and information;
  - (j) undertake procurement research and surveys;
  - (k) organize training and development programmes for procurement professionals;
  - (l) periodically review the socio-economic 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 Law applies;
- (p) perform procurement and post procurement audits and submit such report to the House of Assembly bi-annually;
- (q) introduce, develop, update and maintain related database and technology;
- (r) establish a single internet portal that shall, subject to Section 16 (10) to this Law 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.

6.— (1) The Bureau shall have power to –

- (a) enforce the monetary and prior review thresholds set by the Council for the application of the provisions of this Law by the procuring entities
- (b) subject to 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 Law;
- (c) from time to time stipulate to all procuring entities, the procedures and documentation prerequisite for the issuance of Certificate of ‘No Objection’ under this Law;
- (d) where a reason exists:
  - (i) cause to be inspected or reviewed any procurement transaction to ensure compliance with the provisions of this Law;
  - (ii) review and determine whether any procuring entity has violated any provision of this Law
- (e) debar any supplier, contractor or service provider that contravenes any provision of this Law and regulations made pursuant to this Law;
- (f) maintain a database of State 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 that 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 Law or regulations or guidelines made under this Law 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
- (iv) 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 Law;
- (l) nullify the whole or any part of any procurement proceeding or award which is in contravention of this Law;
- (m) do such other things as are necessary for the efficient performance of its functions under this Law.
- (2) 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) request for and obtain from any procurement entity information including reports, memoranda and audited accounts, and other information relevant to its functions under this Law; and
  - (c) liaise with relevant bodies or institutions, national and international, for effective performance of its functions under this Law.

- 7.—
- (1) There shall be for the Bureau, a Director-General who shall be appointed by the Governor subject to the confirmation by the State House of Assembly.
  - (2) The Director-General shall be;
    - (a) also designated as the Special Adviser to the Governor on Procurement Matters and the Chief Executive Officer of the Bureau;
    - (b) responsible for the execution of the policy, programs and day to day administration of the affairs of the Bureau; and
    - (c) a person who possesses a minimum qualification of a Bachelor Degree from a recognized University or Higher Institution with a post qualification experience of a period not less than 15 years. An additional professional procurement qualification from a recognized institution will be an added advantage.
  - (3) The Director-General shall hold office:
    - (a) for a fixed term of five (5) years in the first instance and may be re-appointed for a further term of five (5) years and no more; and
    - (b) on such other terms and conditions as may be specified in his letter of appointment.



- (4) Without prejudice to the provisions of this Law, the Director-General of the Bureau may be removed from office at the instance of the Governor on the recommendation of the Council only on the basis of a proven case of financial impropriety, fraud, and manifested incompetence in accordance with established disciplinary standard of the Council.
- 8.— (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 Law.
- (3) The Council shall appoint a Secretary to the Bureau who shall be the Accounting Officer of the Bureau. The Secretary in status and qualification, shall be the equivalent of a Permanent Secretary in the Public Service of the State.
- (4) 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 Law.
- 9.— (1) The Council may appoint such officers and other employees as may, from time to time, be deemed necessary for the purposes of the Bureau.
- (2) Subject to the Pensions Law, 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 subsections (1) and (2) of this Section, the Council shall have power to appoint either on transfer or on secondment from any public service in the State, such number of employees as may, be required to assist the Bureau in the discharge of any of its functions under the Law and persons so employed shall be remunerated (including allowances) as the Council may consider appropriate.
- 10.— (1) The Council may, subject to the provisions of this Law 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 State shall be applicable.
11. — Employees of the Bureau shall be entitled to pensions, and other retirement provisions, benefits as prescribed under the Pensions Law.
- 12.— (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 House of 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.
- (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 Law.
- 13.— (1) The financial year of the Bureau shall be the same as that of the State 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 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 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 State.
- (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.
- 14.— (1) Subject to the provisions of this Law, 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 function or power conferred by this Law 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 Law or any other law or enactment may be served by delivering it to the Director-General or by sending it by registered post and addressed to the Director-General at the principal office of the Bureau.

### PART III — SCOPE OF APPLICATION

15. — (1) The provisions of this Law shall apply to all procurement of goods, works, and services including consultancies carried out by the State, Local Government and all other procurement entities in the state.
- (2) The provisions of this Law shall not apply to the procurement of special goods, works and services involving security unless the Governor's express approval has been first sought and obtained.

### PART IV—FUNDAMENTAL PRINCIPLES FOR PROCUREMENTS

- 16.— (1) Subject to any exemption allowed by this Law, all public procurements shall be conducted:
- (a) subject to the prior review thresholds as may from time to time be set by the Bureau pursuant to paragraphs(a) and(b) of Section 6(1);
  - (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 made by the Bureau, has obtained a “Certificate of 'No Objection' to Contract Award” from the Bureau;
  - (c) by open competitive bidding;
  - (d) in a manner which is transparent, timely, equitable, ensures accountability and in conformity with this Law and regulations deriving therefrom;
  - (e) with the aim of achieving value for money and fitness for purpose
  - (f) in a manner which promotes competition, economy and efficiency and (g) in accordance with the procedures and timelines laid down in this Law and as may be specified by the Bureau from time to time.
- (2) Where the Bureau has set prior review thresholds in the procurement regulations, no funds shall be disbursed from the Treasury or State or Local Government Account or any bank account of any procuring entity for any procurement falling above the set thresholds unless the cheque, payments or other form of request for payments is accompanied by a certificate of No Objection” to an award of contract duly issued by the Bureau.
- (3) For all cases where the Bureau shall set a prior review threshold, the Bureau shall prescribe by regulation, guidelines and the conditions precedent to the award of Certificate of “No Objection” under this Law.
- (4) Subject to the prior review thresholds as may be set by the Bureau, any procurement purported to be awarded without a “Certificate of 'No Objection' to Contract Award” duly issued by the Bureau shall be null and void; and no payment shall be made to the supplier, contractor or service provider.
- (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 Law and the non- performance or improper performance of any contract awarded pursuant to this Law.



- (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
    - (iv) shall have adequate qualified personnel to perform the obligations of the procurement.
  - (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 of facts relating to any matter:
  - (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 Law 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 a combination of the situations set out exists, 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 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 permit with respect to allowance, deference of such outstanding payments or payment thereof in installments;
  - (e) the bidder has been validly sentenced 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 sentenced 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 Law 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.
- (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 Bureau may refuse to issue a Certificate of “No Objection” to Contract Award on the grounds that the price is excessive.
- (19) Pursuant to subsection (7) 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) Pursuant to subsection (18) of this Section the Bureau may either direct that the procurement proceedings be entirely cancelled or that the procuring entity conduct a re-tender.



- (21) 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 Law.
- (22) The accounting officer of a procuring entity has the responsibility to ensure that the provisions of this Law and the regulations laid down by the Bureau are complied with, and concurrent approval by any Tenders Board shall not absolve the accounting officer from accountability for anything done in contravention of his Law or the regulations laid down hereunder.
- (23) Procurement and disposal decisions of a procuring entity shall be taken in strict adherence to the provisions of this Law and any regulations as may from time to time be laid down by the Bureau.
- (24) 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.
- (25) 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.
- (26) All procurement contracts shall contain provisions for arbitration proceedings as the primary form of dispute resolution.
- (27) 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.
- (28) 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.

## PART V – ORGANISATION OF PROCUREMENTS

- 17.– (1) Subject to the monetary and prior review thresholds for procurements in this Law as may from time to time be determined by the Council, the following shall be the approving authority for the award for the following contracts
- (a) in the case of:
    - (i) Procurements exceeding Fifty Million Naira (N50million) the State Executive Council
    - (ii) Procurements exceeding Two Million and Five Hundred Thousand Naira, and not exceeding N50million, the State Tenders' Board;
    - (iii) Procurements not exceeding Two Million and Five Hundred Thousand Naira Government Ministries, Agencies, Departments or Corporations, then the Ministerial or Departmental Tenders' Boards.
  - (2) In case of the Local Government:
    - (i) Procurements not exceeding Five Hundred Thousand Naira (N500, 000) the Local Government Chairman
    - (ii) Procurements exceeding Five Hundred Thousand Naira (N500,000) the Finance and General-Purpose Committee following regulations as may from time to time be made by the Bureau under the direction of the Council.



18. — 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 Law: and
  - (g) ensuring that the procurement entity functions stipulated in this Section shall be carried out by the Procurement Planning Committee and forward same to the Bureau of Public Procurement for the purpose of its Budget monitoring functions.
19. — 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 Law and guidelines as may be issued by the Bureau from time to time
  - (b) conduct a public opening of the bids immediately after the specified and publicized closing of the bids or within 24hours where immediate bid opening is not possible;
  - (c) receive, evaluate and make a selection of the bids received in adherence to this Law 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 Law
  - (i) execute all Contract Agreements and
  - (j) Announce and publicize the award in the format stipulated by this Law and guidelines as may be issued by the Bureau from time to time.
- 20.— (1) The accounting officer of a procuring entity shall be the person charged with line supervision of the conduct of all procurement processes within its threshold; in the case of ministries the Permanent Secretary and in the case of extra-Ministerial departments and corporations the Director-General or officer of co-ordinate responsibility; in the case of the Local Government, the Chairman.
- (2) The accounting officer of every procuring entity shall have overall responsibility for the planning of, organization of tenders, evaluation of tenders and in particular shall be responsible for





- (a) ensuring compliance with the provisions of this Law by his entity and liable in person for the breach or contravention of this Law or any regulation made hereunder whether or not the Law 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 Committee and its decisions
  - (c) ensuring that adequate appropriation is provided specifically for the procurement in the 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;
  - (f) constituting the Evaluation Committee;
  - (g) liaising with the Bureau to ensure the implementation of its regulations.
- 21.— (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,
    - (iii) the financial unit of the procuring entity,
    - (iv) the planning, research and statistics unit or the procuring entity.
    - (v) technical personnel of the procuring entity with expertise in the subject matter for each particular procurement, and
    - (vi) a legal officer from the Ministry of Justice not below the rank of an Assistant Chief Legal Officer.
- 22.— (1) There is hereby established by this Law in State, Local Government and in each procuring entity a tenders' board (in this Law referred to as "the Tenders Board"). (1) Subject to the approval of the Governor, there shall be a State Tenders' Board whose members shall be appointed by the Governor, under the Chairmanship of the Deputy Governor.
- (2) The Finance and General-Purpose Committee (F&GPC) shall constitute the Tender's Committee at each of the Local Government.
- (3) Subject to the approval of the Council the Bureau shall from time to time, prescribe guidelines for the membership of the Ministerial, Ex-Ministerial, Departmental and other procuring entities' Tenders Boards.
- (4) The Tenders Board shall be responsible for the award of procurements of goods, works and services within the threshold set in the regulations.



- (5) In all cases where there is a need for pre-qualification, the Chairman of the 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 professional staff of the procuring entity and the Secretary of the Tenders Board who shall also be the Chair of the Evaluation Sub-committee.
- (6) The decision of the Ministerial or Departmental Tenders Board shall be communicated to the Commissioner, the Chairman, Director General or whoever is the head for implementation.
- 23.— (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 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 document 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 Law and procurement regulations relating 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.

## PART VI – PROCUREMENT METHODS (GOODS AND SERVICES)

- 24.— (1) Except as provided by this Law, 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 Law 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 and works 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.
- 25.— (1) Invitation to bid may be either by way of Competitive Bidding or National 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 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 two weeks before the deadline for submission of the bids for the goods and works.
- 26.— (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, may 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.
- 27.— (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 envelope.
- (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
- (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 Law.
28. — A procuring entity may
- (a) reject all bids at any time prior to 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.
- 29.— (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 on un-extended 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.
30. — All bids shall be submitted before the deadline or date and time 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.
31. — (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 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 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.
32. — (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) or goods, among others, costs of transportation and insurance, payment schedule, delivery time, operating costs, efficiency, and 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 Law, and subject to Section 34(2) of this Law, if time is a critical factor, the value of early completion; and
  - (c) the value of early completion under Section 35(2) of this Law 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 goods 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 for 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 persons not officially concerned with the evaluation process until the successful bidder is notified of the award.
- 33.— (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 Law to that effect.
  - (3) In the case of procurements not exceeding N2.5million, after obtaining 'Certification of No Objection' from the Bureau, the Ministry, Department and Agencies or other procuring entities will present a brief to its Tenders Board on the winning bid for the final award and communicate the award in writing to the winners.
  - (4) In the case of procurements exceeding N2.5million, the Ministries, Department and Agencies, after obtaining 'Certificate of No Objection' from the Bureau of Public Procurement, will prepare and present briefs to the state Tenders' Board for award; or further recommendation to the State Executive Council for award in case of procurements exceeding N50Million.
  - (5) In case of Local Governments, for procurements not exceeding N500,000.00, (over which Chairman is the approving authority), after obtaining a 'Certificate of no Objection' from the Bureau, the Chairman will present a brief to the Finance and General-Purpose Committee as a Tenders Board for the award of the contract, which will be communicated in writing to winners.
  - (6) For procurements exceeding N500,000.00, the Local Government, after obtaining approval of the Deputy Governor through the Commissioner for Local Governments, and a 'Certificate of No Objection' from the Bureau will present a brief to the Finance and General-Purpose Committee as a Tenders Board for an award, which will be communicated in writing to the winners.
- 34.— (1) A procuring entity may grant a margin of preference in the evaluation of tenders, when comparing tenders from local or indigenous bidders with those of national or foreign bidders preferences or when comparing tenders from indigenous or local suppliers offering goods manufactured locally with those offering goods manufactured abroad.
- (2) Where a procuring entity intends to allow indigenous or local 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 regulations 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.
- 35.— (1) In addition to any other regulations as may be prescribed by the Bureau, a mobilization fee of not more than 30% may be paid to a supplier or contractor supported by the following:
- (a) a contractor has moved to site and start appreciable work in the case of a construction work.
  - (b) a supplier has delivered about 20% of the goods/service.
  - (c) in the case of National Competitive Bidding - an unconditional bank guarantee or insurance bond issued by an institution acceptable to the procuring entity and
  - (d) in the case of International Competitive Bidding - an unconditional bank guarantee issued by a banking institution acceptable to the procuring entity.
- (2) Once a mobilization fee has been paid to any supplier or contractor, no further payment shall be made to the supplier or contractor without an interim performance certificate issued in accordance with the contract agreement and a Certificate of Payment issued by the Bureau for Public Procurement.
36. — The provision of a Performance Guarantee shall be a precondition for the Contract award of any procurement contract upon which any advance payment or fee is to be paid, provided however it shall





not be less than 10% of the contract value in any case or any amount equivalent to the mobilization fee requested by the supplier or contractor- whichever is higher.

- 37.— (1) Payment for the procurement of goods, works, and services shall be settled promptly and diligently after a Certification for Payment by the Bureau.
- (2) Any payment due shall be paid after the contractor or supplier has raised a certification for payment, a confirmation of performance by the procuring entity, the State Planning Commission and a Certificate of Payment issued by the Bureau.
- (3) No payment shall be made or effected to any contractor, supplier or consultant by any procuring entity in the State or Local Government without a Certificate of Payment issued by the Bureau for Public Procurement.
38. — (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 Contract on performance guarantee interest on delayed payments.
- (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.
- (6) Nothing in the foregoing shall annul or invalidate any section or part or whole thereof of the existing “Ekiti State Due Process Mechanism (A Manual on Public Procurement Reform Program)” published by the Budget Monitoring and Price Intelligence Unit (Due Process) Office of the Governor, Ado Ekiti; as approved by the State Executive Council in January, 2008.



## PART VII – SPECIAL AND RESTRICTED METHODS OF PROCUREMENT

- 39.— (1) Notwithstanding the provisions of this Law, 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 Law 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 Law 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 Law
  - (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.
- 40.— (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 Law 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.
- 41.— (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.
- 42.— (1) A procuring entity may carry out any emergency/negotiated/selective 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) the 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 contractor with the supplier or contractor for research, experiment, study or development, except where the contractor includes the production of goods in quantities to establish commercial viability or recover research and development costs; or
- (f) the procuring entity applies this Law 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.
- 43.— (1) A procuring entity may for the purpose of this Law, 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'.

## PART VIII—PROCUREMENT OF CONSULTANCY SERVICES

- 44.— (1) 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 local 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.
- 45.— (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 needs, 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 defense and security or similar reason of confidentiality.
- 46.— (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
  - (1) a short list to be made of only national consultants for consulting assignment, contractor 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.
- 47.— (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.
- 48.— (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 21 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.
- 49.— (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 defense 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.
- 50.— (1) The procuring entity shall select the successful proposal by either entering the proposal with: General selection procedure (service)
- (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 sub-section (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.
- 51.— (1) Where the procuring entity elects to choose the successful proposal for use 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.
- (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 and 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.
- 52.— (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 contractor: 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 (i), will not result in a procurement contractor.
  - (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 contractor, the procuring entity shall invite the other suppliers or contractors for negotiations on the basis of their rating until it arrives at a contractor 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.

## PART IX— PROCUREMENT SURVEILLANCE AND REVIEW

- 53.— (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 contractor if it considers that a criminal investigation is necessary or desirable to prevent or detect a contravention of this Law. (





- (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 entity 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 Law or any regulations in relation to procurement proceedings or procurement contract 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 Law.
  - (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.
- 54.— (1) A bidder may seek administrative review for any omission or breach by a procuring or disposing entity under the provisions of this Law, or any regulations or guidelines made under this Law 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 (15) 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 (21) 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 State 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.

## **PART X— DISPOSAL OF PUBLIC PROPERTY**

- 55.— (1) For the purposes of this Law every procuring entity shall also be disposing entity.
- (2) The open competitive bidding shall be the primary source of receiving offers for the purchase of any public property offered for sale as contained in Part VI and Sections 25-33) of the Law.
- (3) 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
  - (b) 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.
- (4) For the purpose of this Law, 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 goodwill and any other gifts of the State Government.
- (5) 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.
- 56.— (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 a 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) Such valuation report of the independent evaluator shall form part of the documentation to be filed with the Bureau for Public Procurement for Certification for No Objection. Others are:
- (i) Receipt or proof of date and cost of purchase or acquisition of the property or asset
  - (ii) Authorization for disposition by the approving authority as in the monetary threshold for the award of Contract
  - (iii) Proof of openness and competitiveness of the process of disposal
  - (iv) Records of maintenance or use of the property or asset, and any other document that may be prescribed by the Council from time to time
- (3) 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;
- (4) The disposal of assets referred to in subsection (2) of this Section shall be timed to take place when the most advantageous returns or value for money can be obtained for the asset in order to maximize revenue accruing to the government;
- (5) No public asset or property shall be disposed in the state by any Local Government, any arm of government, Tertiary Institution, or Ministry, Department or Agency without obtaining a Certificate of No Objection from the Bureau for Public Procurement;
- (6) All procuring entities shall distribute responsibilities for the disposal of public property between the procurement unit and the Tenders Board.



**PART XI – CODE OF CONDUCT**

- 57.— (1) The Bureau shall, with the approval of the Council, stipulate a Code of Conduct for public officers, suppliers, contractors and service providers with regards to the 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) 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.
- (5) All public officers shall handle public procurement and disposal of assets by
- (a) ensuring adequate time for preparing offers
  - (b) complying with this Law and all derivative regulations; and
  - (c) receiving strict confidentiality until completion of a contractor.
- (6) 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.
- (7) 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 Law; and
  - (b) not engage or participate in any commercial transaction involving the State government, local 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.
- (8) 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 in writing to the authorities any actual or potential interest.
- (9) 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.



- (10) 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 s/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.
- (11) 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.

## PART XII — OFFENCES

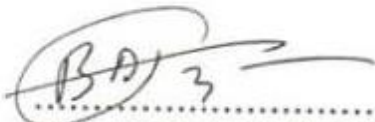
- 58.— (1) Any person not being a public officer who contravenes any provision of this Law commits an offence and is liable on conviction to a term of imprisonment not less than 5 years but not exceeding 10 years with option of fine and restitution.
- (2) Any offence in contravention of this Law shall be tried by the State High Court.
- (3) The following shall also constitute offences under this Law –
- (a) entering or attempting to enter into a collusive agreement, whether enforceable or not, with a supplier, contractor or service provider where the prices quoted in their respective tenders, proposals or quotations are or would be higher than would have been the case had there not been collusion between the persons concerned;
  - (b) to conduct procurement fraud by means of fraudulent and corrupt acts, promises, threats, unlawful influence, undue interest, agreement, corruption, bribery or other actions;
  - (c) directly, indirectly, or attempting to influence in any manner the procurement process to obtain an unfair advantage in the award of a procurement contract;
  - (d) splitting of tenders to enable the evasion of monetary thresholds set;
  - (e) bid-rigging;



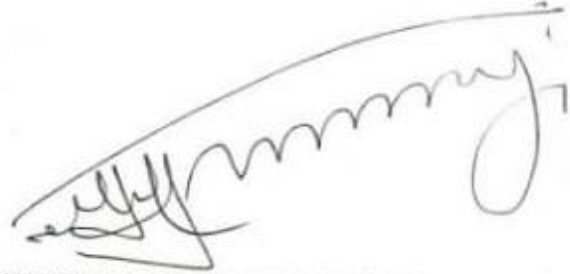
- (f) altering any procurement document with intent to influence the outcome of a tender proceeding;
  - (g) altering or using fake documents;
  - (h) willful refusal to allow the Bureau or its officers to have access to any procurement records.
- (4) Any person whilst carrying out his duties as an officer of the Bureau, or any procuring entity who contravenes any provision of this Law commits an offence and is liable on conviction to a cumulative punishment of—
- (a) a term of imprisonment of 5 years with option of fine and restitution;
  - (b) summary dismissal from government service.
- (5) Any legal person that contravenes any provision of this Law commits an offence and is liable on conviction to cumulative penalty of—
- (a) debarment from all public procurement for a period not less than 5 years;
  - (b) a fine of not less than 5% of the value of procurement in issue.
- (6) Where any legal person shall be convicted pursuant to subsection (5) 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 no less than 3 years but not exceeding 5 years with an option of fine and restitution.



This printed impression has been carefully compared by me with the Bill, which has been passed by the Ekiti State House of Assembly and found by me to be a true copy of the said Bill.



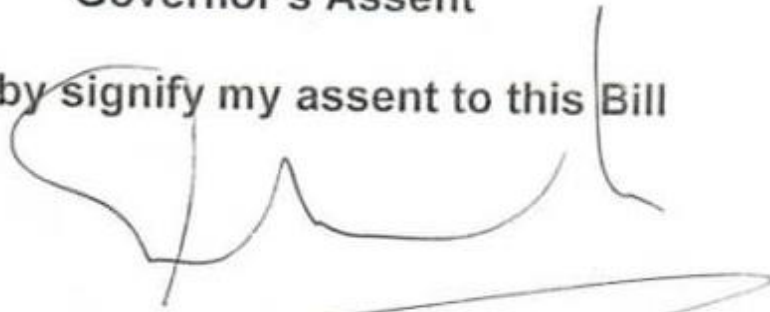
.....  
**MR. BEN. AKINTUNDE FAMOYEGUN**  
*Clerk of the House of Assembly*



.....  
**RT. HON. OLATUNJI ODEYEMI**  
*Speaker of the House*

**Governor's Assent**

I hereby signify my assent to this Bill



**ENGR. SEGUN ONI**  
**MR. GOVERNOR OF EKITI STATE**

Dated this.....<sup>12<sup>th</sup></sup>..... Day of <sup>May</sup>..... 2010



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*...Ilẹ̀ Iyì, Ilẹ̀ Èyẹ*

