

The Chamber means BUSINESS

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THE T&T CHAMBER STRONGLY URGES FOR PROGRESS ON PROCUREMENT LEGISLATION

The Trinidad & Tobago Chamber of Industry and Commerce (T&T Chamber) strongly urges Parliament to allow operationalisation of the substantive provisions of The Public Procurement and Disposal of Public Property Act, 1 of 2015. The T&T Chamber, in partnership with other members of the Private Sector/Civil Society Group on Public Procurement, has been a strong advocate for the efficient and effective implementation of the Act.

We also note that the Minister of Finance in his 2020 National Budget presentation delivered on 7th of October 2019, stated "Further, we have received recommendations from the Regulator regarding the appropriate treatment of public-private-partnerships and Government-to-Government arrangements, which we intend to adopt" (Ref: Page 8, Budget Statement 2020). We understand the Office of the Procurement Regulator (OPR) recommended that there should be no amendments to section 7, so what is being suggested now is contrary to those recommendations.

The T&T Chamber underscores the importance of honouring the repeated commitments to have the Act fully implemented so that we can finally curtail procurement inefficiencies and wastage of already limited public funding. Most recently, the Minister of Finance gave the commitment that we would see "the new procurement arrangements fully implemented in 2020" (Ref: Page 8, Budget Statement 2020).

The T&T Chamber,

- 1. Believes that the current procurement regulations must ensure that government expenditure be made to the ultimate benefit of Trinidad and Tobago. The T&T Chamber recognises that government-to- government arrangements may provide the benefit of preferential offers, such as economic and technical assistance. However, the T&T Chamber recommends that the total cost of ownership must be captured in evaluating any purchase decision. As an example, while purchasing equipment with terms of 20 years financing at 2% may appear favourable, if the purchase price of the equipment is 50% more than another supplier who is offering a 10-year term at 3%, the analysis must take into account all the factors to ensure that the best decision is made for the country. This can only be done through open and competitive tender, not sole selective as being suggested in the "slight" amendment under section 7 of the Act.
- 2. Supports, as per Section 24, that the Regulator of the Office of the Procurement Regulation (OPR) must report to Parliament. He can do this without the whole of section 24 being proclaimed, but allowing for certain parts of Sections 24 to be proclaimed.

Thus, the T&T Chamber supports that Section 24 - (1) except (f), (2) (3) (4) and (5) be immediately proclaimed. The OPR should report on these parts of Section 24 so parliament may be apprised on the status of the OPR on the question on implementation and regulations and what may be holding up the process.

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