

PROCUREMENT PROCEDURES GUIDELINES



For PUBLIC PROCUREMENT IN
OYO STATE

BUREAU OF PUBLIC PROCUREMENT

JANUARY 2021

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INTRODUCTION

This document issued by the Oyo State Bureau of Public Procurement, provides guidance to procuring entities and other stakeholders on procurement procedures in line with the Oyo State Public Procurement Law 2010 and global best practice.

Its issuance marks a significant milestone in institutionalising procurement reform in the State and optimising the public procurement process, embedding core values of transparency, integrity, fairness and accountability. It also seeks to promote competition and efficiency in the system whilst ensuring value for money.

The document is intended to assist the user in navigating the procurement process through its various stages ranging from the planning and initiation phase through execution and completion. It is comprised of two parts: a detailed and comprehensive guide in Part A and a quick guide in Part B to navigate the guidelines in a simplified manner.

Stakeholders are implored to note the provisions contained herein and ensure compliance.

These guidelines supersede the previous one issued by the Bureau in 2016.



Tara Adefope (Ms.)

Director General,
Bureau of Public Procurement.



PART A: Guidelines

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Bureau of Public Procurement
OYO STATE GOVERNMENT

DEFINITIONS

Accounting officer is the person charged with line supervision of the conduct of all procurement processes.

Approving authority is the person charged with overall responsibility for the functioning of a ministry, extra-ministerial department, corporation, or government agency.

Assets include tangible and intangible things which have been or may be sold or procured for consideration.

Bid is a response from a supplier, contractor or service provider to a request that, if recommended for award, would bind the supplier, contractor or service provider to perform in accordance with the terms and conditions of the contract. *(same as Offer, Proposal, Quotation or Tender).*

Bid opening is the opening and initial public review of all bids received at a designated date and time stipulated in the bidding documents. The bid opening event is a formal and publicly held process where bidders are invited to attend, the bid prices are read out, and bids are examined for compliance

with the submission requirements of the bidding documents.

Bid security is 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.

Bidding Documents are a set of documents issued by the procuring entity, inviting offers (bids, proposals or quotations) for the selection of suppliers, contractors or service providers to fulfill a specific procurement requirement. *(same as Tender Documents)*

Buyer is the entity that is responsible for the purchases. A procuring entity is essentially a buyer.

Certificate of No Objection is the document evidencing and authenticating that due process has been followed in the conduct of a procurement proceeding. It is a prerequisite for contract award and execution, and to effect payments to contractors or suppliers.

Consulting Services is a procurement category focusing on the hiring of firms

or individuals to provide services that are primarily intellectual in nature. Studies, training, advice, and technical assistance are categorized as consulting services.

Contract is an agreement entered in writing, a legally binding agreement.

Contract Administration is the surveillance, monitoring and reporting on the performance of suppliers, contractors or service providers to ensure compliance with the terms and conditions of a contract from the point at which the contract is signed, until it is either terminated or completed on the date specified in the original contract or by way of a variation (amendment) to the contract.

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

Debar is the placing of a firm, company or natural person on a list of persons ineligible to participate in any procurement within Oyo State.

Excessive price is 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, works or service in question plus all reasonable imputations of cost and profit.

Goods is one of the principal procurement categories. It means any physical item or object of any 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 (such the procurement of furniture, where there is need for assembling and installing the furniture).

Interim Performance Certificate is the 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 Bidding is the process of requesting for bids from both domestic and foreign contractors and suppliers.

Invitation to Bid (ITB) is a formal written invitation published in

recommended media or sent to prospective bidders to make an offer to supply goods or/works of a certain value and above using general and specific terms and conditions.

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

Margin of Preference is the extra mark up on price allowed any domestic contractor or supplier bidding under International Tendering without being otherwise disadvantageous to the bid in terms of price.

Monitoring and Evaluation Team (MET) is the function set up within the Bureau for the coordination, supervision, monitoring and certification of state-wide project design and execution in Oyo State.

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

Monetary Threshold is the value limit in Naira set by the Bureau outside of which an approving authority may not award a procurement contract.

National Bidding is the process of requesting for bids from domestic contractors and suppliers registered or incorporated to carry on business under Nigeria Law.

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

Offer see: **Bid**.

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

Prequalification is an approach used to identify bidders/ suppliers who have adequate technical capabilities, qualifications, experience and financial resources to perform a contract, prior to the invitation and submission of detailed bids.

Procurement Categories there are three main procurement categories: Goods, Services and Works. Under goods, suppliers provide commodities (supplies and/or equipment). Services are consulting and non-consulting services, and works are for rehabilitation, repair or construction of infrastructure.

Procuring Entity is a public body engaged in, and responsible for purchasing goods, services and works, and for awarding of contracts or purchase orders.

Procurement Lead-time is the time frame from the issuing and/or publication of the bidding documents to the point at which the contract is signed by the parties.

Procurement Legal and Regulatory Framework comprises all laws, circulars, guidelines, regulations and manuals that govern the management and practice of public procurement and contract administration in the State.

Procurement Method is procedures used to procure goods, services and works.

Procurement Principles are primary values that govern the management of public procurement. They also guide the conduct of public procurement practitioners and other actors and stakeholders involved in the public procurement process.

Procurement Requisition is a formal request to begin procurement

proceedings to fulfil a specific procurement requirement.

Procurement proceedings details the initiation of the process of effecting a procurement up to award of a procurement contract.

Programme of Works is a non-contractual reference document detailing the proposed sequence and schedule of works.

Proposal see: **Bid**.

Public Procurement is the purchasing of goods, services, and works with public funds to support government operations and/or provide public goods and services;

Public Procurement is the acquisition by any means of goods, works or services by the government.

Responsiveness is the bidder's compliance with the provisions of the bidding documents. It is not a measure of the bidder's technical qualification. To be responsive is an indication that the bidder submitted all the mandatory and administrative documentation in the manner requested in the bidding documents. The result of the technical evaluation process determines the

extent of the bidder's technical qualifications.

Substantially Responsive describes the response to bid requests which virtually answers to all the needs of a procuring entity as stipulated in the bidding documents. See **Responsiveness**.

Scope of Services describes the services required and that needs to be undertaken in order to fulfill the contract requirements.

Scope of Work describes the work required and that needs to be carried out in order to fulfill the contract requirement.

Services this is one of the primary procurement categories that deal with all types of consulting and a variety of non-consulting services.

Service Provider is a firm or individual engaged by the Procuring Entity to fulfill a service requirement (consulting services or non-consulting services).

Statement of Work see: Scope of Work.

Technical Specifications describes the details of the required goods and/or related services in a contract in such a manner that the contractor, supplier or

services provider can easily understand and determine their capability to fulfill the requirement.

Tender see: Bid.

Tender Board ensures contracting and procurement processes are executed in accordance with the public procurement principles, and legal and regulatory frameworks prior to contract award within the stipulated thresholds as contained in the procurement regulations.

Tender documents see: Bidding Documents.

Terms of Reference is a document that clearly defines the objectives and scope of consultancy services. It provides information including the background and objectives of the assignment, deliverables, personnel requirement and qualifications, and duration and location of the assignment.

Works is a procurement category besides goods and services. It is often characterized by construction, reconstruction, demolition, repairs or renovation operations. This includes buildings, bridges, roads, utilities, and similar structures. It also includes site

preparation, excavation, erection, building, installation of equipment or materials, decoration and finishing, as well as services incidental to construction such as drilling, mapping, satellite photography, seismic investigation and similar services provided pursuant to the procurement of contract, where the value of the incidental service does not exceed that of the construction itself.

ABBREVIATIONS AND ACRONYMS

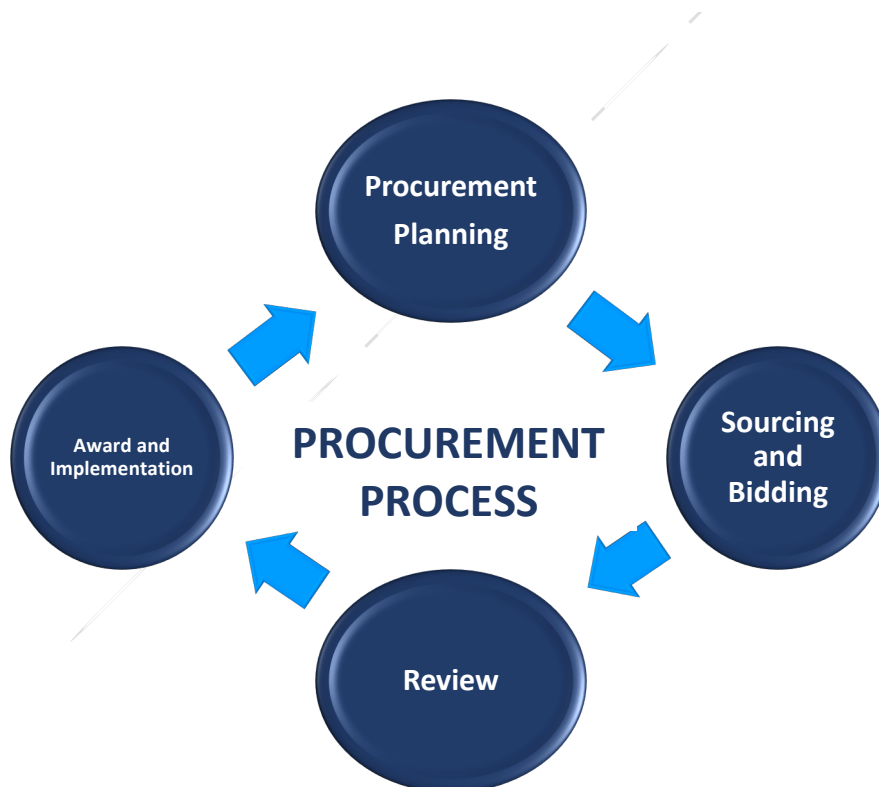
APG	Advance Payment Guarantee	LCS	Least Cost Selection
BOQ	Bill of Quantities	LIB	Limited International Bidding
BEME	Bill of Engineering Measurement and Evaluation	MET	Monitoring and Evaluation Team
BPP	Bureau of Public Procurement	MTB	Ministerial Tenders Board
CAC	Corporate Affairs Commission	NCB	National Competitive Bidding
CNO	Certificate of No Objection	NS	National Shopping
CQ	Consultants Qualification (Selection Method)	OCB	Open Competitive Bidding
DC	Direct Contracting	OYSHA	Oyo State House of Assembly
FBS	Fixed Budget Selection	POW	Programme of Works
GPN	General Procurement Notice	QBS	Quality Based Selection
ICB	International Competitive Bidding	QCBS	Quality and Cost Based Selection
IPSAS	International Public Sector Accounting Standards	REOI	Request for Expression of Interest
IS	International Shopping	RFP	Request for Proposals
ITB	Invitation to Bid	SPN	Special Procurement Notice
ITT	Invitation to Tender	SBD	Standard Bidding Document
		SOW	Scope of Work
		TOR	Terms of Reference
		VAT	Value Added Tax

SECTION I: THE PROCUREMENT CYCLE

Public procurement refers to the use of public funds by public entities for the delivery of public goods, works and services. As public procurement accounts for a substantial portion of government expenditure, it is to be carried out efficiently and with high standards of conduct in order to ensure quality service delivery and safeguard the public interest.

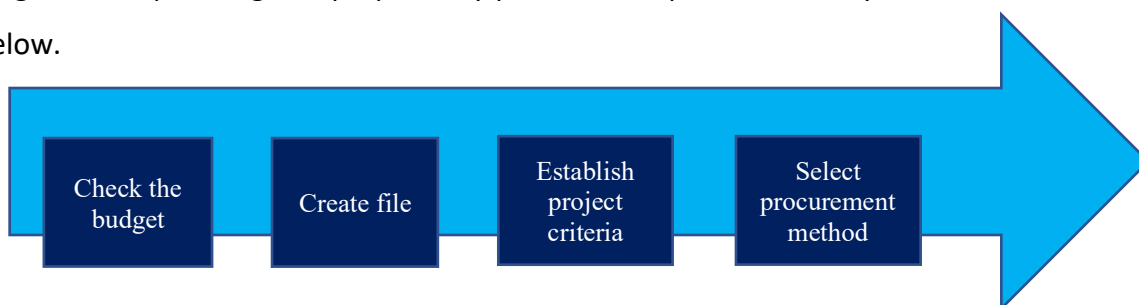
The Procurement Cycle covers activities in the procurement process commencing with needs identification through contract award. These stages apply to all procurements with the exception of matters relating to State security, unless otherwise approved by the Executive Governor.

The diagram below is an illustration of the Procurement Cycle, subsequently explained in detail.



Phase I: PROCUREMENT PLANNING

Stages of the planning and preparatory phase of the procurement cycle are outlined below.



1. Ascertain Budget Provision

All procurement requests must be based on procurement plans and supported by the budget for the financial year. The Accounting Officer should also ascertain the availability of funds to meet the procurement obligations.

2. Create Project File

Each MDA should create and maintain a detailed record of each requisition/ project.

The procuring entity shall make these files available to the Bureau of Public Procurement for review.

3. Establish the Criteria for the Project

In order to ensure a fair, transparent, and systematic procurement process, the procuring entity should clearly

define from the outset key parameters for the successful delivery of the project, such as:

- Timeframe for project completion
- Compulsory qualifications for successful bidders
- Documentary evidence or other information that must be submitted by the suppliers, contractors, or consultants to demonstrate their qualifications
- Summary of the main terms and conditions of any likely contract.

The criteria must be included in the bidding documents.

Select the Procurement Method

There are various procurement methods, the selection of which often depends on the nature and circumstance surrounding the proposed project.

The default and preferred method for public procurement is however the open competitive bidding method and should be adopted to the extent possible. Where justifications exist to adopt alternate procurement methods, the procuring entity may consider the most suitable approach subject to the approval of the Bureau. A written justification for the decision must be included in the procurement proceedings record.

a. **Open Competitive Bidding**

– An invitation to bid (ITB) is widely circulated and prospective bidders may respond to the invitation to pre-qualify (where applicable) or to bid. An ITB should contain:

- the date of advertisement,
- submission closing date,
- address and contact person of the Procuring Entity,
- date and venue for bid opening,
- requirement for bid security¹,
- Information to prospective bidders on where to obtain further information and how, when and at what cost bidding documents can be purchased.

Invitation to Bid is published to:

- Attract the widest possible competition, which should assist the Procuring Entity in obtaining value for money.
- Offer all prospective bidders a fair

¹ In line with the Public Procurement legislation, bid security must not exceed 2% of the contract sum.

opportunity to bid or prequalify.

The Procuring Entity is responsible for the preparation of the Invitation to Bid (ITB) for all categories of procurement using the standard templates as approved by the Bureau.

STEPS

1. Using a standard ITB template as approved by the Bureau, prepare the draft ITB including all necessary information.
2. Seek approval of the Bureau to publish the ITB.
3. Publish approved ITB
4. The Procuring Entity is required to place an advertisement in 2 National dailies.
5. Advertisements should provide for a minimum bidding period of not less than two weeks.
6. Immediately after the expiration of the bidding period, the bids are opened as applicable.
7. All bids are to be sealed (secret) and opened publicly at a 'Bid Opening' event. The figures, discounts (if any), are announced
8. Bids submitted after the stipulated period are to be disqualified and returned without being opened.
9. Bids are evaluated using only the criteria provided in the ITB.
10. The Bid Evaluation Report is presented to the Bureau for review along with the request for a Certificate of "No Objection".
11. In line with the contract award thresholds, the relevant authority then ratifies and awards the

contract to the qualified contractor.

Note that the publication date of the advertisement will mark the starting date of the bidding period and will therefore be the date from which the minimum response time (bidding period) is calculated.

In some instances, there may be a need to advertise for pre-qualification prior to the bidding process. This is used to identify bidders who have requisite technical capabilities, qualifications, experience and financial resources prior to the invitation and submission of detailed bids.

When necessary or as directed by the Bureau, a procuring entity may request that interested contractors or service providers submit applications to pre-qualify for a specific procurement where the procuring entity has decided on the minimum qualifications of suppliers, contractors or service providers to be considered for the project.

The criteria for pre-qualification should be set out in the prequalification documents and only such criteria as are highlighted in the prequalification documents would be applied in reaching a decision of which supplier, contractor or service provider qualifies.

The deadline for submission should be expressed as a specific date allowing sufficient time for preparation and submission of applications.

**b. Restricted Tendering/
Selective Tendering**

Subject to the approval of the Bureau, a procuring entity may engage in procurement by means of restricted tendering in instances where only a limited number of firms are qualified to fulfil the requirements of the project or whereby certain conditions warrant the use of a limited number of

firms in order to reduce the time and cost of the selection process. The case for this must be made with requisite justifications for consideration and approval of the Bureau before inviting proposed bidders to submit proposals or tenders.

STEPS

1. The Procuring Entity prepares the relevant bidding documents using the standard template and invites a minimum of 3 contractors to submit quotations/proposals.
2. Invitations should provide for a minimum bidding period of two weeks.
3. Quotations/proposals are evaluated, and a bid evaluation report is submitted to the Bureau with a request

for a Certificate of “No Objection” to be issued.

4. In line with the contract award thresholds, the relevant authority then ratifies, and the contract is awarded to the qualified contractor.

c. Two-stage Bidding

(prequalification applies)

In a two-stage process, the procuring entity prepares a first stage bidding document with functional performance specifications, rather than detailed technical specifications.

In response, bidders offer un-priced technical proposals (i.e., no financial proposal is submitted at the first stage).

The procuring entity then assesses the contractor/vendor’s qualifications and evaluates the technical

proposals. In this stage, bidders can assist in defining the technical requirements and scope of work.

In the second stage of the bidding process, bidders offer final bids containing their final technical proposal and a financial proposal. The procuring entity then evaluates the proposals (technical and financial) according to the criteria specified in the bidding documents.

It is a more flexible approach as it allows for the participation of prospective bidders in the definition of the technical specifications and scope of work. Given the flexibility of the approach, the preferred bidder is more likely to have a good understanding of the requirements, which potentially reduces risks

during the implementation of the contract.

A financial proposal is submitted only after reaching agreement on the technical specifications and scope of work. A contract is negotiated based on the agreed technical specifications and scope of work.

d. **Single source**

procurement (Direct Procurement/Contracting of goods, works and services)

This selection method is allowed only in exceptional circumstances, subject to the Bureau's prior approval following requisite justification by the procuring entity. The procuring entity may thereafter proceed to obtain a direct quotation or a proposal from a single supplier or contractor.

Justifications for single source procurement include:

- Emergency situations
- Where only one firm is qualified or has the experience of exceptional value for the assignment.
- For the procurement of related items that are available only from one source.
- Where the size of a proposed procurement for additional supplies in relation to the original procurement, reasonableness of the price, need for standardization and compatibility, justify the procurement such as for tasks that represent a natural continuation of previous work carried out by the same contractor/vendor.
- Where the use of this method represents a

clear advantage over the use of a competitive method.

- Matters pertaining to State security.

STEPS

1. The Procuring Entity seeks approval from the Bureau to use this method providing requisite justifications.
2. If approved, the Procuring Entity prepares relevant documentation using the standard template and invites the identified contractor to submit quotation/proposal.
3. The Procuring Entity then submits the documents alongside a request for a Certificate of No Objection.
4. In line with the contract award thresholds, the relevant authority then ratifies, and the

contract is awarded to the qualified contractor.

e. REQUEST FOR QUOTATIONS

Request for quotations is a procurement method used for small value procurements of readily available, off-the-shelf goods, small value construction works, or small value services.

It does not require the preparation of bidding documents in the manner required for open competitive bidding.

This procurement method is non-competitive because the requirement is usually not advertised.

STEPS

1. The procuring entity requests quotations from a limited number of contractors, suppliers or service providers (at least three). The quotations are to be requested in writing.
2. Quotations are received in response to the request.

3. Quotations should be evaluated for compliance with the technical specifications or scope of work in the request for quotations.

4. A price comparison is made after determining the technical compliance of the quotations.

5. The firm offering the lowest price quotation and acceptable delivery, or completion date is selected.

f. REQUEST FOR PROPOSALS

The Request for Proposal (RFP) is a two-envelope procurement method which can be used for goods, services or works. It is used when suppliers, contractors or service providers are expected to propose a specific solution (methodology and work plan) for fulfilling a specific requirement in two separate envelopes.

STEPS

1. The procuring entity obtains approval from the Bureau to invite proposals from a limited number of contractors,

- suppliers or service providers (at least three).
2. The proposals are to be requested in writing.
 3. Proposals are received by the Procuring Entity and opened accordingly. During bid opening, financial proposals are left unopened and are safeguarded.
 4. Technical proposals are evaluated first and ranked according to pre-established evaluation criteria.
 5. Financial proposals are publicly opened only after completion of the evaluation of technical proposals and only for contractors whose technical proposals score the qualifying mark are considered for the financial proposal.
 6. Financial proposals are evaluated.
 7. Selection is based on a proposed solution and not solely on price, and
 8. The sum of the combined weighted scores of the technical

and financial proposals determines the winning bidder with whom the contract is negotiated.

g. Direct Labour

Subject to the concurrence and approval of the Bureau, direct labour may only be applied where a procuring entity has ascertained that:

- 1) it has the required equipment, capacity and technical personnel to execute the project;
- 2) the approach is the most suitable and practicable approach for that particular project.

The procuring entity is expected to submit the request alongside all necessary approvals and supporting documentation such as priced Bill of Quantities/ Bill of Engineering, Measurement and Evaluation and Programme of Works to the Bureau for review and certification.

PROCUREMENT OF SERVICES

Consultancy Services

Consultancy services are services of an intellectual or advisory nature.

The procurement of consultancy services is a specialized form of procurement requiring procedures and documents which differ from those goods and works. The use of a shortlist of candidates, merit-point evaluation systems and two-envelope procedures are standard features in the selection of consultants. Selecting consultants on the basis of cost alone is unlikely to achieve the required quality of services.

Where a procuring entity wishes to procure services for needs which are precise and ascertainable, generally, it shall request for expressions of interest or applications to pre-qualify to provide the services by publishing a notice to that effect in at least 2 national newspapers.

A procuring entity may seek to engage a consultant using different methods. In most cases, the procuring entity should issue a Request for Proposals (RFP). In certain cases, however single source procurement may be used. Both of these methods are described in detail below.

Engagement of Consultants (Open Competitive Bidding and Selective Tendering)

1. Identify and List Potential Consultants.

Where the engagement of consultants is to be undertaken by open competition, the procuring entity may publish a request for Expressions of Interest from potential consultants. A request for Expression of Interest (REOI) is published in order to attract the widest possible competition, ensuring value for money. It also assists the procuring entity in preparing a shortlist of

potential consultants and offers all potential bidders a fair opportunity to participate. The draft rEOI must be cleared by the Bureau prior to publication. Publication should be in at least two national newspapers. All respondents should be evaluated for the purpose of establishing a shortlist. Where the engagement of consultants is to be undertaken by selective tendering, the Procuring Entity may identify a limited number of potentially suitable consultants (at least 3 and not more than 10) to submit proposals.

2. Request Proposals

The Procuring Entity obtains the clearance of the Bureau for the Terms of Reference and the draft Request for Proposals.

The procuring entity thereafter sends a request to each firm on the short list to submit a proposal. The request should

clearly lay out the expected elements of the proposal, such as qualifications of the consultant, statement of understanding of the procuring entity's need, methodology for providing the service, the fee, terms, time of delivery, and other special requirements. The request should also indicate which evaluation methods will be applied when selecting the best proposal.

3. Evaluate Proposals

Methods of evaluation

The selection of the successful proposal shall be based on one of the following methods, as indicated:

- a. **Quality and cost:** The procuring entity should in most cases evaluate the proposals based on a combination of the technical quality of the proposal, the consultant's relevant experience, expertise of key staff, the proposed work

methodology, and the price quoted in the proposal.

b. Quality and fixed budget:

Where there is a predetermined fixed budget, the procuring entity should evaluate the proposals based on the quality of the technical proposal under the determined budget threshold.

c. Technical quality alone:

Where the services are of an exceptionally complex nature or likely to have considerable impact on future projects or the economy of the State, the procuring entity can decide exclusively on the technical quality of the proposal.

Technical review of proposals

The procuring entity should first conduct a technical review of all proposals using the following criteria:

a. consultant's relevant experience for the assignment;

b. quality of the methodology proposed;

c. qualifications of the key staff proposed and

d. knowledge transfer, if required in the request for proposals.

The procuring entity shall communicate the result of the technical evaluation to the consultants that meets the required minimum technical score and invite them for the opening of the financial proposals.

Financial review of proposals

The procuring entity will review the financial proposals of all potential consultants that meet the predetermined minimum standards in the request for proposals.

If the proposals are being reviewed according to considerations of quality and cost, fixed budget, or least cost (as described above), the procuring entity will conduct the opening of financial proposals, about which all bidders are

informed in advance and are permitted to attend.

If the proposals are reviewed according to technical quality alone (as described above), the procuring entity will evaluate only the financial proposal of the consultant whose technical proposal was ranked the highest.

4. Contract Negotiation

Terms: The procuring entity may negotiate the contract with the winning consultant with regard to the terms that had been laid out in the request for proposals, the scope of the proposed services, deliverables, progress reports and facilities to be provided by government, as well as the financial proposal.

Cost: Contract negotiation for consulting services differ based on the category of consultants; (individual or firm).

For individual consultants, after the technical evaluation, the highest ranked consultant is invited to submit a financial proposal and to

negotiate the terms of the contract.

If for justifiable reasons, an agreement is not reached, the next highest ranked consultant may be invited, depending on the procedures, to submit a financial offer and to contract ne

The focus of the negotiations should be to reach an agreement on the Terms of Reference of the assignment.

Price negotiation should be kept to a minimum and should only occur if the financial offer is considered unreasonable.

Negotiation with consulting firms is dependent on the procurement method used.

Details of the negotiation process and results must be recorded in the minutes of the negotiations. The minutes of the negotiations are sometimes annexed to the contract.

5. Select Award Recipient

The consultant whose bid attains the highest score, in accordance with the criteria and selection

method set forth in the request for proposals, or the one with the least cost in the case of the least cost method of selection, shall be selected for award, subject to satisfactory conclusion of negotiations based on the terms in the Request for Proposals.

The procuring entity must simultaneously notify the successful consultant of their selection for the award and notify all other shortlisted consultants of the decision.

Engagement of Consultants (Single Source Method)

Subject to the Bureau's approval, a procuring entity may procure consultancy services from a single source where:

- a. A consultant has the unique qualifications that are required for a particular consultancy service; or
- b. There is an existing consultancy contract, and it is essential to have

continuity of these services by the same firm to meet the objectives of the assignment. The procuring entity must provide justification for the proposed approach subject to the Bureau's approval.²

NON-CONSULTING SERVICES

For non-consulting services which are services that are not of an intellectual or advisory nature, the procurement method would depend on the nature of the proposed project, subject to the concurrence and approval of the Bureau. Some these services include:

- a) Mechanical repairs and electrical services,
- b) Cleaning services and fumigation,
- c) Auctioneering services,
- d) Catering services,
- e) Security services,
- f) Hospitality and Entertainment,
- g) Tourism Practitioners,
- h) Insurance (insurance companies and brokerage firms)

² For further description of the procedures for procuring consultancy services, please refer to

the infographics on page 69 of these Guidelines.

EMERGENCY PROCUREMENT

An emergency is an occurrence of a serious and urgent nature that demands immediate action.

An emergency situation may occur in the following circumstances:

- Natural Disasters: such as earthquakes, flooding, volcanic eruptions etc.,
- Critical Security emergencies such as terrorist attacks.
- Political Emergencies: such as coup or civil unrest/insurrection.
- Failures of Critical Infrastructure: such as collapse of major linking bridge.
- Health epidemic/pandemic

Priority shall be given to the safety of human life; preservation of health and property and recourse shall be made to the following procedures which render the procurement process faster and less cumbersome.

The degree of flexibility in an emergency procurement process depends on the emergency responsiveness vis a vis the threat or danger.

Objectives of Emergency Procurement

- a) The major objectives of emergency procurement could be one or all of the followings:
- b) To immediately stabilise an unforeseen occurrence or condition affecting properties or threatening people's lives
- c) To provide relief for affected people threatened by unforeseen occurrence
- d) Provision of certain requirements to meet a critical need that were not envisaged
- e) Eliminate an imminent risk of damage to or loss of properties and lives
- f) Remedy a condition that poses an immediate physical danger

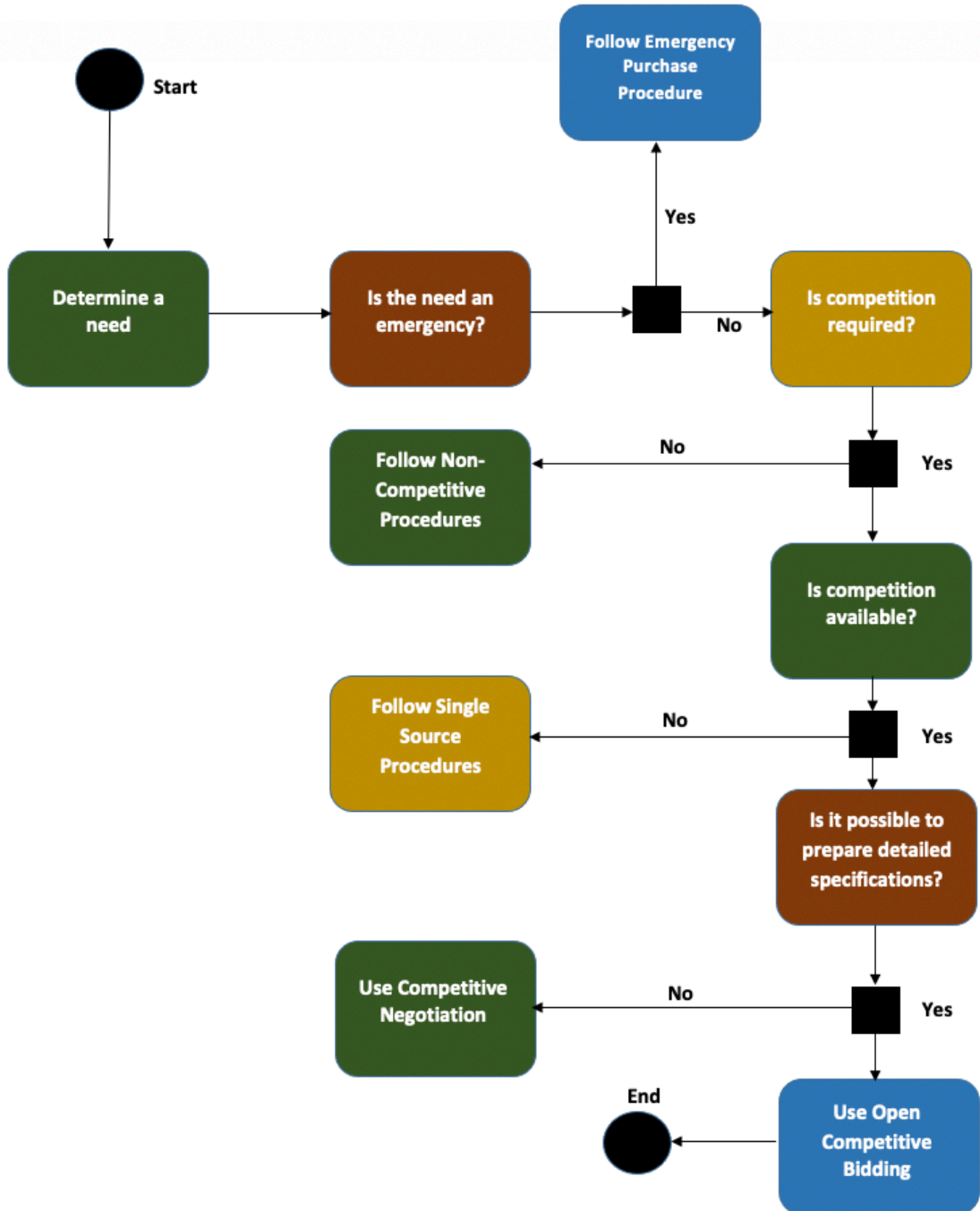
The Accounting Officer appoints an Emergency Management Team (EMT). The team members may be drawn from the procuring entity or involve specialists from other Procuring Entities. All activities during and after the emergency period are documented and integrated in the Procuring Entity's Annual Procurement Plan.

The following guidelines apply to all emergency procurements:

- a) Every Procuring Entity shall apply the principles of both probity and sound procurement - economy, efficiency, value for money, transparency and accountability.
- b) Procurement under emergency situations may be conducted via electronic mail. The Procuring entity may forward invitations to the contractors through electronic mail and the contractors may respond and effect submission via the same medium. The execution of relevant documents may also be by electronic means in the event that physical execution is impracticable.
- c) Electronic copies of relevant documents shall be acceptable under emergency situations and the evaluation of bids may also be conducted virtually where the emergency situation so requires.
- d) Where applicable timelines may be adjusted to support the expeditious procurement of essential good and/or works.
- e) Upon the cessation of the emergency situation:
 - I. Procuring Entities that have applied emergency procurements shall prepare a report to BPP for its approval on the procurements carried out.
 - II. The BPP may, upon its review and verification of the emergency procurement, issue a Certificate of No Objection, if appropriate.
 - III. All records of the emergency procurement process must be forwarded to the BPP upon the cessation of the emergency and not later than 7 days after such emergency situations may have ceased.

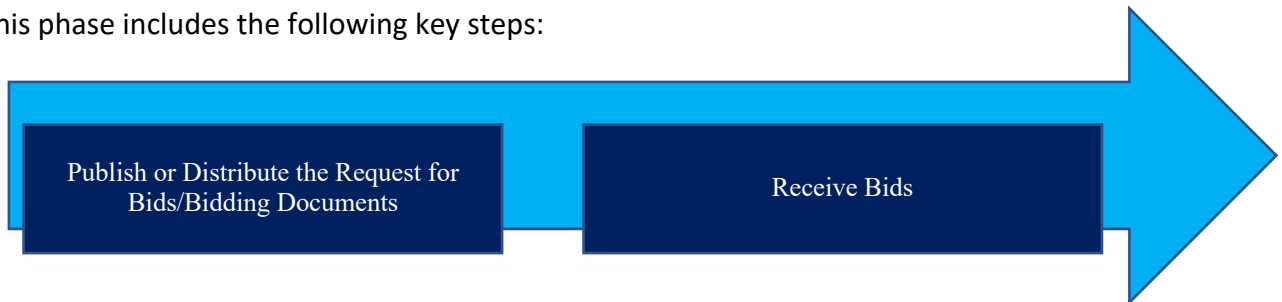
Decision Tree for Procurement Methods

Public procurement should be handled as outlined below:



PHASE II: SOURCING AND BIDDING

This phase includes the following key steps:



1. Publish or Distribute the Request for Bids/Bidding Documents

If open competitive bidding is the selected mode of procurement, then the procuring entity should publish the request for bids sequel to obtaining approval from the Bureau of Public Procurement. For other procurement methods, the procuring entity should directly provide the bidding documents to prospective bidders.

It is important to note that no communication should take place between a procuring entity (and its personnel) and any supplier or contractor after the publication of request for bids except for the

purpose of seeking and/or providing additional clarifications. All such communications must be in writing.

2. Receive Bids

All bids should be signed by the bidder's appropriate authority, sealed in an envelope and submitted before the deadline for submission. The procuring entity should deposit all bids in a secured box.

A bidder may modify or withdraw its bid prior to the deadline. However, any bid received after the deadline for submission shall be disqualified and returned to the bidder without opening

PHASE III: REVIEW



1. Bid Opening

Bid opening must take place immediately following the deadline stipulated for submission. Every bid must be publicly opened at the time and place indicated in the bidding documents or any extension of the deadline for submission. Every bidder or its representative shall be authorised to attend the bid opening.

In order to promote transparency of the proceedings, interested members of the public should be allowed to attend the bid opening. Names and respective addresses of all persons present at the bid opening should be recorded in an attendance register.

At the bid opening, the following information will be read out and subsequently recorded in the minutes:

- a. Name and address of each bidder,
- b. Total amount of each bid,
- c. Any discount or alternative offered, and
- d. Where required, the presence or absence of bid security.

Once the bids have been opened, no information relating to the examination, clarification, and evaluation of bids or recommendations concerning award shall be communicated to bidders or anyone outside of the evaluation process until the successful bidder is notified of the award.

STEPS

1. Announce that the Bid Deadline has passed, that the opening time has arrived, and that bids will be opened.
2. Review the bid opening procedures with the bidders.
3. Arrange the bids for opening in a random order.
4. Open the bid and read aloud the names of bidders and assign a letter to each bid.
5. Record the required information on a bid tabulation form without the actual names of bidders.
6. Note the presence of required items.
7. Note any irregularities, if deemed appropriate.
8. Note any missing items, if deemed appropriate.
9. Note any discounts if any.
10. Repeat above steps 4-9 until all bids have been opened, and all information is recorded on the bid tabulation.
11. Make the bids available for inspection and remain present while the bids are being inspected.
12. Ask the bidders if they have any questions on the bid opening procedure.
13. Announce that the bid opening procedure is completed, thank the bidders for submitting their bids, and state the bids will be taken under advisement.

Responsibility for conducting bid opening within stipulated thresholds are as follows:
State Tenders Board and State Executive Council: Cabinet Office.
Ministerial Tenders Board/Parastatal Tenders Board: Responsible MDAs.
The Bureau must be actively involved and represented at each bid opening and should be notified of bid openings no less than 3 working days prior.

2. Bid Examination

The purpose of bid examination is to determine if the submitted bids:

- a) Meet the minimum eligibility requirements as outlined in the law
- b) Are duly signed
- c) Are substantially responsive to the bidding documents
- d) Are generally in order

If a bidder is deemed ineligible, the procuring entity should notify that bidder in writing that the bid in question has been excluded and cite the grounds for the exclusion. This letter should be kept in the file for the procurement project.

A procuring entity may ask a supplier or a contractor to clarify its bid submission in order to assist in the examination, evaluation, and comparison of the bids. However, it may not request bidders to modify bid details for bids that are not responsive.

During examination, the procuring entity may correct purely arithmetical errors in the bidders' bids. The procuring entity must

promptly notify bidders of such corrections.

3. Bid Evaluation

The procuring entity should evaluate all valid bids using the appropriate method and criteria as stipulated in the bidding documents (those criteria cannot change at any time during the procurement process once the bidding documents have been released). Evaluation includes the following steps:

- i. Check for deviations
 - a. Disqualify bids with major deviations
 - b. Clarify questionable minor deviations with respective bidders
 - c. Quantify the minor deviations in monetary terms
- ii. Check for omissions and quantify them in monetary terms
- iii. Apply discounts where applicable
- iv. Convert foreign currency figures to naira using the rate included in the bidding

documents (where applicable?)

v. Monetise relevant factors that were stipulated in the bidding documents in addition to price. This can include:

a. Cost of transportation, insurance, payment schedule, delivery time, operating costs, efficiency, access to spare parts, health and environmental safety, related training as well as losses from damage. (where applicable for procurement of goods)

b. The same factors above are applicable for procurement of works. Also, the value of early completion if time is a factor should be calculated for procurement of works. However, contracts must provide penalties for late delivery.

vi. For procurement with domestic preference, calculate the margin of preference for domestic contractors.

vii. Determine the lowest calculated prices, and rank the bids

viii. Consider relevant technical factors laid out in the bidding documents, in addition to price.

ix. If the highest-ranking bidder was pre-qualified, the procuring entity should revalidate the qualification and verify that the contractor has the resources and technical capability to execute the contract successfully.

x. Whether or not prequalification is carried out, the procuring entity must conduct a post-qualification exercise of the bidders. Post-qualification involves checking the qualifications of the best evaluated bidder against

criteria set out in the bidding documents. Where the highest evaluated bidder does not meet the criteria, such bid should be rejected, and the next-ranked bid examined against the same criteria. The process should be repeated, if necessary, until a qualified bidder is identified.

- xi. Where applicable, a list of rejected bids should be prepared.
- xii. If all bids are rejected, submit a decision memo for the record and notify all bidders. The procuring entity retains the right to reject all bids at any time prior to the acceptance of a bid without incurring any liability to the bidders. All bids can be rejected if:

- a. No bids are responsive to the request,
- b. The best evaluated bid is substantially above the approved price in the budget,
- c. The procurement is no longer required, or
- d. There is evidence of collusion among bidders.

An invitation to re-bid may be made if either of the first two reasons above apply, but the procuring entity should first re-examine the process and make any necessary adjustments to the technical specifications or contract conditions.

- xiii. Prepare a bid evaluation report.
- xiv. Recommend winning bidder for award of contract.

Deviations from the Criteria in Bidding Documents

For all procurement in the State, bids with major deviations from the criteria stipulated in the bidding documents must be disqualified. The procuring entity must inform such bidders about the rejection of their bids in writing, stating the reasons for the rejection. Also, such bidder will not be permitted to amend its bid for a major deviation. However, if a minor deviation is found in a contractor’s bid, the procuring entity may obtain written clarification from such

bidder and allow corrections for minor deviations, as applicable.

Also, the procuring entity may correct purely arithmetical errors discovered in a bidder’s bid and promptly notify such bidder of the correction. However, if a bidder does not accept the correction, the bid must be rejected and a letter stating the reasons for rejection should be sent to the bidder.

The table below provides clarification on what constitute major and minor deviations, including but not limited to:

Minor Deviation	Major Deviation
<ul style="list-style-type: none"> a. Use of codes b. Difference in standards c. Difference in materials d. Alternative design e. Modified liquidated damages f. Omission in minor items g. Arithmetical errors h. Unclear and questionable sub-contracting i. Different construction methods j. Difference in final delivery date k. Difference in delivery schedule 	<ul style="list-style-type: none"> a. Unacceptable sub-contracting b. Unacceptable time schedule if time is of essence c. Unacceptable alternative design, d. Unacceptable price adjustment e. Uninvited, ineligible, or non-prequalified bidder f. Unsigned bid g. Bid received after the date and time for submission as stipulated in the bidding document

<p>l. Completion period where time is not of essence</p> <p>m. Non-compliance with technical local regulation payment terms, and</p> <p>n. Any other condition that has little impact on the bid.</p>	<p>h. Any bid submitted at a wrong location (location not stipulated in the bidding documents).</p>
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4. Obtain Necessary Approvals

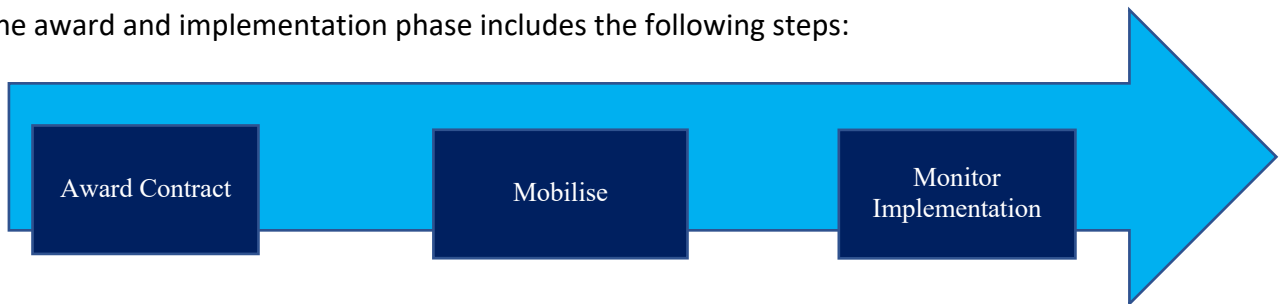
Following the bid evaluation process, the Bid Evaluation Report is prepared and submitted to the Bureau for review. It is accompanied by all bid documents that were submitted and a memo or letter which presents a recommendation based on the evaluation of the bids. The letter/memo should include a request for a certificate of No Objection, detailing the following:

- The name of the bidder in whose favour a certificate of No Objection is requested,
- The amount in request,
- The IPSAS code and title to which the expenditure is to be charged,
- The current balance available on the quoted IPSAS code.

The Accounting Officer must ensure that the procuring entity obtains all necessary approvals for the contract to be awarded.

PHASE IV: AWARD AND IMPLEMENTATION

The award and implementation phase includes the following steps:



1. Award Contract

Procurement contract will be awarded to the bidder that submitted the best evaluated bid among all substantially responsive bids (that is, bids that meet the qualification criteria).

All contracts should include detailed terms and conditions for the work to be performed or the goods to be supplied.

Unsuccessful bidders may challenge the result of a procurement decision if they feel it has not been executed in accordance with the provisions in these Guidelines.

Provision of performance security in the amount, form and date stipulated in the bidding document is a prerequisite to contract signing.

In the event that this prerequisite is not fulfilled, the procuring entity should select the next-ranked

bidder from the pool of qualified bids.

2. Mobilise

Payments to the winning bidder should be made according to the payment schedule laid out in the contract. Mobilisation shall be at a maximum of 30% and 60% of the contract sum for works and supplies, respectively. Subsequent payments shall be made according to the payment schedule outlined in the contract. Throughout the contract period, the Bureau of Public Procurement must issue a Payment Certificate indicating that the terms of the contract continue to be fulfilled before any payment is made to the contractor. Also, notification of payment should be sent to the Bureau no later than two (2) days after release of funds to the vendor.

Upon submission and confirmation of Advance Payment Guarantee (APG) in the value of the mobilisation (advance payment) granted, payments to the winning bidder should be made according to the payment schedule laid out in the contract.

Subsequent to the issuance of mobilisation fee (advance

payment) further payments on procurements would be made only when the value of work done is at least equal to mobilisation. Amortisation of advance payment on procurements with 30% mobilisation fee should be done as outlined in the table below.

Percentage of work done (using cost) (%)	Percentage of advance payment to be amortised (%)
30 – 40	50
41 – 50	60
51 – 60	75
61 – 70	90
71 – 80	100

3. Monitor Implementation

The procuring entity’s relevant units should ensure that the contract’s terms (including delivery timelines) are being adhered to and the goods, works, or services are provided as expected. A progress evaluation report should be submitted to the Bureau.

Once the procurement process is completed, the procuring entity

should conduct a review of the procurement proceedings and share a summary report with the Bureau.

Financial Thresholds and Contract Awards³

The following matrix outlines the relevant financial thresholds and approving authorities:

Relevant Authority	Thresholds
State Executive Council	N100M and above.
State Tenders Board	N50M and above but less than N100M.
Ministerial/ Parastatal Tenders Board	N5M and above but less than N50M.
Executive Approval	Up to N5M.

1. Contracts of one hundred million Naira (N100M) and above shall be considered and awarded by the State Executive Council. All such contracts must be endorsed by the Governor before presentation to the State Executive Council.
2. Contracts of fifty million Naira (N50M) and above but less than one hundred million Naira (N100M) shall be considered and awarded by the State Tenders Board subject to the approval of the Executive Governor.
3. Contracts of five million Naira (N5M) and above but less than fifty million Naira (N50M) shall be considered and awarded by the Ministerial/ Parastatal Tenders Board constituted by each MDA. The award shall be subject to the approval of the Executive Governor.
4. Contracts up to five million Naira (N5M) shall be awarded as approved by the Executive Governor.

³ These thresholds come into effect on 1 Feb, 2021.

SECTION II: PROCUREMENT RESPONSIBILITIES WITHIN MDAS

Each procuring entity is responsible for ensuring compliance in its procurement process including planning, organisation, evaluation of bids, and also ensuring projects are duly executed within the stipulated timeframe. The procuring entity's annual budget must contain all necessary procurement expenditures and ensure that the annual budget contains sufficient funding for the needed procurements.

Procurement Planning Committee

The planning committee prepares a needs assessment and evaluation document as it identifies the goods, works, or services required. Once the need is identified, the planning committee carries out appropriate market and statistical surveys. Using this research, the committee prepares an analysis of the cost implications of procuring the item(s), work(s) or service(s).

Where possible, planning committees should combine procurements, both within their own entity and between

their procuring entity and others, to achieve savings and cost efficiency.

Composition of a Procurement Planning Committee

- The Accounting Officer or their representative – *the Chairman*
- A representative of the procuring entity's procurement unit – *the Secretary*
- A representative of the Ministry of Justice
- Representative of the planning, research, and statistics unit of the procuring entity
- Representative of the finance and administration or equivalent department
- A representative of the unit directly in requirement of the procurement
- Personnel of the procuring entity with technical expertise in the subject matter for each specific procurement.
- A representative of the Bureau of Public Procurement

Decisions are made by a majority of the present and voting members. If the votes are tied, the officer chairing the meeting can cast the deciding vote.

Procurement Evaluation Committee

A technical evaluation committee should be established by the Accounting Officer to evaluate bids; the Secretary of the entity's Tenders Board is the Chair of this committee. The evaluation committee should be composed of at least three or four individuals with expertise in procurement and/or the technical area of the good, service, or works being procured. The entity's Tenders Board shall maintain a list of qualified evaluators that can constitute this committee.

MINISTERIAL/PARASTATAL TENDERS BOARDS

Every procuring entity in Oyo State must have a Ministerial/Parastatal Tenders Board responsible for the award of procurement of goods, works and services within the set threshold. The boards oversee the activities of the procurement planning committee in their respective MDAs and communicate the results to the commissioner for implementation.

Composition of the Ministerial/Parastatal Tenders Board

- (i) The Permanent Secretary (Ministerial) or the Director or CEO (Parastatal) shall be the Chairperson.
- (ii) Heads of Department within the ministry or the parastatal,
- (iii) The Director of the procuring entity or a representative shall be the secretary to the tenders' board.
- (iv) Each member on the tender's board shall have an alternate member to ensure business continuity in their absence.

Functions of the Ministerial/Parastatal Tenders Board

- (i) The tenders' board is responsible for the award of procurements of goods, works, and services within the stipulated threshold. The thresholds are provided by the Bureau from time to time.
- (ii) Where pre-qualification is necessary, the chairperson of the tenders' board would

constitute a Technical Evaluation Subcommittee of the Tenders' Board.

- (iii) The decisions of the tenders' board are communicated to the Head of the Ministry, Department, or Agency for implementation.

SECTION III: MONITORING AND EVALUATION OF PROJECTS

NOMINATION OF FOCAL OFFICER

Immediately after the contract is awarded, the Bureau may request for a nomination of a focal officer from the procuring entity. This focal officer is a point person/ technical officer who will be in liaison with the Monitoring and Evaluation Team of the Bureau throughout the execution of the project.

CONTRACT DOCUMENTS

Following the award and the execution of the contract, the Procuring Entity should submit a project file to the Bureau with a copy of the underlisted contract documents in respect of the project:

- a) Letter of Award,
- b) Contract Agreement,
- c) Contract Bill of Quantities (BOQ)/ Bill of Engineering, Measurement and Evaluation (BEME)
- d) Programme of Works (POW), where applicable, and
- e) Such other documents as may be relevant to the project.

REQUESTS FOR

VALUATION/PAYMENT

i. APPLICATION FOR INTERIM PAYMENT CERTIFICATE

Upon the attainment of minimum completion levels of 30% on works and 60% on supplies, the contractor is entitled to raise a valuation and submit it to the Procuring Entity accompanied with a letter requesting for payment on the valuation raised.

Following receipt of the contractor's request, the Procuring Entity should submit an application for valuation and payment. This request should be submitted with a project file which should typically contain the following documents:

- the Contractor's request to the procuring entity,
- the procuring entity's request for valuation and payment,
- status/progress report,
- delivery notes and invoices,
- payment voucher(s), and
- such other documents as may be relevant to the project.

For Works, the following documents are also required:

- Project's Architectural/Structural Design.
- Contract Bill of Quantities (BOQ) or Bill of Engineering Measurements and Evaluation (BEME) as the case may be.
- Previous Interim Payment Certificates and Vouchers.
- Well Detailed Programme of Works (POW) and;
- Such other documents as may be relevant to the project.

Notification of payment should be sent to the Bureau no later than two (2) days after release of funds to the contractor.

ii. FURTHER PAYMENTS

Requests for further payments should be submitted to the Bureau with requisite documentation upon the attainment of defined milestones. No further payments will be made to any contractor without the Bureau's certification of satisfactory performance.

iii. MEASUREMENT OF WORKS

Works shall be measured, and valued for payment, in accordance with the terms of the contract.

Whenever the Bureau requires any part of the works to be measured, reasonable notice shall be given to the Contractor's representative, who shall:

- a) promptly either attend or send another qualified representative to assist the Bureau in making the measurement, and
- b) supply any particulars requested by the Bureau.

In the event that the Contractor fails or neglects to attend or send a representative, the measurements made by the Bureau will stand.

iv. METHOD OF MEASUREMENT

Measurements will be made of the net actual quantity of each item of the works, and the method of measurement shall be in accordance with the Bill of Quantities except where it is otherwise expressly stated in the contract.

v. EVALUATION

Except where otherwise stated in the contract, the Bureau determines the gross valuation by evaluating each item of work, applying the measurement in accordance with the provisions above and the appropriate rate/price for the item(s).

b. The gross valuation shall be the total value of the following which are subject to retention (as applicable):

- works properly executed by the contractor (including executed works for which there is a confirmed acceptance of a variation quotation).

c. For each item of work, the appropriate rate or price for the item shall be the rate or price specified for such item in the contract or, if there is no such item, specified for similar work.

vi. ADDITIONAL WORKS

The approval of the Bureau must be obtained prior to the commencement of any proposed additional works. Following the request to undertake additional works, the Bureau shall conduct an inspection to assess and

ascertain the necessity and suitability of the proposed additional works.

vii. RETENTION FEE

A retention fee is a portion of the payments due under the contract which is retained to ensure performance by the supplier/contractor. Instead of the Procuring Entity retaining part of the due payments, the supplier/contractor may also provide a money retention security in form of a bank guarantee.

The retention fee which the procuring entity may deduct and retain shall be such percentage of the total amount included in the gross valuation for an interim certificate. The following rules apply to retention:

- a. For building and engineering works, the retention is 5% or such other rate as may be stated in the contract and is payable upon the lapse of a warranty period of one year or as may be stated in the contract.
- b. For major supply contracts such as vehicles, equipment and machinery, a retention fee may

apply as may be stated in the contract terms and is payable upon the lapse of a defects liability period of six (6) months or as may be stated in the contract terms.

- c. For typical supply contracts, retention may not apply.

ROUTINE INSPECTIONS

The Bureau of Public Procurement shall routinely inspect projects to ensure:

- a) That the progress of the project is in accordance with the programme of works submitted and
- b) Quality control as the work progresses.

Where work progress is found to be sub optimal or behind schedule, the Contractors will be engaged and notified in writing detailing the line of action to mitigate the risk.

VARIATION

Variation is not permitted on any contract for which advance payment has been made, except with the approval of His Excellency the Executive Governor and/ or the State Executive Council as the case may be.

FORCE MAJEURE

Force majeure refers to an event beyond the control of the State and the Contractor, which prevents either party from complying with any of its obligations under a contract.

Events such as acts of God, natural disasters, war, hostilities, are examples of force majeure events.

Where a force majeure event occurs, neither party will be considered to be in breach of its obligations under the contract if by the reason of the force majeure event, it is unable to carry out such obligation(s).

Except where there are indemnity clauses, neither party will incur any liability to the other party for any loss and/or damage to the extent that the loss and/or damage was caused by the force majeure event.

As soon as reasonable and practicable after the occurrence of a force majeure event, and without delay following the end of such an event, any party invoking force majeure must submit proof of the event and of its effects on the performance of obligations to the other party.

SECTION IV: AWARD REVIEW AND SANCTION

Process

In the event that the Bureau receives a complaint or petition, or has justifiable cause to investigate a procurement proceeding, it may:

- Inspect or review any questionable procurement transaction to ensure it complies with the laws and regulations guiding public procurement in Oyo State.
- Call for information, documents, records and reports in case of breach, wrongdoing, default, mismanagement, or and collusion.
- Require the production of books of account, plans, and documents, and examine persons or parties in connection with any procurement proceeding where there are allegations or proof of wrongdoing.
- Set up a committee to monitor the performance of any

procurement requirement by any contractor, supplier, or service provider

In established cases of malpractice, the Bureau may resort to the following measures:

- Debar any supplier, contractor, or service provider who contravenes the law or regulations.
- Nullify the whole or part of any procurement proceeding or award which is in contravention of the public procurement law and regulations.

SECTION V: DISPOSAL OF PUBLIC ASSETS

No public property shall be disposed of without due process certification.

Before slating any public property for disposal, the disposing MDA shall authorize the preparation of a valuation report for such property by an independent valuation professional with the appropriate competence to carry out valuation.

Disposal of such property shall take any of the following means:

- (a) Sale and Rentals
- (b) Lease and Hire Purchase
- (c) Licenses and Tenancies
- (d) Franchise and Auction
- (e) Transfer from one Government/Department to another
- (f) Offer

Any of the following methods of procurement may be applied in the disposal of Government property:

- a. Sales and Rentals
- b. Public Auctions
- c. Sales by sealed bid
- d. Negotiated Sale: In urgent cases

e. Sales to other Government Agencies

f. Trade-In

Public property includes tangible and intangible assets such as real property, vehicles, shares, stocks and office furniture, intellectual property rights, etc.

SECTION VI: OFFENCES

The following constitute offences in public procurement⁴:

- entering or attempting to enter into a collusive agreement, with a supplier, contractor or consultant
- conducting or attempting to conduct procurement fraud by means of fraudulent and corrupt acts
- directly, indirectly or attempting to influence a procurement process to obtain an unfair advantage in award of a contract
- bid splitting to avoid the necessary approvals for set monetary thresholds
- Bid rigging
 - where offers submitted have been pre-arranged between bidders
 - directly or indirectly restricting free and open competition
 - altering any procurement document with intent to influence the outcome of a tender proceeding
- insertion of documents not submitted at opening e.g. bid security or TCC
- using fake documents or encouraging their use;
- willful refusal to allow BPP access to procurement records

⁴ Penalties will apply as prescribed in the State Procurement Law.



PART B: Quick Guide

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- ❖ SECTION I: GENERAL OVERVIEW
 - ❖ SECTION II: OUTLINE OF THE PUBLIC PROCUREMENT CYCLE
 - ❖ SECTION III: METHODS, PROCESSES AND RELEVANT DOCUMENTS IN PUBLIC PROCUREMENT IN OYO STATE
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Bureau of Public Procurement
OYO STATE GOVERNMENT

SECTION I: GENERAL OVERVIEW

Public Procurement

Public Procurement is the use of *public funds* by public entities for the delivery of public goods, works and services usually through a third party (Contractor).

Categories in Public Procurement

1. Goods - typically equipment, material and supplies, commodities, books, medical supplies;
2. Services - expert advice and training, as well as other forms of consultancy services.
3. Civil works – these include bridges and buildings, highways and basic physical infrastructure.

Guiding Policies

The following are basic concerns that govern the State procurement policies:

- a. To ensure that goods and services needed are procured with due attention to economy and efficiency;
- b. To ensure that public funds are utilized appropriately for the intended purpose of procuring

goods, works and services in the interest of the state;

- c. To provide all qualified bidders an equal opportunity to compete for contracts;
- d. To encourage development of local contractors and manufacturers; and
- e. To ensure that the procurement process is transparent.

The procurement policies and procedures contained in these Guidelines have been designed to promote fairness and equity.

Procurement Methods

Procurement methods are the procedures used for selecting suppliers, contractors and consultants from which to obtain goods, works and services.

The following methods exist for public procurement in Oyo state:

1. Open competitive bidding
2. Restricted Tendering/ Selective Tendering;
3. Single Source Procurement/ Direct Contracting
4. Two-Stage Tendering

5. Request for Quotations

6. Request for Proposals

The steps to follow in the selection process are determined by the procurement method. This has a direct impact on the time it will take from initiation of the process until contract award. However, prerequisite guidelines for all methods include:

- The Procuring Entity identifies a need. Such needs would usually be in the procurement plan for the year;
- The Procuring Entity ensures that there is budgetary support for that need; and
- Approvals from the relevant authority and Approval in Principle from the Executive Governor are sought where applicable.

How to Participate

The first step is the Contractor/Vendor Registration with the Bureau of Public Procurement, Oyo State.

Contractors and Vendors must be duly registered with the Bureau of Public Procurement to be able to conduct any business with the State. Registration

certificates are issued to registered contractors.

Registration is valid for 1 year from the date of registration and may be renewed annually upon expiration. Contractors may also, at any time within the validity of their registration, upgrade their registration category.

Information on registration, renewal, upgrades, categories and criteria may be obtained from the Bureau or online at

<https://bpp.oyostate.gov.ng/Home.aspx>

Approving Authorities

There are different thresholds for the consideration and award of Contracts in Oyo State. Obtain necessary approvals from the relevant approving authority in line with the respective approval limits.

Necessary documents

There are a set of standard forms and documents for use in the procurement cycle. These documents would be used as appropriate and stakeholders are expected to be familiar with them.

1. Standard Prequalification Documents (Goods and Works)
2. Procurement Plan for Goods, Works and Consultancy Services
3. Invitation for Bids (Goods)
4. Invitation for Bids (Works)
5. Request for Expression of Interest
6. Request for Proposals
7. Request for Quotations
8. Standard Bidding Documents (Goods)
9. Standard Bidding Documents (Works)
10. Bid Evaluation Report

Soft copies of templates may be obtained at the Bureau or online at [https://publicprocurement.oyostate.gov.ng/download/the Bureau-templates/](https://publicprocurement.oyostate.gov.ng/download/the-Bureau-templates/)

Resources

There are a number of resources to help you:

1. Visit: Bureau of Public Procurement Office of the Executive Governor Agodi, Secretariat Ibadan.
2. Relevant information and updates are available at the Bureau portal: <https://publicprocurement.oyostate.gov.ng>
3. Forms: Soft copy of templates may be obtained at the Bureau or online at <https://publicprocurement.oyostate.gov.ng/download/bpp-templates/>
4. Registration: Registration can be done in the Bureau or online at <https://bpp.oyostate.gov.ng/Home.aspx>
5. Calls: +2349039351832
6. Email: oyobpp@oyostate.gov.ng

SECTION II: OUTLINE OF THE PUBLIC PROCUREMENT CYCLE

Phase I: Procurement Planning

- 1) **Have a Procurement Plan:** A procurement plan is a document which shows the Procurement Entity's needs for each financial year. It is time-bound and each Procuring Entity must act expeditiously in preparing a plan at the beginning of each financial year. The plan must be submitted to the Bureau for approval.
- 2) **Check the Budget:** Ensure that the procurement plan is supported by the procuring entity's budget and available funds.
- 3) **Create a File:** All aspects of the procurement process must be documented. It is important to note that all documents shall be in English Language. It is the responsibility of the Accounting Officer to ensure that the records of the procurement proceedings are well kept.
- 4) **Prequalify Bidders:** Where applicable, the procuring entity will request applications

demonstrating basic qualifications ahead of the bidding process.

- 5) **Establish Criteria for the Project:** Set out the parameters for what needs to be accomplished and what qualities a contractor would need to achieve the procurement goals. 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.
- 6) **Select the Procurement Method:** Identify whether the criteria can be met through the default open competitive bidding procedure, or if there are special circumstances that allow or require a different type of procurement process.

Phase II: Sourcing and Bidding

- 1) **Publish or Distribute the Request for Bids:** Based on the selected procurement method, the procuring entity may issue an Invitation to Bid (ITB) either through two newspaper publications or directly to selected contractors. Upon notice of the ITB, contractors should obtain bidding documents outlining the

requirements for any proposal or quotation from the procuring entity, or as described in the invitation.

- 2) Receive Bids: Applicants submit their best proposals to the procuring entity before the deadline for submission of bids. Bids should be submitted in the location stipulated in the bidding documents. The procuring entity must issue a receipt showing the date and the time the bid was received by the procuring entity. All received bids should be deposited in a secured tamper-proof bid box.

Phase III: Review

- 1) Open Bids: All bids are opened in a public gathering immediately after the deadline for submission.
- 2) Examine Bids: The procuring entity checks all bids for basic compliance with the terms of the bidding documents.
- 3) Evaluate Bids: The procuring entity evaluates the technical and financial aspects of the bids/proposals, ranks the bids according to responsiveness to the request,

verifies that bidders comply with all criteria, and selects a winning bid.

- 4) Obtain Necessary Approvals: Based on the threshold, obtain all necessary certifications, approvals, and ratifications for the Award.

Phase IV: Award and Implementation

- 1) Award the Procurement Contract: A Notification of Award is issued to the successful bidder. The bidder responds with an acceptance letter and thereafter a Letter of award is issued, and a contract is signed.
- 2) Payment: The first payment should be made as a mobilisation fee, if applicable.
- 3) Monitor Implementation: The procuring entity should ensure that the terms of the contract are being fulfilled throughout the life of the contract.

SECTION III: METHODS, PROCESSES AND RELEVANT DOCUMENTS IN PUBLIC PROCUREMENT IN OYO STATE.

PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
Open competitive bidding	This is the default procurement method for goods, works and services. All other procurement methods are to be used upon approval of the Bureau following requests supported with relevant and strong justifications.	<ul style="list-style-type: none"> - Invitation to Bid (ITB) - Standard Bidding Document (SBD) - Expression of Interest (EOI) - Request for Quotation/Proposal (RFQ/RFP) - Bid Evaluation Report (BER) 	<ul style="list-style-type: none"> (i) The Procuring Entity identifies a need. Such needs would usually be in the procurement plan for the year. (ii) The Procuring Entity ensures that there is budgetary support for that need. (iii) Approvals are sought and obtained in line with the thresholds. (iv) The Procuring Entity also obtains approval for funds required for advertisement in 2 National dailies. (v) The Procuring Entity prepares bidding documents (ITB, EOI, SBD, etc.) using the standard template and obtains the clearance of the Bureau to publish the advertisement.

PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
			<p>(vi) Immediately after the expiration of the bidding period, the bids are opened.</p> <p>(vii) Bids are sealed (secret) and opened at the 'Bid Opening' where the responsible officers open the bids in front of all the suppliers on a certain day and time to ensure transparency and the figures, discounts (if any) are announced</p> <p>(viii) Bids submitted after the stipulated period are to be disqualified and returned without being opened.</p> <p>(ix) Bids are evaluated using only the criteria provided in the ITB.</p> <p>(x) The Bid Evaluation Report is presented to the Bureau for review along with a request</p>

PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
			<p>for a Certificate of “No Objection”</p> <p>(xi) In line with the contract award thresholds, a contract awarding authority then ratifies and award the contract to the qualified contractor</p>
<p>Restricted Tendering/Selective Tendering</p>	<p>Used for the procurement of services, goods and works where:</p> <ul style="list-style-type: none"> - They are the only ones qualified to fulfil the requirements or - Certain conditions warrant the use of a limited number of firms in order to reduce the time and cost of 	<ul style="list-style-type: none"> - Invitation to Bid (ITB) - Request for Proposal (RFP) - Request for Quotation (RFQ) - Standard Bidding Document (SBD) 	<ul style="list-style-type: none"> (i) The Procuring Entity identifies a need. Such needs would usually be in the procurement plan for the year. (ii) The Procuring Entity ensures that there is budgetary support for that need. (iii) Approvals are sought and obtained in line with the thresholds. (iv) The Procuring Entity also obtains approval from the Bureau to use Restrictive Tendering/ Selective

PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
	the selection process.		<p>Tendering method of procurement.</p> <p>(v) The Procuring Entity prepares bidding documents (ITB, EOI, SBD, etc.) using the standard template and obtain the clearance of the Bureau prior to issuance</p> <p>(vi) The Procuring Entity invites at least 3 contractors to submit quotation/proposal.</p> <p>(vii) The Procuring Entity then sends a request to the Bureau to issue Certificate of No Objection.</p> <p>(viii) In line with the contract award thresholds, a contract awarding authority then ratifies and award the contract to the qualified contractor</p>

PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
Single Source Procurement (Direct Procurement/ Contracting of Goods, Works and Services)	<p>Used for the procurement of services, goods and works where:</p> <ul style="list-style-type: none"> - It is an emergency situation. - Goods or Services to be procured are available from only one source. - For the continuation of previous or additional work, that cannot be acquired from another firm or individual due to patent, compatibility issues, or exclusive rights. - When the use of this method 	<ul style="list-style-type: none"> - Request for Proposal (RFP) - Request for Quotation (RFQ) 	<ul style="list-style-type: none"> (i) The Procuring Entity identifies a need. Such needs would usually be in the procurement plan for the year. (ii) The Procuring Entity ensures that there is budgetary support for that need. (iii) Approvals are sought and obtained in line with the thresholds. (iv) The Procuring Entity also seeks approval from the Bureau to use Single Source Procurement. (v) The Procuring Entity prepares an RFQ/RFP using the standard template and obtains clearance of the Bureau prior to issuance (vi) The Procuring Entity invites the contractor to submit a quotation.

PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
	<p>represents a clear advantage over the use of a competitive method.</p> <ul style="list-style-type: none"> - when only one firm or individual is qualified to fulfil the requirement. 		<p>(vii) The Procuring Entity then sends a request to the Bureau to issue a Certificate of No Objection.</p> <p>-In line with the contract award thresholds, a contract awarding authority then ratifies and award the contract.</p>
Two-Stage Tendering	<p>This method is used for the procurement of services, goods and works where:</p> <ul style="list-style-type: none"> - More than one firm or individual is qualified to fulfil the requirement. - Prospective firms are able to make suggestions for the improvement of the technical 	<ul style="list-style-type: none"> - Bidding documents adapted to two-stage tendering 	<p>(i) The Procuring entity prepares a first stage bidding document with functional performance specifications.</p> <p>(ii) In response, bidders offer un-priced technical proposals.</p> <p>(iii) The procuring entity then assesses the contractor/vendor’s qualifications and evaluates the technical proposals. This enables the procuring entity to</p>

PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
	<p>specifications and scope of work of the assignment, through their technical proposal and clarification discussions.</p>		<p>better explore options for the technical approach to a procurement and adjust its bidding documents as needed.</p> <p>(iv) In the second stage of the bidding process, bidders offer final bids containing their final technical proposal and a financial proposal.</p> <p>(v) The procuring entity then evaluates the proposals according to the criteria specified in the bidding documents. This allows for the participation of prospective bidders in the definition of the technical specifications and scope of work.</p>

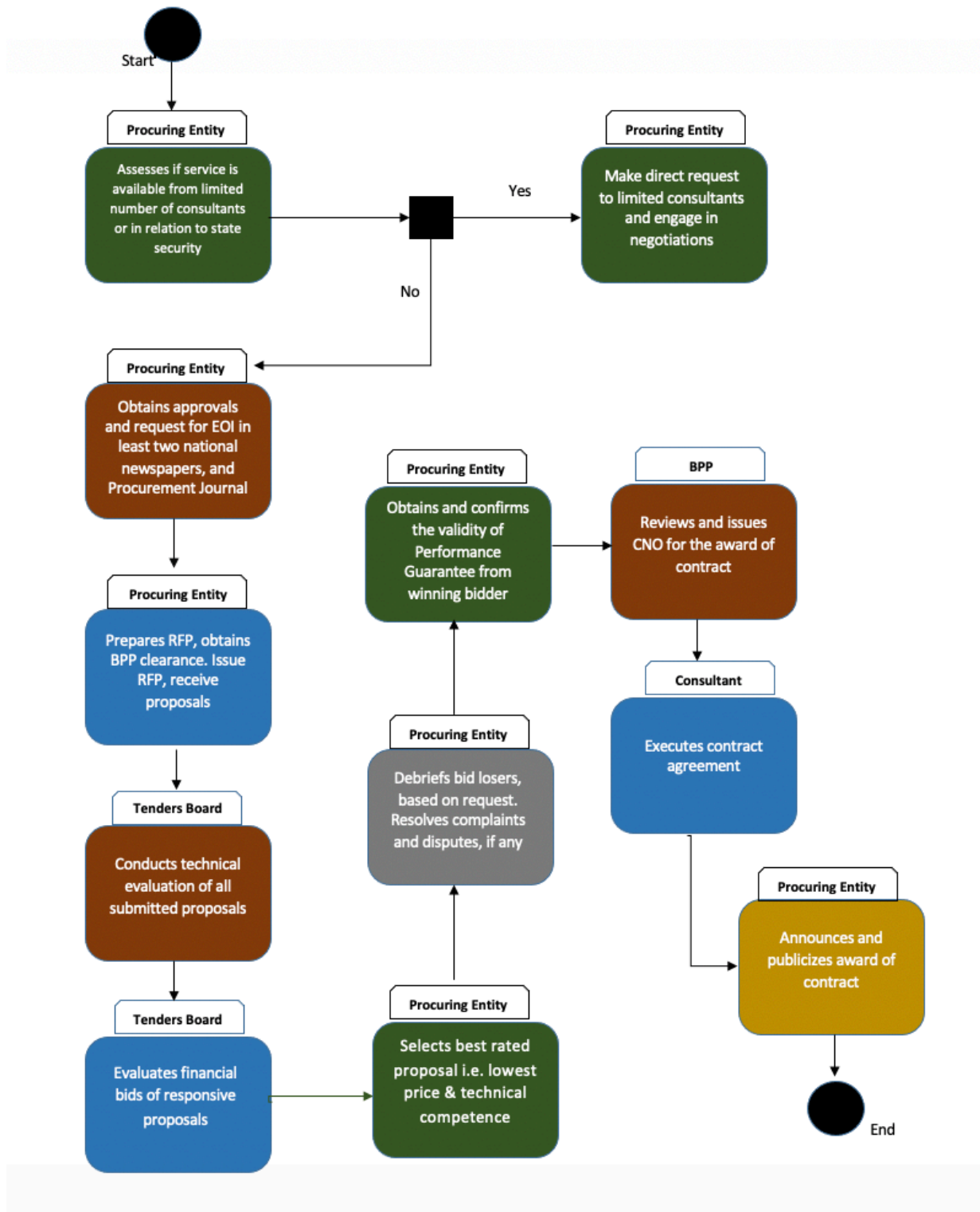
PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
			<p>(vi) A financial proposal is submitted only after reaching agreement on the technical specifications and scope of work.</p> <p>(viii) A contract is negotiated based on the agreed technical specifications and scope of work.</p>
Request for Proposal - RFP	<p>This method is used for the procurement of services, goods and works where:</p> <p>Suppliers, contractors or service providers are expected to propose a specific solution (methodology and work plan) for fulfilling a specific requirement in two separate envelopes.</p>	<ul style="list-style-type: none"> - Request for Proposal (RFP) - Bid Evaluation Report (BER) 	<p>(i) The procuring entity obtains approval from the Bureau to invite proposals from a limited number of contractors, suppliers or service providers (at least three).</p> <p>(ii) The proposals are to be requested in writing.</p> <p>(iii) Proposals are received by the Procuring Entity and opened accordingly. At the opening of the proposals, financial</p>

PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
			<p>proposals are left unopened and are safeguarded.</p> <p>(iv) Technical proposals are evaluated first and ranked according to pre-established evaluation criteria.</p> <p>(v) Financial proposals are publicly opened only after completion of the evaluation of technical proposals. And also, only contractors whose technical proposals score the qualifying mark are considered for the opening of the financial proposal.</p> <p>(vi) Financial proposals are evaluated.</p> <p>(vii) Selection is based on a proposed solution and not solely on price.</p>

PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
			<p>Note: The sum of the combined weighted scores of the technical and financial proposals determines the winning bidder with which the contract is negotiated.</p>
Request for Quotation - RFQ	<p>This method is used for the procurement of services, goods and works where:</p> <ul style="list-style-type: none"> - There are small value procurements of readily available off-the-shelf goods, small value construction works, or small value services. 	<ul style="list-style-type: none"> - Request for Quotation (RFQ) - Bid Evaluation Report (BER) 	<ul style="list-style-type: none"> (i) The procuring entity obtains approval from the Bureau to invite quotations from a limited number of contractors, suppliers or service providers (at least three). The quotations are to be requested in writing. (ii) Quotations are received in response to a request for quotations (iii) Quotations should be evaluated for compliance with the technical specifications or scope

PROCUREMENT METHOD	WHEN TO BE APPLIED	RELEVANT DOCUMENTS	STEPS
			<p>of work of the requirement, in addition to the administrative requirements of the request for quotations.</p> <p>(iv) A price comparison of compliant quotations is made after determining the administrative and technical compliance.</p> <p>Note: The firm offering the lowest price quotation and acceptable delivery or completion date is the successful contractor.</p>

Process flow for Procurement of Consultancy Services



Process flow for Procurement of Goods and Works

