

Minister of Finance Circular No. 4 dated April 3, 2017

From: MINISTER OF FINANCE

To: ALL MINISTERS, PERMANENT SECRETARIES, HEADS OF DEPARTMENTS AND THE
CHIEF ADMINISTRATOR, TOBAGO HOUSE OF ASSEMBLY

SUBJECT:

**ESTABLISHMENT OF PROCURING ENTITIES IN MINISTRIES, DEPARTMENTS, TOBAGO HOUSE OF
ASSEMBLY AND STATE AGENCIES**

This Circular serves to outline the way forward in the establishment of procuring entities in all Public Bodies in accordance with Act No. 1 of 2015 and its related amendments.

Cabinet Minute No. 7 of January 5, 2017 would have approved the organizational structures for large, medium and small Ministries/Departments/State Agencies. However many Accounting Officers and Directors of Human Resources have expressed reservations about the adequacy of their internal capacity in assessing the model best suited to their needs. Additionally, some have suggested that variations of the models may be more applicable to their individual procurement budgets.

In response the Ministry of Finance has requested the United Nations Development Program (UNDP) to field a Mission from **April 1, 2017** to advise Ministries and Departments on the most appropriate organizational structures that will meet their requirements. It is envisaged that the Public Management Consulting Division (PMCD) of the Ministry of Public Administration and Communications will build on this work in the finalization of these structures.

To proceed the UNDP has proposed to undertake assessment of the workload of each public body which will involve:

- Recombination of workload related data previously provided by Ministries and similar entities through the online tool SUPREM during 2015 to reflect changed machinery of Government arrangements;
- Examination of the responsibilities of each Ministry and similar entities as currently gazetted for their procurement management implications.
- Consideration of current policy settings on local government and its implications for the management of procurement by municipal and local government bodies under the Public Procurement Reforms.
- Consideration of the progress of implementation of the Public Procurement Reforms by the Tobago House of Assembly;

- Advice from the Ministry of Finance concerning current policy on the procurement of commonly used goods and services, lead procuring entity arrangements, and strategic leadership of the procurement of certain complex categories and on the desirability of clustering/shared service arrangements for procurement.

On March 10, 2017 the Ministry of Finance would have distributed a draft Internal Control Framework (ICF) and a draft model Handbook. To guide Ministries/Department/State Agencies in the use of the ICF, training would take place for senior management for delivery on the basis of training of trainers. This would be a one day course around **April 24, 2017** and would provide an overview of the ICF including implications for its implementation. Additionally, a course on compliance monitoring of the procurement function under the ICF and Public Procurement and Disposal of Public Property legislation would be developed for internal auditors. This course would be developed for delivery by public officials around **May 5, 2017**, building on material developed and delivered in early 2015 but including an extra day of training on the modern risk-based approach to compliance monitoring.

The draft model Handbook, distributed with the ICF, will be updated to reflect particular amendments to the legislation and to refresh aspects of guidance as required. Simultaneously a template of procedural steps based on the draft Handbook will be developed and distributed. The UNDP will deliver workshops around **May 5, 2017** to support public bodies in adapting the template to the management of the procurement function and processes.

You are reminded that the ICF and model Handbook remain as draft until formally issued by the Office of Procurement Regulation (OPR).

Consultations with Ministries on the development of Special Guidelines which are to be submitted to the OPR for approval, are scheduled for the period **May 5 to 19, 2017**.

Training up to Level 3 UNDP/CIPS Certification will continue up to October 2017.

Ministries and Departments are asked to cooperate in this effort by allocating senior officers from each entity who will work directly with the consultant team including one Deputy PS and one senior manager who have been charged with leading the internal change process. These officers would:

- i. Be the ongoing points of contact with the consulting team in their respective entities;
- ii. Engage intensively with the consultant team to: validate the proposed configuration of the procurement function within their respective entities; customise the draft Model Handbook and develop applicable special guidelines; identify and facilitate the engagement of those to be trained in the ICF and compliance monitoring; and, provide feedback on the Level 1 training curriculum;
- iii. Work with the consulting team to develop an implementation strategy and schedule for their respective entities;
- iv. Identify and engage key stakeholders within their respective entities in delivering the implementation strategy; and,
- v. Problem solve within groupings of entities with similar implementation issues

We look forward to working together as we roll out the implementation of Act No. 1 of 2015 and its amendments which provides for Public Procurement and Disposal of Public Property.

A handwritten signature in black ink, appearing to read 'Colm Imbert', with a stylized flourish at the end.

COLM IMBERT

MINISTER OF FINANCE