

- a. Board of Directors
- b. Parent Company
- c. Business Category
- d. Professional Association
- e. Manufacturer Representation
- f. Financial
- g. Personnel
- h. Completed Jobs
- i. Equipments

➤ **Note.** You can always save and continue later.

1. After Completion you are required to submit your application.

➤ Note you can Print an **Interim Registration Report (IRR)** after Completing Step 5 ( a – f)

➤ You may also contact 09-6252380, 6252377, or [info@bpp.gov.ng](mailto:info@bpp.gov.ng) for further online help on the registration process.

## **Frequently Asked Questions (FAQ) on the Database for the Registration, Categorization and Classification of Contractors, Consultants and Service Providers.**

### **1. Why should I register with the BPP Database of Contractors, Consultants and Service Providers?**

The BPP database is a creation borne out of the provisions of Section 5(h) of the public procurement Act (PPA 2007), which makes it mandatory for the Bureau to maintain a database of the particulars of all Federal Contractors and Service providers.

### **2. Who should register?**

All Contractors, Consultants and Service Providers (CCSPs) already doing or intending to do business with the Federal Government of Nigeria (FGN).

### **3. What if I do not register?**

All CCSPs doing or intending to do business with FGN are encouraged to register in this database as it is currently the only data management system for Contractors and Service providers in the country.

### **4. Do foreign contractors have to register?**

Yes. Foreign CCSPs are also to register in this database.

### **5. Are suppliers and manufacturers required to register?**

This database is for Contractors, Consultants and all Service providers, be it suppliers of goods, services and manufactured items. However, it does not cover manufacturers who are not into direct supplies of their manufactured products.

### **6. Are joint ventures required to register?**

No. Companies are required to register as unique individual Corporate Entities.

### **7. What is the first thing I should do if I am considering applying to register With the BPP?**

CCSPs seeking registration in this system are required to download from the database a data Requirement template that details all information that a CCSP will submit

### **8. When do I need to register as a contractor?**

A company can register in the database at any time it so desires.

### **9. How does registration affect my ability to do business with Government?**

The database being a data management system of all Federal Government CCSPs could be used as a definitive source of information about CCSPs doing or intending to do business with the FGN.

### **10. What are the criteria required to register with BPP?**

To be registered in the database a CCSP must fulfil all the requirements of a legally registered Corporate Entity, meet all his obligations to pay taxes, pensions and ITF social security contributions and in addition have the human, technical and financial capacity to execute contractual obligations with FGN.

- 11. Do I need to take any special classes or tests before I register?**  
No. All that is required is the basic ability to enter data electronically in the database.
- 12. Will the BPP acknowledge receipt of my application?**  
The status of the application will be conveyed to the CCSP in the system and through contact e-mails submitted during registration.
- 13. How will I know if my application is approved?**  
A notification will be sent through the contact e-mail with the BPP Contractor identification number and the Classification tiers for the categories selected by the CCSP.
- 14. Is the registration required to bid for a contract?**
- 15. What is the deadline to become registered?**  
No deadline is required for registration, however, for subsequent annual renewals, deadlines might be given.
- 16. If my application is not approved, can I get to register afresh?**  
A notification will be communicated to a CCSP of the specific reasons for denial of registration for further attention.
- 17. My BPP registration was confirmed as up to date, yet it does not appear in the BPP search page results.**  
For such inquiries, please contact the database administrators on these telephone nos; 09-8746682, 09-8746687 and e-mail address, info@bpp.gov.ng
- 18. How do I renew my registration and is there a fee?**  
Registered companies on the database seeking renewal are required to renew their registration starting from the first month of the new year by submitting updated information on company performance in the preceding year. No fees shall be charged for initial registration for local companies, however for registration of foreign companies and subsequent annual renewal on the database, a fee to be determined will be introduced to cover the cost of verification of submitted information.
- 19. What happens if a contractor fails to renew registration before it expires?**  
The contractor's status will be flagged as dormant.
- 20. How do we check our applications?**  
A Company on logging into the database and having provided basic company details will be given a temporary BPP Contractor identification and password which can be subsequently used to enter the database and continue further registration or check status of registration at any time.
- 21. What is the procedure if there are any changes in company particulars?**  
Any changes in company particulars after submitting initial particulars can only be updated after a minimum period of 60 days from the initial date of data submission.

**22. Does being registered guarantee that my company will receive contracts from the Government?**

No. The database is a compilation of companies that are doing business or intending to do business with FGN and not automatic ticket to Government patronage.

**23. Can my company's Registration be revoked?**

It is possible for the Bureau under the provisions of Section 58 of the Public Procurement Act, 2007 to impose sanctions on CCSPs who have breached the provisions of the law including giving false declarations of company details in this database. Such sanctions could include revocation of Company Registration and debarment from public procurement in addition to others as stipulated within the Act.

**24. Do I have to reside in Nigeria to get and keep my registration?**

No. Foreign CCSPs can register in the database.

**25. Does BPP recognize contractors' licenses issued by other states or countries?**

No. The database is for CCSPs who are doing business or intending to do business with FGN. However, a public user can get limited information on the particulars of CCSPs registered in the database.

**26. What happens if I bid for contract without a BPP registration?**

Procuring Entities inviting bidders will state in their tender notification and solicitation documents, all the requirements expected for the bid in question.

**27. Do I need to be concerned about Workers' Pension Fund?**

Yes. All corporate Entities registered in Nigeria and having in their employment a minimum of 5 employees are required to comply with provisions of Pension Reform Act 2004. This compliance is mandatory for a CCSP to be registered in this database.

**28. Do I need to be concerned about Corporate Affairs Commission?**

Yes. It is mandatory that all corporate entities be duly registered with the Corporate Affairs Commission.

**29. Do I need to be concerned about payment of Tax?**

Yes. It is mandatory that companies fulfil their obligations to pay all relevant taxes as applicable and get clearance from the Federal Inland revenue Service (FIRS) before being registered in this database.

**30. Will a conviction for a criminal offence prevent a person from being licensed as a contractor?**

As stipulated in the laws of the country, any company seeking to partake in public procurement shall not have any of his directors who has a record of conviction in any country for any criminal misrepresentation or falsification of facts relating to any matter.

**31. What is Categorisation and how will my company be categorized?**

This is the grouping of companies into areas of specialisation and professionalism based on previous jobs done or intended to be done.

**1. What are the categories involved?**

Companies have for Works, 65 categories, Services, 98 categories and Goods, 49 categories to select based on their areas of specialisation and professionalism.

**2. Can a contractor be in more than one category?**

A company can select more than one category.

**3. What if a contractor's specialty is not part of the categories listed?**

Efforts were made to ensure that the categorization structure includes all areas of Government procurement, however, in the event that a company cannot be placed in any category in the structure, such observation should be made known to the data base administrators in the contact provided.

**4. What is Classification and how will my company be classified.**

Classification is the rating of companies based on their capacities to deliver using such parameters as professional, personnel, technical, financial, past experience and equipment as appropriate. CCSPs can download the classification model from the database.

**5. What are the different classes in contractor classification?**

CCSPs are classified within classes A – E as defined in the classification model. Classification is done separately for all the categories selected by the CCSP. It is possible for a company to have different classes for all the categories of businesses it is into.

**6. What kind of experience is required for a contractor to be classified?**

CCSPs are expected to submit the details of all jobs executed and fully completed in the last 5 years preceding the registration either in the private or public sector.

**7. May I substitute any education, technical training, or apprenticeship training for the required experience?**

CCSPs are required to give details of the academic and professional qualifications and experience of their key personnel.

# Understanding the “Due Process” in Public Procurement Using Public Procurement Act, 2007

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## Abstract:

This paper looks at the understanding of the “Due Process” in Public Procurement using the Public Procurement Act, 2007, Nigerian Procurement regulations, manuals, extant circulars, standard bidding and request for proposal documents.

The paper identifies key elements of due process required by the PPA, 2007 as need assessment, planning, development of solicitation documents, advertisement, bid opening, bid examination, bid evaluation, award, composition of procurement planning committee, tenders board, and approving authority based on service wide approved thresholds. The paper further identifies the administrative review procedure, required code of conduct for public officials, contractors and service providers, offences and sanctions as stipulated in the public procurement Act, 2007.

It identifies some major challenges and finally draws conclusions and makes recommendations on how best Nigeria can maximize the benefits of an effective Procurement System through the Due Process Mechanism.

Key Words: Due process, procurement, Accounting Officers, lowest evaluated responsive bid, approving authority, evaluation, award, offences, sanctions

## 1.0 Introduction

Public Procurement involves the entire process of acquiring goods, services or works using public funds from a contractor or service provider. It is desirable that the goods, services or works are appropriate and that they are procured at the best possible cost to meet the needs of the procuring entity in terms of quality and quantity, time, and location. The process is intended to promote global best practice in procurement and achieve value for money, through fair and open competitive bidding while minimizing exposure to fraud and collusion. Due process in public procurement is the legal requirement that the government must respect all of the legal rights that are owed to a person, contractors and service providers. Typically, "Due process" means Notice generally written. This Notice should provide sufficient detail to fully inform the individual,

contractors and service providers of the decision or activity that will have an effect on his/her rights, bid or property or person. The Notice will further give the right to complain or to disagree with the governmental actor/entity which has decision making authority and the right to APPEAL if not satisfied with the outcome of the grievance procedure as stipulated in section 54 of the PPA, 2007. Due process balances the power of government officials involved in public procurement and protects the individual person, contractors and service providers from abuse of the law. Due Process implies that governmental activities and businesses can be carried out openly, economically and transparently without favouritism and corruptible tendencies (Ezekwesili, 2004). The essence of this is to ensure that rules and procedures for procurement are made in such a way as to be implementable and enforceable. Due Process is a mechanism that certifies for public funding only those projects that have passed the test of proper implementation packaging and that adhere stringently to the international competitive bid approach in the award process (Obasanjo, 2003). Due process in public procurement can also be seen as a rule of law or a way of defining and guaranteeing fundamental fairness, justice, and liberty in public procurement in order to achieve value for money (VfM).

Improved Public Procurement systems would have a beneficial effect on the economic conditions of the nation. Wittig (1999) views Public Procurement as a business process within a given political system, with distinct considerations of integrity, accountability, national interest and effectiveness. These business operations of government, as controlled by public procurement, usually affect many different elements of society. The procuring entities for instance have needs for material support like roads, hospitals, etc. to help in fulfilling their designated national mission. The business communities of actual or potential suppliers on the other hand need to satisfy government procurement requirement. There are also other interested parties like professional bodies, various agencies, interested public, etc who are all affected or influenced in one way or the other by public procurement.

## **2.0 Overview of the Public Procurement Act, 2007 (PPA, 2007)**

PPA, 2007 was signed into law by late Nigerian President Alhaji Umar Yar'adua on 4<sup>th</sup> June, 2007. It is on record that the Procurement bill was the first he signed when he took over the leadership of the country. PPA, 2007 is divided into thirteen parts and subdivided into sixty one sections. These sections give the rule of law (Due Process) that must guide public procurement process in Federal government procuring entities and all other entities outside Federal government procuring entities which derive at least 35% of the funds appropriated for any type of procurement from the Federation share of consolidated Revenue Fund (Section 15, PPA, 2007),

Part one (Sections 1 and 2) establishes National Council on Procurement and defines its function while part two (sections 3-14) establishes the Bureau of Public Procurement. The section defines the functions, powers, staffing among others. Part three (section 15, PPA, 2007) clearly states the scope of application of the Act, while part four (section 16) gives details of the fundamental principles of public procurement. This section describes the mandatory requirement that an individual, contractor or service provider must possess before such person or firm can be admitted to be involved in

public procurement process Such criteria includes, but are not limited to, evidence of Tax clearance Certificate, evidence of company registration with Corporate Affairs Commission, fulfilling all its tax obligations, pensions and social security contributions among others. The section goes further to elaborate on other criteria and stipulates that the basis upon which contractors, suppliers or service providers would be evaluated shall not be changed in the course of procurement proceeding. The responsibility and accountability of the Accounting officer and any other officer were clearly stated in sub section 21 and 22 of Section 16.

Part five of the Act (sections 17-23) mentions due process required in the organisation of procurements. The section identifies the approving authority, procurement planning process, procurement implementation, accounting officer, procurement planning committee, tenders board and prequalification of bidders.

Part six (Section 24-38) discusses procurement methods. The section states clearly that except as may be provided by PPA, 2007, all procurement of goods and works by procuring entities shall be conducted by open competitive bidding. This part goes further to direct on invitation to bids, bid security, submission of bids, rejection of bids, bid opening, examination of bids, evaluation of bids, acceptance of bids, records of procurement proceedings among others.

Special and restricted methods of procurement are discussed in part seven (section 39-43). These methods include two stage tendering, restricted tendering, request for quotations, direct and emergency procurement. For any procuring entity to adopt any of these methods, in line with provisions of section 39-43 of PPA, 2007, there must be an approval from the Bureau of Public Procurement.

The Process of the procurement of Consultant (service) is distinctly covered in part eight (Section 44-52) of the Act. The process includes, but is not limited to, the following: expression of interest, request for proposals, clarification, submission of proposal, criteria for evaluation of proposals and selection procedures among others.

Part nine (section 53-54) of the Act discusses Procurement Surveillance and Review process. The part authorises the Bureau of Public procurement to review and recommend for further investigation by any relevant authority any matter related to the conduct of the procurement proceedings by a procuring entity, or the conclusion or operation of a procurement contract if it considers that a criminal investigation is necessary or desirable to prevent or detect a contravention of PPA, 2007. Section 54 of PPA, 2007 clearly states the complain procedure or administrative review by a bidder.

The disposal of public property is captured in Part ten (Section 55-56) of PPA, 2007. This part elaborates the disposal methods, planning of disposals, and goes further to clearly state that all procuring entities must distribute responsibilities for the disposal of public.

property between the procurement unit and tenders board Part eleven (section 57) discusses the code of conduct for public official, contractors, suppliers and service providers involved in public procurement. The conduct of all persons involved with public procurement shall at all times be governed by principles of honesty, accountability, transparency, fairness and equity. Conflict of interest must be declared by all persons involved in procurement proceedings. Part twelve (Section 58) identifies the offences in public procurement and goes further to recommend sanctions for any person not being a public official, public official and company or firms that contravenes any provision of PPA, 2007.

Part thirteen (Section 59-61) discusses miscellaneous issues, and contains interpretation of terms and short title of the Public Procurement Act, 2007.

### **3.0 Due Process and Procurement in the Nigerian Public Sector:**

#### **3.1 Need Assessment**

The first step in the public procurement process is to identify requirements. All procurement requirements begin with the perception of a need. The need to cross a body of water could create a requirement to build a bridge, a ferry, or other transportation systems.

At this stage it is necessary to clearly define the need, and this may be done by way of a study to determine the best mode to cross the body of water (given the present situation and anticipated future need), then the type of bridge to be constructed, or a comparative cost/benefit analysis to determine the best solution between a bridge and other alternatives.

Consideration should be given to whether the need can be satisfied in-house or contracted out, quantification of the initial budgetary estimates, and an idea of the procurement lead-time.

The composition of the study team should be multidisciplinary in order to address the different questions to be answered to facilitate a comprehensive understanding of the need so as to clearly define the actual requirement.

The role of procurement practitioners at this stage is primarily to estimate the procurement lead time given the most appropriate procurement method that would be suitable for such a requirement.

Of course, the perceived need is not always as complex as in the example above. There are also needs for goods and services, and those should also undergo an analysis to clearly define requirements.

At the end of the requirements definition stage, a clear determination of the terms of reference, technical specifications or statement of work (depending on the procurement

category) should be possible, including an estimate of the budget and, most importantly, the procurement lead-time.

This requirements definition analysis is essential not only for new procurement requirements and project initiation and concept development, but also for requirements needed for maintaining existing operations.

### **3.2 Procurement Planning (Composition of Procurement Committee and procurement planning process)**

The Procurement planning principles are captured in section 18 of the PPA, 2007 while the composition of the procurement planning committee is clearly stated in Section 21 of the PPA, 2007. Upon receipt of an approved procurement requisition, and after reviewing the technical specifications or terms of reference for completeness, the procuring entity is in a position to begin preparing the solicitation documents; otherwise, the procuring entity needs to establish contact with the requesting entity in order to get any missing information to complete the technical specifications or terms of reference before it can begin preparing the solicitation documents.

Solicitation documents are prepared from a template called standard bidding or tender documents, and information specific to the particular requirement, such as observed below, is used to complete the solicitation documents.

Assuming that the requirement is on the procurement plan, pertinent information needs to be obtained and agreed with the requesting entity prior to completing the solicitation documents.

When completing solicitation documents, it is important to:

- Have clear technical specifications or terms of reference
- Decide on the need for pre-bid or pre-proposal conference and/or site visit
- Determine if the requirement is for international or local competitive bidding
- Determine due date for request for clarifications on the solicitation documents
- Decide on the deadline for submission of bids or proposals
- Obtain the name, address, phone number and email address of the client's authorized point of contact for information on the requirement
- Determine bid/proposal validity period
- Determine need for bid security and/or performance security
- Determine bid/proposal evaluation criteria
- Identify and select evaluation panel members and observers
- Determine bid/proposal opening date

Once the solicitation documents are complete and approved, a procurement notice is prepared and posted to approved websites and internet portals, and also published in local and (if necessary) international newspapers.