

KOGI STATE OF NIGERIA

PUBLIC PROCUREMENT LAW

2014

PUBLIC PROCUREMENT LAW 2014

ARRANGEMENT OF SECTIONS

SECTION

PART 1: ESTABLISHMENT OF STATE COUNCIL ON PUBLIC PROCUREMENT

1. Establishment of the 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. 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: ORGANIZATION OF PROCUREMENT

17. Approving Authority.

18. Procurement Planning

19. Procurement Implementation.

20. Accounting Officer.

21. Procurement Planning Committee.

22. Tenders Board.

23. Pre-Qualification of bidders.

24. Open-Competitive Bidding.

PART VI: PROCUREMENT METHODS (GOODS AND SERVICES

25. Invitation 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. Domestic Preference.

34. Mobilization fees.

35. Contract performance guarantee.

36. Prompt Payment of Contracts.

37. Record on procurement proceedings.

38. Certificate of No Objection.

PART VII: SPECIAL AND RESTRICTED METHODS OF PROCUREMENT

39. Two stage/restricted Tendering.
40. Request for quotations.
41. Emergency Procurements.
42. Further conditions for Emergency Procurement.
43. Direct Procurement.

PART VIII: PROCUREMENT OF CONSULTANT (SERVICES)

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

PART IX: PROCUREMENT SURVEILLANCE AND REVIEW

52. Bureau to recommend investigation.
53. Administrative Review.

PART X: DISPOSAL OF PUBLIC PROPERTY

54. Disposal of Public property.
55. Planning of disposals.

PART XI: CODE OF CONDUCT

56. Code of conduct for public procurement.

PART XII: OFFENCES

57. Offences relating to public procurement

58. Scope of Application.

PART XIII: MISCELLANEOUS

59. Miscellaneous

60. Interpretation.

61. Short title

A BILL FOR

A LAW TO ESTABLISH THE STATE COUNCIL ON PUBLIC PROCUREMENT AS THE REGULATORY AUTHORITIES RESPONSIBLE FOR THE MONITORING AND OVERSIGHT OF PUBLIC PROCUREMENT, HARMONIZING THE EXISTING GOVERNMENT POLICIES AND PRACTICES BY REGULATING, SETTING STANDARD, DEVELOPING THE LEGAL FRAMEWORK AND PROFESSIONAL CAPACITY FOR PUBLIC PROCUREMENT IN KOGI STATE AND FOR RELATED MATTERS.

(Date of commencement:) 2014

Commencement.

BE IT ENACTED By the Kogi State House of Assembly

Enactment

And By The Authority Of Same As Follows:

- 1.** (1) There is established the State Council on Public Procurement. **Establishment of the State Council on Public Procurement and its membership.**
- (2) The Council shall consist of:
- (a) the Secretary to the State Government as Chairman;
 - (b) the Commissioner of Finance and Economic Development;
 - (c) the Attorney-General and Commissioner of Justice;
 - (d) the Head of Service;
 - (e) the Commissioner for Budget and Planning;
 - (f) the Chairman, Forum of Local Government Chairmen, Kogi State.;
 - (g) six part-time members to represent –
 - i. Honourable Commission for Local Government;
 - ii. State Auditor-General;
 - iii. Nigerian Union of Local Government Employees (NULGE);

- iv. Nigeria Institute of Purchasing and Supply Management;
- v. Nigerian Society of Engineers;
- vi. Nigerian Institute of Quantity Surveyors;
- (h) the Director-General of the Bureau who shall be the Secretary of the Council.

(3) Notwithstanding the provisions of subsection (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 Director-General, shall hold office on such terms and conditions as may be specified in his letter of appointment.

2. The Council shall –

Functions of the Council.

- (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 Director-General 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.

6/Page

PART II: ESTABLISHMENT OF THE BUREAU OF PUBLIC PROCUREMENT

3. (1) There is established, an agency with perpetual succession and a common seal.

(2) The Bureau –

(a) shall be a body corporate with perpetual succession and a common seal.

(b) may sue and be sued; and

(c) may acquire, hold or dispose of any property, movable or immovable for the purpose of carrying out its functions under this Law.

Objectives of the Bureau.

4. The objectives of the Bureau are:

(a) The harmonization of existing government policies and practices on public procurement and ensuring probity, accountability and transparency in the procurement process.

(b) The establishment of pricing standards and benchmarks.

(c) Ensuring the application of fair, competitive, transparent, value-for-money standards and practices for the procurement and disposal of public assets, 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.

Functions of the Bureau.

7/Page

(b) Perform procurement audits and submit such report to the House of Assembly biannually.

- (c) Introduce, develop, update and maintain related database and technology.
- (d) Establish a single internet portal that shall, subject to section 16(10) serve as a primary definitive source of all information on government procurement containing and displaying all public sector procurement information at all times.
- (e) Coordinate relevant training programs to build institutional capacity.

6. (1) The Bureau shall have the powers to –

Powers of the Bureau.

- (a) enforce the monetary and prior review thresholds set by the Council for the application of the provisions of this Law by the procurement 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) maintains a State database of 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;

8/Page

- (h) Publicize and explain the provisions of this Law;
- (i) Subject to thresholds as may be set by the Council,
- (j) Supervise the implementation of procurement policies;

- (k) Monitor the prices of tendered items and keep a database of standard prices.
- (l) Publish the details of major contracts in the procurement journal.
- (m) Publish paper and electronic editions of the procurement journal and maintain an archival system for the procurement journal.
- (n) Maintain a State database of the particulars and classification and categorization of contractors and service providers.
 - i. Collate and maintain in an archival system, all state procurement plans and information;
 - ii. Undertake procurement research and survey;
 - iii. Organize training and development programmes for procurement professionals;
 - iv. Periodically review the socio-economic effects of the policies on procurement and advise the Council accordingly.
- (o) Prepare and update standard bidding and contract documents;
- (p) Prevent fraudulent and unfair procurement and where necessary, apply administrative sanction;
- (q) Review the procurement and award of contract procedures of every entity to which this Law applies;

9/Page

- (r) Call for such information, documents, records and reports in respect of any aspect of any procurement proceeding where a breach, wrongdoing, default, mismanagement and or collusion has been alleged, reported or proved against a procuring entity or service provider;

- (s) Recommend to the Council, where there are persistent or serious breaches of this Law of regulations or guidelines made under this Law:-
 - 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 of the Chairman of the Tenders Board as the case may be;
 - iii. The discipline of the Accounting Officer of any procuring entity;
 - iv. The temporary transfer of the procuring and disposal function of a procuring and disposing entity to a third party procurement agency or consultant; or
 - v. Any other sanction that the Bureau considers appropriate.
- (t) Call for the production of books of accounts, plans, documents, and examine persons or parties in connection with any procurement proceeding;
- (u) Act upon complaints in accordance with the procedures set out in this Law;
- (v) Nullify the whole or any part of any procurement proceeding or award which is in contravention of this Law;
- (w) So such other thing as are necessary for the efficient performance of its functions under this Law.

(2) The Bureau shall serve as the Secretariat for the Council.

(3) The Bureau shall, subject to the approval of the Council, have power to –

10/Page

- (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 on the recommendation of the Council after competitive selections. **Director-General of the Bureau.**
- (2) The Director-General shall be –
- (a) the chief executive and accounting officer of the Bureau;
 - (b) responsible for the execution of the policy and day-to-day administration of the affairs of the Bureau; and
 - (c) a person who possesses the relevant and adequate professional qualifications and shall have been so qualified for a period not less than 15 years.
- (3) The Director General shall hold office –
- (a) For a term of four years in the first instance and may be re-appointed for a further term of four years and no more;
 - (b) On such terms and conditions as may be specified in his letter of appointment.
- (4) Without prejudice to the provisions of this Law, the Director General may be removed from office at the instance of the Governor on the basis of gross misconduct of financial impropriety, fraud, and manifested incompetence, proven by the Council.

8. (1) The Council shall appoint the principal officers for the Bureau after competitive selection process. **Principal Officers of the Bureau.**
- (2) The Principal Officers appointed under subsection (1) of this section shall each have the requisite qualifications and experience required for the effective performance of the functions of other respective Departments and the Bureau as specified under this Law.

11/Page

- (3) The Council shall have power to modify the operational structure of the Bureau as may be necessary to enhance the Bureau's duties and functions under this Law.
9. (1) The Council may appoint such officer's and other employees as may, from time to time, be deemed necessary for the purpose of the Bureau. **Other staff of the Bureau.**

- (2) 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 subsection (1) of this section, the Council shall have power to appoint either n transfer or on secondment, from the civil 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 at 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 he State shall be applicable.
11. Employees of the Bureau shall be entitled to pensions, and other retirement benefits as prescribed under the Pension Law. **Pension provisions.**
12. (1) The Bureau shall establish and maintain a fund to be approved by the Council, into which shall be paid and credited – **Funds of the Bureau.**
- 12/Page
- 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.
 - (4)
 - (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.
 - (5) The Bureau may from time to time apply the proceeds of 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 connected with all or any of the functions of the Bureau under this Law;
 - (e) Any 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. **Financial year budgeting and annual report.**
 - (2) Not later than six months before the end of the financial year, the Bureau shall submit to the Council, an estimate of its expenditure and projected income during the next succeeding year.
- 13/Page
- (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 six 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 provision of this Law, no suit shall be commenced against the Bureau before the expiration of thirty days after written notice of an intention to commence the suit shall have been served upon the Bureau by the intending claimant or his agent; and the notice shall clearly and explicitly state – **Legal proceedings.**

- (a) the cause of action;
- (b) the particulars of the claim;
- (c) the name and address of the legal practitioner of the intending claimant; and
- (d) the relief being sought.

(2) The Director General of the Bureau, its officers, employees or agents, shall not personally be subjected to any 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 staff of the Bureau or the Director General or 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.

14/Page

(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 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 carried out by State and Local Government and all procurement entities. **Scope of application.**

- (2) The provision 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 PROCUREMENT

16. (1) Subject to any exemption allowed by this Law, all public procurement shall be conducted –

Fundamental principles for procurement.

(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 n 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 and for ensuring accountability and conformity with this Law and regulation deriving there from;

15/Page

(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 timeline 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 regulation no fund shall be disbursed from the treasury or revenue account or any bank account of any procuring entity for any procurement failing above the set thresholds unless payments or other form of request for

payment 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 in 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.
- (5) A supplier, contractor or service provider may be a natural person or a legal person or a combination of the two suppliers, contractors or service providers acting jointly and 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 n to requirements contained in any solicitation documents shall:
 - (a) possess he necessary –
 - i. professional and technical qualifications to carry out particular procurement;
 - ii. financial capability;
 - iii. Equipment and other relevant infrastructure.
 - (b) Shall have adequate personnel to perform the obligations of the procurement contracts;
 - (c) Possess the legal capacity to enter into the procurement contract;
 - (d) 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;
 - (e) Have fulfilled all its obligations to pay taxes, pensions and social security contributions.
 - (f) 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;
- (g) 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 or 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 bidders.
- (8) Whenever it is established by a procuring entity or the Bureau that any or a combination of the situations set out exist, a bidder may have its bid or tender excluded from any procurement proceeding if –
- a) there is verifiable evidence that any supplier, contractor or consultant has given or promised a gift of money or any tangible item, or has promised, offered or given employment or any other benefit, item or a service that can be quantified in monetary terms to a current or former employee of a procuring entity or the

17/Page

- 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 Law, 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;
- 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, deferment 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 who remains in subordinate relationship with other participants to the proceedings.

18/Page

- (9) In such cases the procuring entity shall inform the Bureau and person referred to in subsection (8)(a)-(g) 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 the 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 procurement 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 requirement for participation in any procurement proceeding shall lie on the supplier or contractor.

19/Page

- (17) A contract shall be awarded to the most substantially responsive bidder.
- (18) Notwithstanding subsection (17), 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 subsections (18), the Bureau may either direct that the procurement proceedings be entirely cancelled or that the procuring entity conduct a re-tender.
- (20) The accounting officer of a procuring entity and any officer to whom responsibility is delegated are responsible and

accountable for any actions taken or omitted to be taken either in compliance with or in contravention of this Law.

- (21) The accounting officer of 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 this law or the regulations laid down hereunder.
- (22) Procurement and disposal decisions at 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.
- (23) Persons who have been engaged in preparing for a procurement or part of the proceedings thereof may neither bid for the procurement in question or any part thereof either as main contractor or sub-contractor nor may they cooperate in any manner with bidders in the course of preparing their tenders.
- (24) A procuring entity shall not request or stipulate that a bidder should engage a particular subcontractor as a requirement for participating in any procurement proceedings.

20/Page

- (25) All procurement contracts shall contain provisions for arbitral proceedings as the primary forms of dispute resolution.
- (26) The values in procurement documents shall be stated in Nigerian currency and where stated in a foreign currency shall be converted to Nigerian currency using the exchange rate of the Central Bank of Nigeria valid on the day of opening a tender or bid.
- (27) All procurement contracts shall contain warranties for durability of goods, exercise of requisite skills in service provision and use of genuine materials and inputs in execution.

PART V: ORGANIZATION OF PROCUREMENT

17. 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 conduct of public procurement—
- (a) in the case of:
- i. A government agency, parastatals, or corporation, a parastatals Tenders Board; and
 - ii. A ministry or extra-ministerial entity, the Ministerial Tenders Board.
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:
- i. preparing the needs assessment and evolution;
 - ii. identifying the goods, works or services required;
 - iii. carrying appropriate market and statistical surveys and on that basis, prepare analysis of the cost implications of the proposed procurement;
 - iv. aggregating its requirement whenever possible, both within the procuring entity and between procuring entities to obtain economy of scale and reduce procurement cost;
 - v. integrating its procurement expenditure into its yearly budget;
- 21/Page
- vi. prescribing any method for effecting the procurement subject to the necessary approval under this Law; and
 - vii. Ensuring that the procurement entity functions stipulated in this section shall be carried out by the Procurement Planning Committee.
19. Subject to regulations as may from time to time be made by the Bureau under the 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) To invite two credible persons as observers in every procurement process, the person each representing a recognized:

Approving authority.

**Procurement.
planning**

**Procurement
Implementation.**

- i. Private sector professional organization whose expertise is relevant to the particular goods or services being procured; and
 - ii. Non-governmental organization working in transparency, accountability and anti-corruption areas and the observers shall not intervene in the procurement process but shall have the right to submit their observation report to any relevant agency or body including their own organizations or associations;
- (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 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;
- (i) Execute all Contract Agreements; and
- (j) Announce and publicize the award in the format stipulated by this Law and guideline as may be issued by the Bureau from time to time.

22/Page

20. (1) The accounting officer of a procuring entity shall be the person charged with line supervision of the conduct of all procurement processes, in the case of ministries, the Permanent Secretary and in the case of extra-ministerial departments and parastatals, the Director General, Secretary or officer of coordinate responsibility.
- (2) The accounting officer of every procuring entity, shall have overall responsibility for the planning of, organization of tenders, evaluation of tenders and execution of all procurements and in particular, shall 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 the Law or any regulation made hereunder whether or not the act or omission was carried out by him personally or any of his

subordinates and it shall not be material that he had delegated any function duly 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 State 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–
 - (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;

Procurement Planning Committee.

23/Page

- iii. the financial unit of the procuring entity;
- iv. the planning, research and statistics unit of the procuring entity;
- v. technical personnel of the procuring entity with expertise in the subject matter;
- vi. Ministry of Justice shall be a Legal Officer.

- 22. (1) There is hereby established by this Law in each procuring entity a tender's board (in this Law referred to as "the Tenders Board").
- (2) Subject to the approval of the Council, the Bureau shall, from time to time, prescribe guidelines for the membership of the "Tenders Board:.

Establishment of Tenders Board and matters connected therewith.

- (3) The Tenders Board shall be responsible for the award of procurements of goods, works and services within the threshold set in the regulations.
 - (4) In all cases, where there is a need for pre-qualification, the Chairman of the Tenders Board shall constitute a technical sub-committee of the Tenders Board charged with the responsibility for the evaluation of bids which shall be made up of professional staff procuring entity and the Secretary of the Tenders Board, who shall also be the Chairman of the Evaluation Sub-Committee.
 - (5) The decision of the Tenders Board shall be communicated to the Commissioner 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 prequalify, it shall set out precise criteria upon which it seeks to give consideration to the applications and in reaching a decision as to which supplier, contractor or service provider qualifies, shall apply only to the criteria set out in the prequalification documents and no more.
- (2) Procuring entities shall supply a set of prequalification documents to each supplier, contractor or consultant that request them and the price that a procuring entity may charge for the prequalification documents, shall reflect only

24/Page

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;
 - (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 prequalify 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 to the preparation and submission of applications to prequalify 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 prequalify.
- (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 prequalify.
- (6) The response to any request that might reasonably be expected to be of interest to other suppliers, contractors or consultants shall, without identifying the source of the requests, be communicated to another suppliers or contractors or consultants provided with the prequalification documents by the procuring entity.

25/Page

- (7) A procuring entity shall promptly notify each supplier, contractor or consultant which submitted an application to prequalify of whether or not it has been prequalified and shall make available to any member of the general public upon request, the names of the suppliers, contractors or consultants who have been prequalified.
- (8) Suppliers, contractors or consultants who have been prequalified may participate further in the procurement proceedings.
- (9) The procuring entity shall upon request communicate its suppliers, contractors, consultants who have not been prequalified, 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 qualification again whether or not the 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. **Open Competitive bidding**

- (2) Any reference to open competitive bidding in this Law means the process by which 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.

26/Page

- (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) Invitations to bid may be either by way of State Competitive Bidding or International Competitive Bidding and the Bureau shall from time to time set the monetary thresholds for which procurements shall fall under either system. **Invitation to Bid**
- (2) Every invitation to an open competitive bid shall:

- a) In the case of goods and works under International Competitive Bidding, the invitation for bids shall be advertised in at least two national newspapers and one relevant Internationally recognized publication, any official websites of the procuring entity and the Bureau

as well as the procurement journal not less than six weeks before the deadline for submission of the bids for the goods and works;

- b) In the case of goods and works valued under slate Competitive Bidding the invitation for bids shall be advertised on the notice board of the procuring entity, any official website of the procuring entity, at least two national newspaper and in the procurement journal not less than six weeks before the deadline for submission of the bids for the goods and works.

26. (1) Subject to the monetary and prior review as may from time to time set by the Bureau, all procurements valued I excess of the sum prescribed by the Bureau shall require a bid security in an amount not more than 2% of the bid price by way of a bank guarantee issued by a reputable bank acceptable to the procuring entity. **Bid Security**
- (2) The Bureau shall, from time to time, specify the principal terms and conditions of the required bid security in the tender documents.

27/Page

- (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 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. **Submission of Bids**
- (2) All submitted bids, shall be deposited in a secured tamper-proof bid box.
- (3) All bids submitted shall be in English Language.
- (4) The procuring entity shall issue a receipt showing the date and time the bid was delivered.

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

28. A procurement entity may –

Rejection to bid.

- (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 document.
- (2) A procuring entity may request suppliers or contractors to extend the period of validity for an additional specified period of time.

Validity period of Bids, Modification withdrawal of Tenders

28/Page

- (3) A supplier or contractor may refuse the request for the extension of bids, in which case, the effectiveness of its bid will terminate upon the expiration of the unexpended 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 submission of tenders.

30. All bids, shall be submitted before the deadline or date specified for the tender documents or any extension of the deadline for submission and the procuring entity shall–

Opening of bid.

- (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 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.

**Examination
of Bids**

29/Page

- (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 in substance in a bid; and
 - (c) Changes to make an unresponsive bid responsive.
- (4) Notwithstanding subsection (3), the procuring entity corrects purely, arithmetical errors that are discovered during the examination of tenders.

- (5) The procuring entity, shall give prompt notice of the correction to the supplier or contractor that submitted the tender.
- (6) While a minor deviation shall be subject to clarification.
- (7) The following shall be considered as major deviations:
 - (a) with respect to clauses in 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 prequalified;
 - (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.

30/Page

- (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 that bidder shall not be permitted to amend his bid to become compliant.
- (10) Subject to any provision to the contrary, the following shall be considered as minor deviations:
 - (a) The use of codes;
 - (b) The difference in standards;
 - (c) The difference in materials;

- (d) Alternative design;
 - (e) Modified liquidated damages;
 - (f) Omission in minor items;
 - (g) Discovery of arithmetical errors;
 - (h) Sub-contracting that is unclear and questionable;
 - (i) Different methods of construction;
 - (j) Difference in final delivery date;
 - (k) Difference in delivery schedule
 - (l) Completion period where these are not of essence;
 - (m) Non-compliance with some technical local regulations;
 - (n) Payment terms and
 - (o) 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.

31/Page

- (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 qualified 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 valid for the purposes of evaluation, no other method or criteria shall be used except those stipulated in the solicitation documents. **Evaluation of bids**

- (2) That objective of bid evaluation shall be to determine and select the lowest evaluated responsive bid from bidders that have responded to the 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 ranking;
 - (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.

32/Page

- (4) All relevant factors, in addition to price, that will be considered for the purposes of bid evaluation and the manner in which such factors will be applied shall be stipulated in the solicitation documents.
- (5) Such factors shall be calculated in monetary terms as stipulated in the solicitation documents and shall include:
 - (a) For goods, among others, costs of transportation and insurance, payment schedule, delivery time operating costs, efficiency, compatibility of the equipment, availability of services and spare part, related training, safety, environmental benefits or losses by damage.

- (b) For works, in addition to factors stipulated in section 34(1) and subject to section 34(2), if time is a critical factor, the value of early completion; and
 - (c) The value of early completion under section 35(2), shall not be taken into account unless in conformity with criteria pre-set in the bidding documents, the conditions of contract provide for commensurate penalties in case of late delivery.
- (6) When bid prices are expressed in two or more currencies, the prices of all bids shall be converted to Nigerian currency, according to the rate and date of rate specified in the solicitation documents.
 - (7) If suppliers were prequalified, 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 to persons not officially concerned with the evaluation process until the successful bidders are notified of the award.

33/Page

- (a) (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 (1), the selected bidders need 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) Notice of the acceptance of the bid, shall immediately be given to the successful bidder.
33. (1) A procuring entity may grant a margin of preference in the evaluation of tenders when comparing tenders from domestic bidders with those from foreign bidders or when comparing **Domestic preference.**

tenders from domestic suppliers offering goods manufactured locally with those offering goods manufactured abroad.

(2) Where procuring entity intends to allow domestic preferences, the bidding documents shall clearly indicate any preference to be granted to domestic suppliers and contractors and the information required to establish the eligibility of a bid for such preference.

(3) Margins of preference shall apply, only to tenders under international competitive bidding.

(4) The Bureau, shall by regulation, from time to time, set the limits and the formulae for the computation of margins of preference and determine the contents of goods manufactured locally.

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

(a) in the case of State Competitive Bidding, an unconditional bank guarantee or insurance bond issued by an institution acceptable to the procuring entity; and

(b) in the case of international competitive bidding, an unconditional bank guarantee issued by a banking institution to the procuring entity.

34/Page

(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.

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

36. (1) Payment for the procurement of goods, works, and services shall be settled promptly and diligently. **Prompt Payment**

- (2) Any payment due for more than sixty days from the date of the submission of the invoice, valuation certificate or confirmation or authentication by a Ministry, extra-ministerial office, government agency, parastatals or corporation shall be deemed a delayed payment.
 - (3) All delayed payments, shall attract interest at the rate specified in the contract document.
 - (4) All contracts shall include terms, specifying the interest for late payment of more than sixty days.
37. (1) Every procuring entity shall maintain a record of the comprehensive procurement proceeding.
- (2) 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 resuming 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 proceedings have been terminated without resulting in a procurement contract.

**Recorded
procurement
proceedings**

35/Page

- (3) A disclosure of procurement proceeding records prior to award of contract may be ordered by a court, provided that when ordered to do so by a court, the procurement entity shall not disclose such information, if its disclosure would:
 - (a) Be contrary to law;
 - (b) Impede law enforcement; or
 - (c) Prejudice legitimate commercial interest 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) Entities on procurement shall be made available for inspection by the Bureau, an investigator appointed by 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 purposes of audit and review.

PART VII: SPECIAL AND RESTRICTED METHOD OF PROCUREMENT

38. (1) Notwithstanding the provisions of this Law, the Bureau may issue Certificate of "No Objection" upon conditions hereinafter prescribed.

Certificate of No Objection

- (2) A procuring entity shall engage in procurement by two stages tendering where:
- (a) It is not feasible for procuring entity to formulate detailed specification for the goods or works, or in the case of service, to identify their characteristics and where it seek tenders, proposals or offers on various means of meeting its needs in order to obtain the most satisfactory solution to its procurement needs;
 - (b) The character of the goods or works are subjected to rapid technological advances;
 - (c) Where the procuring entity seeks to enter into a contract for research, experiment, study or

36/Page

- (d) Development, especially where the contract includes the production of goods in sufficient quantities to establish their commercial viability or recover research and development cost;
- (e) Where the procuring entity applies this Law procurement concerned with National or State security and determines that the selected method is the most appropriate method of procurement; or
- (f) 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 the procurement contract.

- (3) The provision of the 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, services as well as contractual terms and conditions of supply and may stipulate the professional competence and technical qualification of the suppliers or contractors.
- (5) The procuring entity may, in the first stage, engage in negotiation 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-stage 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;

37/Page

- (b) May, in formulating the specification delete or modify any aspect of the technical or quality characteristic 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 tenders;
- (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;

(e) May permit a supplier or contractor who does not wish to submit final tenders to withdraw from the tendering proceedings.

(7) The final tenders shall be evaluated and compared in order to ascertain the successful tenders as defined in an open competitive bid.

39. (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 –

Two stages/restricted tendering

(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 or works or services to be procured; or

(c) The procedure is used as an exception than the norm.

(2) Where a procuring entity engages in restricted tendering on the basis that:

(a) Good's 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 service; 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 non-discriminatory manner the number of suppliers or contractors to ensure effective completion.

38/Page

(3) For the purpose of subsection (2), 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.

40. (1) A procuring entity may carry out procurements by requesting for quotations from suppliers or contractors where

Request for Quotation

value of the goods or works to be procured does not exceed a sum that shall be set in the procurement regulation.

- (2) Generally invitations shall be obtained from three unrelated contractors or suppliers.
- (3) Each contractors or suppliers from whom a quotation is requested shall:
 - a) Be informed whether any factors others than the charges for the goods, works or services themselves such as any applicable transportation and insurance charges, custom 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 contractor or supplier with respect to a quotation.
- (5) The procurement shall be awarded to the contractor or suppliers that give the lowest priced responsive quotation.
- (6) Where the total value of the procurement is not more than the sum that shall be set in the regulation, the procurement entity, may not obtain the Bureau's approval.

41. A procuring entity may carry out any emergency procurement where:

**Emergency
Procurement**

a) Goods, works or services are only available from a particular suppliers or contractor or if a particular suppliers has exclusive right in respect of the goods, or service, and so reasonable alternative exists; or

39/Page

b) There is an urgent need for the goods, work or services and engaging in tender proceedings or any other method of procurement is impractical due to unforeseeable circumstance giving rise to the urgency which is not a 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 of 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 suppliers or contractor, determines that:
 - i. Additional supplies need to be procured from that supplier or contractor because of standardization.
 - ii. There is a need for compatibility with existing goods, equipment, technology 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 merit the decision.
 - e) 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 quantities to establish commercial viability or recover research and development cost; or
 - f) The procuring entity applies this Law for procurement if that concerns State or security, and determines that single 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 form a single supplier or contractor:

40/Page

- b) shall include in the record of procurement proceedings a
- c) statement of the grounds for its decision and the circumstances in justification of single source procurement.

42. (1) A procuring entity may for the purpose of this law, carry out an emergency procurement where:
- a) The State is either seriously threatened by or actually confronted with a disaster, catastrophe, war insurrection or act of God.

**Conditions for
emergency
procurement**

- b) The condition or quality of goods, equipment building 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 minor value.
- (2) In an emergency situation, a procuring entity may engage in direct contracting of goods, works and services.
 - (3) All procurement 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 with the Bureau which shall verify same and if appropriate issues a Certificate of "No Objection".

PART VIII: PROCUREMENT CONSULTANCY SERVICES

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

**Direct
Procurement**

(a) It shall solicit for expressions of interest or applications to prequalify to provide the services by publishing a notice to that effect in at least two national newspapers and the procurement journal;

41/Page

(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 three and not more than ten consultants or service providers to make proposals for 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 need;
- iii. the methodology for providing the service;
- iv. the time frame for providing the service; and
- v. the cost or fee for the service.

(c) Every consultant shall register with the Ministry of Works and Housing.

44. (1) A procuring entity wishing to procure service 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 commercial viability or to recover research and development cost.

Expressing of interest to provide services

(2) The procuring entities shall procure the services of consultants by soliciting for expressions of interest by publishing a notice to that effect in two national newspapers and the procurement journal.

(3) A procuring entity may make direct requests to a limited number of consultants, requesting proposals for the provisions of a service if:

- (a) the service is only available from no more than three 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 state security or similar reason of confidentiality.

42/Page

45. (1) Request for proposal 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 has the right to reject proposals;

Content of the request for proposal

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

46. (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.

Clarification and modification of proposal

43/Page

- (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 proposal 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 clarification.
- (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 their proposals.

47. (1) The procuring entity shall allow sufficient time for the preparation at least thirty days between the issue of the notice or request and the deadline for submission. **Submission of Proposal**
- (2) The technical and financial proposals shall be submitted 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 committees shall not have access to or insights in the financial proposals until the evaluation including Tender Boards review are conducted.

44/Page

48. (1) The procuring entity shall establish criteria to 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: **Criteria for evaluation of proposal**
- (a) the qualification, experience, reliability, professional and managerial competence of the consultant or service providers and of the personnel to be involved in providing the services;

- (b) the effectiveness of the proposals submitted by the consultants or service providers in meeting the needs of the procuring entity;
- (c) the proposal price including any ancillary or related cost;
- (d) the effect that 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 offered by consultants or service providers; and
- (e) National defence and security considerations.

(2) A procuring entity may accord 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.

49. (1) The procuring entity shall select the successful proposal by either choosing the proposal with:
- (a) the lowest evaluated price; or
 - (b) 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

General selection procedure (service)

45/Page

circumstances on which it relied to select either of the procedures in (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.

50. (1) Where the procuring entity elects to choose the successful proposals based on technical and price factors, it shall establish a weight with respect to quality and technical price factors of the proposals in accordance with the criteria other than price as might have been set out in the request for proposals and rate

Procedure for selection of proposal where price is a factor

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 fourteen working days after the decision has been taken by the procurement entity.
- (4) The name of the qualifying consultant 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;

46/Page

- (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 negotiation, 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.

51. (1) Where the procuring entity elects to make a quality-based sanction procedure based on consultants' qualifications or single-source selection, it shall engage in negotiations with consultants in accordance with this section.
- (2) The procurement entity shall:
- (a) establish a weight with respect to quality and price of the proposals;
 - (b) invite for negotiations on the price of its proposal, the consultant that has attained the best ruling in accordance with subsection (1) of this section;
 - (c) inform the consultants that attained ratings above the weight that may be considered for negotiation if the negotiations with the consultant with the best rating do not result in procurement contract; and
 - (d) 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 paragraph (b) will not result in a procurement contract.
- (3) The procuring entity shall, if negotiations with the consultant with the best rating fails, invite the consultant that obtained the second best rating and if the negotiations with that consultant do not result in a procurement contract, the procuring entity shall invite the other suppliers or contractors for negotiations on this basis of their rating until it arrives at a contract or reject the remaining proposals.

47/Page

- (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

52. (1) The Bureau may review and recommend for investigation by any relevant authority any matter related to the conduct of procurement proceedings by a procuring entity, or the conclusion or operation of a procurement contract, if it considers that a criminal investigation is necessary or desirable to prevent or detect a contravention of this Law.

- (2) The relevant authority may, in the course of investigation:
- (a) require an officer, employee or agent of the entity or bidder, supplier, contractor or consultant to produce any book, records, accounts or documents;
 - (b) search premises for any books, records, accounts or documents;
 - (c) examine and make extracts from the 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, suppliers, 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 records, accounts or documents removed;
 - (e) require an officer, employee or agent of the procuring entity or bidder, supplier or contractor or consultant:
 - i. to explain an entry in the books, records, accounts or documents;
 - ii. to provide the investigator with information concerning the management or activities of the procurement entity or bidders as may be reasonably required;
 - (f) explain an entry in the books, records, accounts or documents; and
 - (g) provide the investigator with information concerning the management or activities of the procurement entity or bidders as may be reasonably required.

48/Page

- (3) The Bureau may, pursuant to the advice of the procuring entity, result 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 require, replace or to do anybody 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 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 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 the procuring entity shall be duly informed.

53. (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. **Administrative review**

(2) A complaint by a bidder against a procuring or disposing entity shall first be submitted in writing to the accounting officer within fifteen working days from the date the bidder first became aware of the circumstances giving rise to the complaint or should have become aware of the circumstances, whichever is earlier.

49/Page

- (3) On reviewing a complaint, the accounting officer shall make a decision in writing within fifteen 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.
- (4) If the bidder is not satisfied with the decision of the accounting officer, the bidder may make a complaint to the Bureau within ten working days from the date of communication of the decision of the accounting officer.
- (5) 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 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 complaint; and
 - iv. Revise an improper decision by procuring or disposing entity or substitute its own decision for such a decision.
- (6) 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.
- (7) The Bureau shall make its decision within twenty one working days after receiving the complaint, stating the reasons for its decisions and remedies granted, if any.
- (8) Where the Bureau fails to render its decision within the stipulated time, or the bidder is not satisfied with the decisions of the Bureau, the bidder may appeal to the

50/Page

High Court within thirty days after the receipt of the decision of the Bureau, or expiration of the time for the Bureau to deliver a decision.

PART X: DISPOSAL OF PUBLIC PROPERTY

54. (1) For the purposes of this Law, every procuring entity, shall also be a 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.
- (3) The Bureau shall, with the approval of the Council:

Disposal of public property

- (a) Determine the applicable policies and practices in relation to the disposal of all public property;
 - (b) Issue guidelines detailing operational principles and organizational modalities to be adopted by all procuring entities engaged in the disposal of public property; and
 - (c) Issue standardized document, monitor implementation, enforce compliance and set reporting standards that shall be used by all procuring entities involved in the disposal of public property.
- (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;

51/Page

- (e) transfer from one government department to another with or without financial adjustments; and
- (f) offer to the public at an authorized variation.

55. (1) Before slating any public property for disposal, the accounting officer (whether acting in his own authority or the direction of any superior or other authority) in charge of any public property set for disposal, shall authorize the preparation of a valuation report for such property by an independent evaluator or such professional with the appropriate competence to carry out the valuation.

Planning of disposals.

- (2) The disposal of assets whether or not listed in the assets register for a procuring entity, shall be planned and integrated into the income and expenditure budget projection of the procuring entity.
- (3) The disposal of assets referred to in subsection (2) shall be timed to take place when the most advantageous returns can be obtained for the asset in order to maximize revenue accruing to the government.
- (4) All procuring entities shall distribute responsibilities for the disposal of public property between the procurement unit and the Tenders Board.

PART XI: CODE OF CONDUCT

56. (1) The Bureau shall, with the approval of the Council, stipulates a code of conduct for all public officers, suppliers 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 an 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.

**Code of conduct for
public procurement**

52/Page

- (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 favour; 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 contract.
- (6) All public officers involved in public procurement and disposal of assets, shall maintain the highest standards of ethics in their relationship with persons, real or corporate, who seek government commerce whether as a bidder, supplier, contractor or service provider by developing transparent, honest and professional relationship 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

53/Page

- (b) not engage or participate in any commercial transaction involving the State Government, its ministries, extra-ministerial departments, or 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 relationship that might involve a conflict of interest, must immediately declare 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 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 bidder, supplier, contractor, or service provider that is inherently unethical or that may be implied or construed to be or make possible personal gain due to the ability to influence dealings;
 - (c) entertains relationships which are unethical, rendering his attitude partial towards 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 relationship comprising the regulation or integrity of the procuring entity he represents or the government;
 - (f) receives benefits by taking personal advantage of an opportunity that properly belongs to the procuring entity he represents or the government;
 - (g) create a source of personal revenue or advantage by using public property which comes into his hands either in the course of his work or otherwise; and

54/Page

- (h) discloses confidential information being either the property of his procuring entity, the government or to a supplier, contractor or service provider or 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.

PAT XII: OFFENCES

57. (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 two years but not exceeding five years with an option of fine and restitution. **Offence relating to public procurement**
- (2) Any offence in contravention of this Law shall be tried by the High Court.
- (3) Prosecution of offences under this Law shall be instituted in the name of Kogi State of Nigeria by the Attorney-General of the State or such other officer of the State Ministry of Justice as he may authorize so to do, and in addition, without prejudice to the Constitution of the Federal Republic of Nigeria, 1999, he may:
- (a) after consultation with the Attorney-General of any State of the Federation, authorize the Attorney-General or any other officer of the Ministry of Justice of Kogi State;
 - (b) if the relevant authority so requests, authorize any legal practitioner in Kogi State to undertake such prosecution directly or assist therein.
- (4) The following shall also constitute offense under this Law:
- (a) entering or attempting to enter an agreement, whether enforceable or not, with a supplier, contractor or service provider, where the prices
 - (b) 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;
 - (c) conduct or attempt to conduct procurement fraud by means of fraudulent and corrupt acts, promises, threats, unlawful influence, undue interest, agreement, corruption, bribery or other actions;
 - (d) directly, indirectly, or attempting to influence in any manner the procurement process to obtain an unfair advantage in the award of a procurement contract;

- (e) splitting of tenders to enable the evasion of monetary thresholds set;
 - (f) bid rigging;
 - (g) altering any procurement document with intent to influence the outcome of a tender proceedings;
 - (h) uttering or using fake documents or encouraging their use;
 - (i) willful refusal to allow the Bureau or its officers to have access to any procurement records.
- (5) Any legal person that contravenes any provision of this Law commits an offence and is liable on conviction to a cumulative penalty of:
- (a) debarment from all public procurements for period not less than five years with option of fine and restitution;
 - (b) a fine equivalent to the value of the procurement in issue.
- (7) Where any legal person shall be convicted pursuant to subsection (5), every director of the company as listed on its records at the Corporate Affairs Commission, shall be guilty of an offence and is liable on conviction to a term of imprisonment not less than three years but not exceeding five years with an option of fine and restitution.
- (8) An alteration pursuant to subsection 3(f), shall include but not limited to:
- (a) insertion of documents such as bid security or tax clearance certificate which were not submitted at bid opening ; and
- 56/Page
- (b) request for clarification in a manner not permitted under this Law.
- (9) Collusion shall be presumed from a set of acts from which it can be assumed that there was an understanding, implicit, formal or informal, overt or covert, under which each person involved reasonably expected that the other would adopt a particular course of action, which would interfere with the faithful and proper application of the provisions of this Law.
- (10) Bid rigging pursuant to subsection 31(e) means an agreement between persons whereby:

- (a) offers submitted have been pre-arranged between them; or
 - (b) their conduct has had the effect of directly or indirectly restricting free and open competition, distorting the competitiveness of the procurement process and leading to an escalation or increase in cost or loss of value to the State Treasury.
- (11) For the purposes of section 59(5) of this section, it shall be sufficient to prove that a reasonable business person should have known that his action would result in his company or firm having an undue advantage over other bidders to be detriment of the State Treasury.

PART XIII: SCOPE OF APPLICATION

58. (1) The provision of this Law shall apply to all fiscal matters affecting the local and State Governments and their entities.
- (2) The provision of this Law, shall not apply to fiscal matters involving security unless the governor's express approval has been sought and obtained.

PART XIV: MISCELLANEOUS

59. (1) The fixing of the seal of the Bureau shall be authenticated by the signature of the Chairman, the Director General or of any other person generally or especially authorized to act for that purpose by the Council.

57/Page

- (2) Any contract or instrument which, if made or executed by a person not being a body corporate, would not be required to be under seal may be made or executed on behalf of the Bureau by the Director General or any person generally or specially authorized to act for that purpose by the Council.
- (3) Any document purporting to be a document duly executed under the seal of the Bureau, shall be received in evidence and shall, unless and until the contrary is proved, be presumed to be so executed.
- (4) The validity of any proceeding of Councilor of a Committee thereof shall not be adversely affected by any vacancy in

the membership of the Councilor Committee or by any defect in the appointment of a member of the Councilor of a Committee, or by reason that a person not entitled to do so took part in the proceedings of the Councilor Committee.

60. In this Law, unless the context otherwise requires:

Interpretation.

"Accounting Officer" means the person charged with conduct of all procurement processes;

"Approving Authority" means the person charged with overall responsibility for the functioning of a Ministry, extra-ministerial department, corporations, or Parastatals;

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

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

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

58/Page

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

"Contract" means a an agreement entered in writing;

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

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

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

“Interim Performance Certificates” means evidence that a contractor or supplier has performed its obligations under a procurement contract up to a level stipulated by the contractor but not meaning completion;

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

“Lowest evaluated bidding” is the lowest price bid amongst the bids that meet the technical requirements and standards as contained in the tender document;

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

59/Page

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

“Money Threshold” means the value limit in Naira set by the Bureau outside of which an approving authority may not award procurement contract;

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

“Negotiation” means discussion to determine the terms and conditions of a contract or procurement;

“Open Competitive Bidding” means the offer of prices by individual or firm competing for contract, privilege or right to supply specific goods, works, construction or services;

“Procurement” means acquisition;

“Procurement Proceedings” means any public body engaged in procurement and includes a Military, extra-ministerial office, Government agency, parastatals and corporation;

“Procuring Entity” means any public body engaged in procurement and includes a Military, extra-ministerial office, Government agency, parastatals and corporation;

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

“Relevant Authority” includes Economic and Financial Crimes Commission and Independent Corrupt Practices Commission;

“Restitution” means complete refund of the amount involved;

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

“Solicitation Documents” means the bid solicitation documents or any other documents for solicitations of offers, proposals or quotations;

60/Page

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

“Supplier” mean real or legal persons that provide supply of goods, contracting of works or consultants;

“Person” as defined in the Interpretation Law or Act;

“Threshold” refers only to the approving and not the actual process of award;

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

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

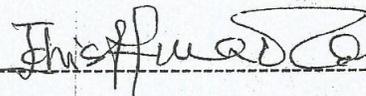
61. This Law may be cited as the Public Procurement Law, 2014.

This printed Impression has been carefully compared by me with the Bill which passed through the House of Assembly and found by me to be a true and correctly printed copy of the said Bill.



SIMON MOMOH (JP)
Clerk of the House

I Assent/Withhold Assent this.....20th day of.....Nov.....2014



CAPT. IDRIS ICHALLA WADA
Governor of Kogi State

EXPLANATORY MEMORANDUM

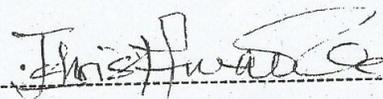
This Law established the Kogi State Council on Public Procurement and the Bureau of Public Procurement as the regulatory authorities responsible for the monitoring and oversight of public procurements, harmonizing the existing government policies and practices by regulating, setting standards and developing the legal framework and professional capacity for Public Procurement in Kogi State.

SCHEDULE OF BILL

S/NO	LONG TITLE OF BILL	SUMMARY OF CONTENTS OF BILLS	DATE PASSED BY THE HOUSE
1.	A Bill for a Law to establish the 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 policies and practices by regulating, setting standard and developing the legal framework and professional capacity for public procurements in Kogi State and other related purposes.	Kogi State Public Procurement Law 2014	23 rd October, 2014



SIMON MOMOH (JP)
Clerk of the House



CAPT. IDRIS ICHALLA WADA
Governor of Kogi State

Date: 20 NOV 2014