



RIVERS STATE BUREAU ON PUBLIC PROCUREMENT

INTERACTIVE SESSIONS ON IMPROVED SMEs' PARTICIPATION IN PUBLIC PROCUREMENT OPPORTUNITIES LEADING TO CONTRACT AWARDS IN RIVERS STATE

**ORGANISED BY THE RIVERS STATE BUREAU ON PUBLIC PROCUREMENT
(RSBoPP)**

**HELD AT THE
RSBoPP HUMAN CAPACITY DEVELOPMENT CENTRE**





SAFETY MOMENTS





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EXPECTED OUTCOME FROM THIS ENGAGEMENT

This engagement is expected to open the procurement space and remove or address challenges hitherto faced by Small and Medium Enterprises (SMEs) in participating and winning contracts awarded by the Rivers State Government. The session will provide solutions on how such challenges/barriers can be overcome by SMEs not only to participate in such contracts but also to be able to submit responsive bids that may lead to being awarded contracts in the State





INTRODUCTION

Small and Medium Enterprises aka SMEs represent an important sector of any economy and they play a vital role in the economic growth in the nation and at state and local government levels. They are also key drivers in employment scalable revenue generation. As a result of this, it is necessary to encourage and facilitate their participation in public procurement opportunities in Rivers State, leveraged by the State Procurement Law.





DEFINITION OF AN SME

The Central Bank of Nigeria (CBN) generally defined SMEs as entities with asset base of N5 million and not more than N500 million excluding land and buildings with employees between 11 and 199. Categorized into:

1. Micro Enterprise – with less than 10 employees and less than N5m assets;
2. Small Enterprises – with less than 50 employees and less than N50m; and
3. Medium Enterprises – 199 or not less than 50 staff and assets between N5m and N499m





SYNOPSIS OF THE RIVERS STATE PUBLIC PROCUREMENT LAW 2008

Section 19(3) & (4) of the Rivers State Public Procurement Law, No 4 of 2008 states that the Tenders' Board shall be responsible for the award of procurements of goods, works and services within the threshold set in the regulations or whose value:

The Regulations(page 11 paragraph 8:2) has set threshold for Intra Ministerial powers to award contract not exceeding 50,000,000.00 naira only.

#see - PROCUREMENT METHODS AND THRESHOLDS OF APPLICATION - See paragraph 7(3) of the Regulations





SYNOPSIS OF THE RIVERS STATE PUBLIC PROCUREMENT LAW 2008 - FUNDAMENTAL PRINCIPLES OF PUBLIC PROCUREMENT

- Transparency
- Fairness
- Competition Economy
- Accountability
- Efficiency
- Fitness for Purpose
- Value for money





SYNOPSIS OF THE RIVERS STATE PUBLIC PROCUREMENT LAW 2008

REJECTION OF BIDS

- Rejection is when a PE refused to continue with a tendering proceeding or refused accept a bid for reasons disclosed
- PE may reject all bids prior to acceptance of any bid
- PE may cancel the procurement proceedings in the public interest
- PE shall reject bid for major deviations {see grounds in S.28(7) PPL}
- Minor deviation may lead to rejection if not corrected
- No liability on bidders or PE





SYNOPSIS OF THE RIVERS STATE PUBLIC PROCUREMENT LAW 2008 – APPLICABLE DOCUMENTS

- Public Procurement Law No. 4 of 2008
- Monetary and Prior Review Thresholds and Procurement Regulations NO. 1 of 2010
- Guidelines on Work Programmes and Handover of Sites to Contractors in Rivers State
- Guidance Note on the Implementation of the Rivers State Public Procurement Law, 2008
- Public Procurement Manuals of 2017
- Standard Bidding Document for Works
- Standard Bidding Document for Small Works
- Standard Bidding Document for Goods
- Request for Proposals Consultancy Services (Individual Consultants)
- Request for Proposals Consultancy Services (Firms)
- Guidelines on Disposal of Public Asset
- Shopping Templates





SYNOPSIS OF THE RIVERS STATE PUBLIC PROCUREMENT LAW 2008

COMPLAINTS AND REDRESS MECHANISMS UNDER THE PPL

- a. The aggrieved party to submit a complaint within 15 working (from the date he knew about the commission or omission) to the Accounting Officer of the PE;
- b. The Accounting Officer to make a decision within 15 working days following review of the complaint;
- c. Aggrieved party to forward complaint to the RSBOPP within 10 working days where not satisfied;
- d. RSBOPP to take action by suspending the ongoing proceedings, notify all interested bidders of the matter;
- e. RSBOPP to make its decision within a period of 21 working days, stating reasons and available remedies in that instance;
- f. Where the bidder is not satisfied, may refer the matter for Mediation and thereafter, if not satisfied Arbitration which shall be final and no more.
- g. All complaints may be directed to the Public Complaint Desk at the RSBOPP





SYNOPSIS OF THE RIVERS STATE PUBLIC PROCUREMENT LAW 2008

OFFENCES AND PENALTIES UNDER THE PPL

- a. Collusive agreement
- b. Conducting or attempt to Procurement fraud
- c. Influencing the procurement process
- d. Splitting of tenders
- e. Bid rigging
- f. Alteration of procurement document
- g. Altering or Use of fake documents
- h. Willful refusal to allow access to procurement records
- i. N200,000 fine or two years imprisonment or both





OBSTACLES FACED BY SMES

High Infrastructure development contracts (higher frequency of opportunities)

Tight deadlines for preparation of bids

Lack of requisite knowledge of the Public Procurement Law (bidding procedures of the state)

Lack of knowledge of bidding opportunities in the MDAs

High cost of bid preparation.

High cost and difficulty in obtaining financial instruments; bid security, advance payment and performance guaranties,

Insufficient cash flow to implement awarded contracts





Where to find Tender Opportunities

Visit : Notice boards of Ministries, Departments and Agencies
Other sources of information; National and State Dailies

Visit:

THE RIVERS STATE BUREAU ON PUBLIC PROCUREMENT
(RSBoPP) Website

www.rsboopp.rv.gov.ng for more documents and resources as
regards Rivers State Public Procurement Law

Visit: RIVERS STATE GOVERNMENT Website

www.riversstate.gov.ng



CURRENT ADVERTISEMENT



**GOVERNMENT OF RIVERS STATE OF NIGERIA
RIVERS STATE MINISTRY OF TRANSPORT**

INVITATION TO TENDER FOR PREQUALIFICATION/TECHNICAL AND COMMERCIAL TENDERS FOR THE CONSTRUCTION OF PROPOSED NKPOLU OROWOROKWO (MILE 5) AND ABALI MOTOR PARK COMPLEXES

1. INTRODUCTION

The Ministry of Transport, Rivers State hereby expresses her intention to undertake procurement of works and facility lease component and experienced contractors to submit bids for the construction of the under listed projects.

PROJECT DESCRIPTION

A. CONSTRUCTION OF PROPOSED NKPOLU OROWOROKWO (MILE 5) MOTOR PARK COMPLEX

This will comprise multi-level (2 story) structure, that will be located in the existing Nkpolu-Oroworokwo (mile 5) motor park premises.

The terminal building shall have the following

- Ticket Lounge
- Loading Bays
- Parking Lots on all floors
- Police Post
- Food Court/Shop
- Generator House
- External parking and extensive landscaping
- Borehole/Overhead tank
- Other auxiliary facilities

B. CONSTRUCTION OF PROPOSED ABALI MOTOR PARK COMPLEX

This will comprise of a multi-story structure, that will be located within the existing Abali Park premises by the River, along Ake Road Post Harcourt.

The terminal building shall have the following facilities

- Ticket Lounge/Ticketing Malls
- Loading Bays
- Parking Lots on all floors
- Police Post
- Maintenance and Administration Offices
- Food Court/Shop
- Top Floor Restaurant
- Generator/Gen. House
- Borehole/Overhead tank
- Other auxiliary facilities

2. ELIGIBILITY - MANDATORY REQUIREMENTS:

Interested contractors/bidders in this field are invited to submit the following

- i. Evidence of company registration with the Corporate Affairs Commission (CAC) - Certificate of Incorporation, Memorandum and Articles of Association, CAC Form C01, C02 or CAC Form 1.1 and other relevant documentation.
- ii. Evidence of VAT registration with TIN number.
- iii. Detailed Company profile with registered address, functional email, telephone numbers and point of contact for the organization.
- iv. The Company's Rivers State Development Levy receipts for three (3) consecutive years (year of tender inclusive) or attestation to pay.
- v. Evidence of Company (Functional) office in Rivers State or plans and location of same.
- vi. Evidence of payment of Company Tax and returns (tax clearance certificate) for the last three (3) years.

- vii. Evidence of financial capability (a) bank reference letter (b) Audited Financial Returns/Statements for the last three (3) years.
- viii. Verifiable evidence of similar jobs successfully executed in the past three (3) years - attach copies of letters of award and completion certificates.
- ix. Resumes/CV's of key technical staff with copies of professional certificates endorsed or initiated by the staff etc.
- x. Evidence of ownership of equipment, if equipment is not owned by the bidding company, please provide evidence of memorandum of agreement with Leasing Companies for Specific Work Equipment.
- xi. Evidence of employment for the past three (3) years of any Engineers and other professionals registered with COREN and other Professional Bodies.
- xii. Evidence of registration with Rivers State Bureau on Public Procurement (RSBPP) for Government Projects.
- xiii. Cash flow reports of the company by a certified accountant for the past three (3) years.

3. SITE INSPECTION

Bidders are strongly advised to visit on working days between 9:00am to 5:00pm and physically assess the site before tendering.

4. COLLECTION OF TENDER DOCUMENTS AND INSTRUCTION TO PROSPECTIVE BIDDERS

- i. All interested companies are hereby invited to pick up tender documents from the office of the Permanent Secretary Rivers State Ministry of Transport 9th Floor, Podium Block, State Secretariat Complex Port Harcourt, Monday - Friday between 10:00am - 1:00pm.
- ii. Tender (unpriced commercial) documents and other related documents are to be issued upon payment of N20,000.00 (Twenty Thousand Naira) only in favour of Rivers State Government.

5. BID SUBMISSION AND CLOSING

Completed Prequalification/Technical and Commercial/Priced Bids of Quantity (BoQs) are to be submitted in three (3) sets of hard copies, as follows:

- a. Two (2) different sealed tender proof envelopes and labeled "PREQUALIFICATION/TECHNICAL/FINANCIAL Documentation" and both placed in a single third envelope clearly labeled Prequalification/Technical and Commercial Priced Bids. SEALED with Company Seal and signed across seals points. Envelop A Prequalification/Financial Documentation, Envelop B Commercial Priced Bid should be put into a third envelope marked C.
- b. All three (3) envelopes should bear the company name at the reverse side, while the project Name at the Top Right Hand Corner of the Envelope and addressed to the Permanent Secretary Ministry of Transport and deposit in the bid box located at Room 919 9th Floor, Podium Block Ministry of Transport.
- c. The Bids should reach the above address on or before 12:00pm 9th November, 2020.

6. BID OPENING

Tender Documents are to be opened immediately after the closing of submission deadline by 12:00pm on 9th November, 2020 at 9th Floor, Podium Block State Secretariat Complex, at the presence of bidders or their representatives. Officials of RSBPP and interested members of the general public are invited to witness the public bid opening exercise accordingly. This publication hereby serves as an invitation for the Bid Opening to all interested members of the public.

The Bid Opening exercise will take place at the Ministry of Justice Hall Rivers State Secretariat Complex.

PREQUALIFICATION/TECHNICAL BID shall be opened first and evaluated - ONLY bidders that pass Technical Pre qualification shall have their Commercial bids opened and evaluated.

ANTI-BIBBERY COMPLIANCE
In accordance with the Anti-bibbery policy & Compliance programme of the Rivers State Bureau on Public Procurement (RSBPP) bidders are required to submit a copy of Anti-bibbery Compliance Statement.

7. FURTHER INFORMATION

- a. Please ensure you sign the bid submission register at the point of submission as the Ministry will not be liable for misplaced bids.
- b. Late submission will be rejected and shall not be opened in line with section 27 of the Rivers State Public Procurement Law No.4 of 2008.
- c. Bidders are advised that only those who qualify at technical prequalification will proceed to have their commercial bids opened and evaluated.
- d. The Ministry of Transport reserves the right to take final decision on any of the documents received in the bid.
- e. No representative or agent should bid for or on behalf of any firm as the Ministry shall not discuss or deal with any third party.
- f. The Ministry of Transport reserves the right to verify and authenticate any claims by Firms. Prospective Firms should therefore include in their submissions necessary authority for verification.

All costs incurred in responding to this advert and bidding for the project shall be borne solely by the Bidders and

The Ministry shall not enter into any debate or discussion with any party with respect to the rejection of bid not conforming to the directives and accompanying documents.

DISCLAIMER
This advertisement shall not be construed as a commitment on the part of the Rivers State Government to appoint any contractor nor shall it entitle any Contractor submitting documents to claim any indemnity from the Ministry of Transport.

Signed:
Mrs. Fanny Baragwa
Permanent Secretary



HOW SMEs SHOULD BE CONSIDERED FOR PARTICIPATION

Domestic Preference: Section 31 of the Rivers State Public Procurement Law provides that government shall provide maximum opportunities for small and medium size entrepreneurs in the state to participate as suppliers, contractors, subcontractors, consultants in public procurement.

The Bureau through guidelines shall give waiver to SMEs on the following:

- ❑ Bank Guarantee
- ❑ Tax Clearance – new SMEs
- ❑ PenCom Certificate
- ❑ NSITF
- ❑ Performance Bond
- ❑ Bid Bond

Furthermore, the Section also provides that a margin of preference shall be granted to domestic bidders with those of foreign bidders.





COMMON MISTAKES BY SMES IN TAKING ADVANTAGE OF TENDER OPPORTUNITIES

- Failure to follow up on notices of tender opportunities
- Belief in business as usual in having preferential treatment
- Improper scrutiny of tender documents requirements including technical specifications
- Copying and pasting of past submissions
- Failure to request for clarification of bidding documents
- /untimely submission of the request for clarification
- Late submission of Bids
- Failure to submit with the bids all requested documentary evidence supporting the requirements of the tender



PREPARATION OF RESPONSIVE BIDS

- Use the evaluation criteria that is advertised as a checklist of information that has to be provided
- The procuring entity uses the evaluation criteria to assess which bidder provides the best response to the requirements
- Ensure you are able to meet the requirements before going ahead to purchase the tender document
- Use competitive rates found in the next page

EXAMPLE OF A COMPETITIVE RATE BUILD-UP

DESCRIPTION	Unit	Rate build up	Amount
Concrete mix (1:2:4)	m ³	7.00	
Data			
1 bag of cement delivered to site	₱	2,900.00	
1 m ³ of aggregate delivered to site	₱	12,391.87	
1 m ³ of sand delivered to site	₱	3,159.20	
Volume of One bag of cement	m ³	0.0347	
Dry material required for 1 m ³ of concrete	m ³	1.54	
Mix Composition			
Cement	1	0.220	
Sand	2	0.440	
Aggregate	4	0.880	
Material			
Cement		18,386.17	
Sand		1,390.05	
Aggregate		10904.84267	
		30,681.06	
add 5% waste		1,534.05	
Cost per m ³ concrete material		32,215.11	32,215.11
Mixing			
200 litre Mechanical feed mixer			
Hiring cost per day	₱	20,000.00	
Operator per day	₱	4,000.00	
Output per day	m ³	32.00	
Labour	₱	1,585.01	
Cost per m ³ mixing		2335.014409	2,335.01
Placing			
Mason per day	day	4,000.00	
Output per day	m ³	8.00	
Mason cost per m ³		500.00	
Labour		1,585.01	
Cost per m ³ placing		2,085.01	2,085.01
Total			36,635.14
Profit and overhead 25%			9,158.78
Cost per m³ concrete			45,793.92



LOW HANGING FRUITS FOR QUICK SME PARTICIPATION

Ministries or Parastatals shall have power to make procurement the value of which do not exceed Fifty Million Naira (N50,000,000.00) for a single and/or particular transaction

1. Create Lots in multiple items or supplies (e.g) Housing estates could be put in lots : Roads, Electrical and Mechanical and House types; vehicle
2. Fifty Million Naira (N50,000, 000.00) for Ministerial Tenders' Board as provided for paragraph 8 (2) of the Regulations.
3. Not above Fifty Million Naira (N50,000, 000.00) for Agencies and Parastatal's Tenders' Board same as above.





LOW HANGING FRUITS FOR QUICK SME PARTICIPATION

DECOUPLE /BREAKDOWN COMPLEX INFRASTRURE PROJECTS (Engineering Procurement Construction and Installation EPCI) INTO THE FOLLOWING

- ❑ Engineering To Be Performed By A Separate Entity
- ❑ Procurement of Long Lead and Bulk Material for Supply Chain
- ❑ Construction
- ❑ Installation

SMEs in all cases above are encouraged to aggregate their specific strength go into project specific Joint Venture(JV) to create the critical to Compete with larger companies which also major companies practice(e.g TSKG for Bony LNG Project 1st Phase)





PROCUREMENT OR SELECTION METHODS AND THRESHOLDS

International Competitive Bidding: refers to a process by which a procuring entity effects public procurement by offering to every interested bidder, equal simultaneous information and opportunity to offer the goods, services and works needed..

National Competitive Bidding: refers to a process by which a procuring entity effects public procurement by offering to every interested bidder, equal simultaneous information and opportunity to offer the goods, services and works needed.

National Restricted Tendering: refers to a process by which a procuring entity effects public procurement by offering to only a limited number of contractors or suppliers who are specialized in the required field of endeavor.





PROCUREMENT OR SELECTION METHODS AND THRESHOLDS

Forced Account/ Direct Labour: refers to a time and material arrangement whereby the works are undertaken with the understanding that the client will pay the contractor the actual cost of material, labour and equipment expended for the works plus an agreed fee or percentage for profit and overhead.

Shopping (Market Survey): refers to a process by which a procuring entity simply request for the submission of price quotations for readily available off-the-shelf items

Single Sourcing/ Direct Contracting: refers to a process by which a procuring entity effects public procurement by offering to a particular supplier or contractor due to non-availability of alternative product; or due to urgent need for the works, goods or services; or owing to a catastrophic event.





PROCUREMENT OR SELECTION METHODS AND THRESHOLDS

Pre-Qualification: refers to a process by which a procuring entity assesses the suitability of bidders to carry out a specific contract before inviting them to submit financial bids. Generally, all bidders who satisfy the minimum prequalification criteria are invited for financial bid.

Quality Based: refers to a procurement process for the competitive selection of consultancy services based on the most appropriate professional or firm with the highest qualifications such as knowledge, skill, experience and other project-specific factors rather than on fees.

Quality & Cost Based: refers to a procurement process for the competitive selection of consultancy services based on combined technical and financial evaluation of knowledge, skill, and experience and other project-specific factors and fees.





o PROCUREMENT OR SELECTION METHODS AND THRESHOLDS

Consultant Qualification: may be used for small assignments for which the procuring entity shall prepare Terms of References (ToR) and obtain expression of interest from consultants; the best experienced firms will be selected and invited to submit technical and financial proposal which will be assessed to select the most suitable consultant based on negotiation



2nd SCHEDULE PROCUREMENT METHODS AND THRESHHOLD

Procurement or Selection Method	Goods	Works	Non-Consultancy	Consultancy Services
International/National Competitive	M1 50 Million and above	M1 Billion and above	M150 Million and above	Not Applicable
International/National Restricted Tendering	M1 50 Million and above	1 Billion and above	M1 50 Million and above	Not Applicable
National Competitive Bidding	M10 Million and above but less than M1 50 Million	10 Million but less than 1 Billion	M10 Million and above but less than M1 50 Million	Not Applicable
Forced Account/Direct Labour	Not Applicable	M1 00 Million	Not Applicable	Not Applicable
Shopping (Market)	Less than M20	Less than M20 Million	Less than M20 Million	Less than M25 Million
Single Sourcing/Direct Contracting	Less than M 1 0	Less than M10 Million	Less than M10 Million	Less than M10 Million
Pre-Qualification	M1 50 Million and above	M3 00 Million and above	M1 50 Million and above	Not Applicable
Quality Based	Not Applicable	Not Applicable	Not Applicable	M25 Million and above
Quality & Cost Based	Not Applicable	Not Applicable	Not Applicable	M50 Million and above
Consultant Qualification	Not Applicable	Not Applicable	Not Applicable	Less than M20 Million
Fixed Budget	Not Applicable	Not Applicable	Not Applicable	Less than M50 Million
Least Cost	Not Applicable	Not Applicable	Not Applicable	Less than M25 Million





RIVERS STATE CONTRACTORS REGISTRATION STEP/PROCEDURE



TRANSPARENCY | GOOD-GOVERNANCE

Step 1. Log on the Rivers State Bureau on Public Procurement Website

<http://rcrs.rsbopp.rv.gov.ng>

Step 2: Click on Contractors Registration

Step 3: Click on Register

Step 4: Impute your Rivers State Tax Identification Number (RIVTIN)

Step 5: Click on Continue to register.

Step 6: Fill all required details and upload necessary documents

Step 7: Make sure you click on submit button.



THANK YOU



www.rsbopp.rv.gov.ng

