

Government Reviews Procurement Regulations and Guidelines

The government is set to implement revised Procurement Regulations and Guidelines later this year, marking a significant step towards enhancing transparency, accountability, efficiency, and sustainability in public spending. The updated regulations, replacing the 2010 version, will take effect following comprehensive training programs for government officials.

The Ministry of Finance, Strategic Planning, National Development, and Statistics, with support from the Asian Development Bank (ADB), spearheaded the review of the regulations following amendments to the Finance Management Act in 2022. This review encompassed subsidiary regulations, including the 2010 Procurement Regulations.

A key component of the implementation process is a Procurement Regulation Workshop which was funded by the ADB. This workshop is training key procurement officials from across the government on the new changes. Following this, ministry and division-wide training will be conducted to ensure all relevant personnel are well-versed in the updated procedures.

The reforms are designed to promote open competition, ethical practices, and value for money, with a strong emphasis on sustainable development outcomes and support for local businesses. The revised regulations introduce several significant improvements, including:

- **Expanded Scope**: The regulations now apply not only to Ministries and Departments but also to other budget sector agencies and off-budget state entities, ensuring a more unified procurement framework.
- **More Procurement Methods**: The number of procurement methods has been expanded from four to eleven, introducing options such as electronic reverse auctions and community participation to allow greater flexibility.
- **Stronger Oversight & Record-Keeping**: The Fiji Procurement Office's role has been enhanced beyond administrative functions, focusing on active monitoring. Additionally, record-keeping requirements have been extended to seven years.
- **New Procurement Principles**: The regulations emphasize risk mitigation, sustainable procurement, and maximizing value for money while ensuring open, fair, inclusive, and equitable competition.
- **Updated Threshold Values**: New approval thresholds better reflect current economic conditions, ensuring efficient and effective procurement.
- Stricter Emergency Purchase Criteria: Emergency procurements will now be limited to unforeseen extreme urgency events, with a clear transition plan to open and competitive methods.

- **Debarment & Supplier Accountability**: A dedicated Debarment Committee will have the authority to suspend suppliers for up to five years for unethical practices such as bid collusion and contract misconduct. A public register will list debarred entities.
- **Right to Challenge & Standstill Period**: A 10-day standstill period before finalizing contracts allows bidders to challenge decisions, ensuring a fairer procurement process.
- **Transparent Disposal of Government Assets**: A structured approach to government asset disposal has been introduced, including clear thresholds for central disposal.
- **Periodic Reviews & International Compliance**: The regulations will undergo a review every three years, ensuring they remain aligned with evolving international standards and local economic conditions.

The revision process involved extensive consultations with a broad range of stakeholders, including ministries, suppliers, industry bodies, and oversight agencies such as the Fiji Independent Commission Against Corruption (FICAC), ensuring that the regulations reflect the needs and concerns of all parties involved.

For more details, visit <u>www.fpo.gov.fj</u>.