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MEDIA RELEASE

OCG Cautions Government and Parliament not to Dilute Anti-Corruption Checks and Balances in Jamaica's Procurement Regulatory System

Kingston; March 7, 2012 – The Office of the Contractor General (OCG) of Jamaica, which is mandated by law to “ensure” that Government contracts are awarded impartially and on merit, and in circumstances that do not involve impropriety or irregularity, wishes to caution the Executive and the Legislative arms of the State not to do anything which could be perceived as diluting the checks and the balances which have been painstakingly inserted into Jamaica's Procurement Regulatory System to stem the endemic corruption in public contracting that Jamaica is perceived to be mired in.

Instead, both the Government and the Parliament would be well advised to focus their efforts on implementing the several considered remedial recommendations which have been repeatedly advanced by the OCG to further promote transparency, accountability, competition and value for money in public contracting in Jamaica, and to break the damning links between politics, organized crime, corruption and Government contracting that the OCG is only too well aware continues to constitute one of the major impediments that there is today to sustained economic growth and foreign direct investment in Jamaica.

Tampering with the Contractor General Act, or the Government's Procurement Rules, to reduce the effectiveness of Jamaica's Contract Award, Implementation and Oversight Regulatory System, as opposed to strengthening the System, will be viewed as an ill-conceived and misguided step in the wrong direction.

Any such action will, as a matter of certainty, inflict a fatal body blow to the clear and unambiguous signals which the Government is urgently required to telegraph to the local populace, taxpayers, foreign investors, the multilateral financing community and Jamaica's international bilateral partners alike, that it is serious about tackling the scourge of corruption in Jamaica which has now earned for the country the indecorous stigma as one of the most corrupt countries in the Western Hemisphere.

The OCG's warning comes against the background of statements that were made in the House of Representatives yesterday by both the Opposition Spokesman on Finance, Mr. Audley Shaw, and the Minister of Finance, Planning and the Public Service, Dr. the Hon. Peter Phillips.

In commenting upon the failure of certain Public Bodies to implement projects in a timely fashion, Mr. Shaw alluded to “a certain type of madness that is approaching around this whole procurement process” which he felt needed urgent address. Dr. Phillips, on the other hand, said, among other things, that the



country was “losing opportunities for expanded growth because of the cumbersomeness and constipatedness (sic) of the whole (procurement) process”.

Both statements, given the context within which they were made, would suggest that the Government’s Procurement Rules, and/or the oversight monitoring of the system by the OCG, should be relaxed as they are impeding efficiency in the Government Procurement Process, and obstructing national economic growth.

Nothing, however, could be further from the truth as the current Procurement Rules, which were comprehensively revised as recently as January 2011, provide ample room and flexibility for emergency and direct contracting, as well as for relaxed procedures and reduced rigidity in instances of low value procurements.

Most importantly, however, it is the Procurement Rules and the OCG which represent the last line of defence that exists in Jamaica today against a Political System which has so far failed to exhibit the Political Will that is desperately needed to do what is right by Jamaica and to decisively rid the country of the evil scourge of corruption which is haunting the island and which has already condemned the great majority of Jamaicans to a future of relative poverty and dismal hopelessness.

Contrary to what the Minister and the Opposition Finance Spokesperson have inferred, the OCG, is confident in its posture that the major reason for the delay in the implementation of the referenced projects is the failure of certain Public Bodies to effectively plan their procurements in a timely and efficient manner.

Consequently, the OCG believes that both Mr. Shaw and Dr. Phillips are not only obliged to elaborate in clear and unambiguous terms precisely what they were alluding to yesterday, but they must also provide empirical evidence of that which they allege.

In Mr. Shaw’s case, the OCG believes that it is particularly critical for him to clarify exactly what is the “madness” which he sees in the current System, as the current Procurement Rules, which were revised and placed into operation in January 2011, were developed, written and submitted to the Cabinet for approval by the Ministry of Finance when he, Mr. Shaw, was the portfolio Minister in charge of Finance.

Likewise, Dr. Phillips is obliged to explain the glaring inconsistency which is now apparent between his statement yesterday and an earlier statement that was made by him, also in the House, which was reported in the August 1, 2010 edition of the Sunday Gleaner newspaper. In his earlier statement, Dr. Phillips’ ‘Way Forward’, in terms of ‘Anti-Corruption Measures for Jamaica’, was specifically expressed to include ‘the tightening of contract procurement measures’.

Dr. Phillips should also be required to publicly rationalize the deep concerns that were publicly advanced by the Peoples National Party (PNP), only a few months ago, while it was in Opposition, regarding what it had then implicitly suggested were the inadequacies of a Government Procurement Regulatory Regime which facilitated the flagrant breaches of the Government Procurement Rules, and the diversion of substantial sums of money in unauthorized spending, in the infamous Jamaica Development Infrastructure Programme (JDIP) and the Palisadoes Shoreline Protection and Rehabilitation Works Project.



On December 9, 2011, on International Anti-Corruption Day, Dr. Phillips, in delivering a Statement on behalf of the then Leader of the Opposition, at the launch of the National Integrity Action Limited (NIAL), also gave the following solemn undertaking:

“Any Administration of the Peoples National Party, which we expect to be formed after December 29, will undertake to amalgamate the Office of the Contractor General, the Corruption Prevention Commission, the Parliamentary Integrity Commission, and to provide such an institution with the appropriate investigative powers and with the ability to directly undertake prosecutions with an appropriate relationship with the Office of the Director of Public Prosecutions”.

The OCG also feels constrained to use this opportunity to respectfully remind the ruling PNP Administration of the seemingly sincere commitments that it had given to the Jamaican electorate only days before the December 29, 2011 General Political Elections to, among other things, fight corruption in public contracting in Jamaica and to strengthen the institution of the OCG.

In the National Leadership Debate, which was held on December 20, 2011, only nine (9) days before the General Elections, this is what the then Opposition Leader and current Prime Minister of Jamaica, the Most Hon. Portia Simpson-Miller, had to say:

“I am very strong ... in terms of fighting corruption and will not tolerate any form of corruption in a People’s National Party Government and that’s why when I’m returned to power, as Prime Minister, I will ensure the strengthening of these institutions, like the Office of the Contractor General and all the institutions having to investigate corruption and deal with corruption when they are reported... I will be very firm and strong on corruption. I do not believe that we should allow anyone to corrupt the system of government”.

In reliance upon the commitment that was given by Mrs. Simpson-Miller, the Contractor General wrote to her on January 6, 2012, her first day in office as Prime Minister, to formally convey to her, for the urgent consideration and implementation of her Government, more than twenty-five (25) considered OCG Anti-Corruption Recommendations.

The referenced OCG Recommendations were specifically crafted to (a) enhance transparency, competition, accountability and probity in public contracting in Jamaica, (b) ensure compliance with the Government’s Procurement Rules, (c) eliminate waste and inefficiency in the award and implementation of Government contracts, (d) prevent fraud and corruption in Government contracting, (e) strengthen the independence of the OCG, and (f) to generally win the battle against corruption in Jamaica.

The Recommendations are among the many corrective and remedial Anti-Corruption Recommendations that the OCG has repeatedly made under the stewardship of the incumbent Contractor General. However, and despite the promises that were made by Dr. Phillips and the Prime Minister, the OCG is yet to receive a written response from the Prime Minister to indicate whether or not her Government intends to honour its public commitments.

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