



GOVERNMENT OF THE REPUBLIC OF TRINIDAD & TOBAGO

MINISTRY OF FINANCE

MEDIA RELEASE

First Ever Joint e-Auction Event

The Ministry of Finance hosted the first ever joint e-Auction event in Trinidad and Tobago in which ten (10) State Agencies engaged in a combined bid for paper on August 15th 2008 at the Hyatt Regency Trinidad in Port of Spain. This event comes after continuous training of the State Agencies since its inception in 2006, through seminars and an intense workshop, to heighten the awareness of the benefits of this proven method of procurement.

This unheralded event is part of a thrust by the Ministry to accelerate e-Auction implementation in Trinidad and Tobago as well as enhance transparency, ensure value for money and accountability in the procurement of goods and services within State Agencies. E-Auction is a part of the procurement process. It is a tool that uses web-based software which allows suppliers to bid online, in real time, for the opportunity to win a contract to supply goods or services. The Ministry of Finance has been examining the procurement practices of State Enterprises as part of its overall policy to reform government procurement and reform of the procurement practice is a critical component of the Public Sector re-engineering process. A Task Force has been established which is chaired by the Ministry of Finance and comprises representatives from the Water and Sewage Authority (WASA), the Petroleum Company of Trinidad and Tobago Limited (Petrotrin) and Phoenix Park Gas Processors Limited (PPGPL). Their mandate is to expand the

use of e-Auction across the State Sector, educate the State Sector and the public and train local suppliers to achieve active participation in the e-Auction process. To date the State Agencies that have utilized e-Auction have delivered average savings of 20%. In the ten e-auction events held thus far by Petrotrin and WASA savings of US\$8.2 million have been recorded, that is an equivalent of approximately TT\$51.6 million. These initial results have led to intensification in the use of e-action as the procurement method of choice by initiating agencies.

E-auction shows that there are tremendous possibilities for obtaining savings from combined bidding by several State Enterprises for products which they normally procure separately and more importantly at varying prices.

In addition, to the traditional advantages this project is expected to provide decreased administration cost and source processing time and the ability to collaborate and manage suppliers on-line. In other words State Enterprises who agree to work together can standardise their processes and aggregate their orders for similar goods and services thus avoiding wasteful duplication and obtain economies from bulk buying in addition to the more competitive prices.