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FOR IMMEDIATE RELEASE

OFFICE OF THE CONTRACTOR GENERAL SUBMITS REPORT TO PARLIAMENT ON THE TENDER EVALUATION PROCESS FOR THE AWARD OF THE GEASO HEALTH INSURANCE SCHEME CONTRACT

Kingston, October 19, 2007 – The Office of the Contractor General (OCG) has submitted to the Parliament of Jamaica, an eighty-one (81) page Report on its assessment of the tender evaluation process for the procurement of the Government Employees Administrative Services Only (GEASO) Health Insurance Scheme contract.

The tender evaluation process had resulted in a recommendation for the contract to be awarded to Life of Jamaica Limited (LOJ). The recommendation was made by the former Ministry of Finance and Planning and was subsequently endorsed by the National Contracts Commission (NCC) on May 30, 2007.

The OCG's Report was submitted today to the Minister of Finance and the Public Service, the Hon. Audley Shaw, the Minister Without Portfolio in the Ministry of Finance and the Public Service, the Hon. Dwight Nelson, and the Financial Secretary, Mr. Colin Bullock. The Report was also submitted to the Speaker of the House of Representatives, the Hon. Delroy Chuck and to the President of the Senate, the Dr. The Hon. Oswald Harding.

Under Section 28 (3) of the Contractor General Act, both the Speaker of the House and the President of the Senate and are now obliged to table the Report in both Houses of Parliament "as soon as possible". Contractor General, Greg Christie, said that he had taken the decision to prepare and to submit the Report to Parliament in the public interest, adding that he had previously advised of his intent to do so.



Mr. Christie also said that he had written to the former Ministry of Finance and Planning on four (4) separate occasions urging it to disclose to the Public the relevant technical considerations which had properly guided its recommendation to award the subject contract to LOJ and to explain why it had rejected the recommendations of the Consulting Actuary, as it had a right to do.

However, he said that despite his efforts, the Ministry had failed to make the requested disclosure.

In his last written plea to the former Minister of Finance and Planning, Dr. The Hon. Omar Davies, which was dated July 13, 2007, the Contractor General said that he had respectfully asked the Minister to act upon the OCG's strong recommendations to ensure that a full and prompt disclosure was made by the Ministry of all of the relevant facts in the matter.

“We believe that the Tax-Paying Public and the Country's Public Servants have a right to know these facts. We also believe that without a full disclosure, the legitimacy of the actions of the Ministry, and the NCC, will be rightly challenged for want of transparency, and that confusion and suspicion will reign”, Mr. Christie had written.

The Contractor General said that it was widely known that the Ministry's recommendation for the award of the contract to LOJ, and the NCC's endorsement of that recommendation, had been publicly challenged on the alleged ground that the tender evaluation process was “flawed”. However, Mr. Christie said that these challenges were unfounded and were without merit.

“Essentially, two (2) principal reasons were advanced in the public domain to support this contention of a ‘flawed process’. One was that the GEASO Monitoring Committee was entitled to a participatory role in the evaluation of the tenders and had been denied that participation. The other was that the Blue Cross of Jamaica tender should have been selected as the winning tender because Blue Cross had secured a higher score than LOJ in the Consulting Actuary's evaluation of the tenders. Neither of these positions can be credibly substantiated and, indeed, both are patently misinformed,” the Contractor General said.



The OCG is confident that by publishing its Report, clarity, understanding and transparency will be brought to bear upon all of the pertinent issues which have so far attended the procurement of this major JA\$2 Billion per annum Government contract award. It will also become clear that the recommendation to award the GEASO contract to LOJ was one which, in the circumstances, was properly made.

The OCG also wishes to make public the fact that the Contractor General has written to the newly appointed Minister of Finance and the Public Service, the Hon. Audley Shaw. He has urged the new Ministry to comply with the directives of the NCC and to submit the recommendation for the award of the contract to LOJ to the Cabinet for its approval, in keeping with the new administration's stated commitment to uphold the Government's Procurement Procedures and the Contractor General Act.

The Contractor General, who wrote to Mr. Shaw on two (2) separate occasions, once on September 18, 2007 and again on October 10, 2007, had provided the Minister with a historical overview of the GEASO contract procurement issue and had requested him to respond to the OCG's stated positions on the matter. However, on October 12, 2007, Senator the Hon. Dwight Nelson, the Minister Without Portfolio in the Ministry of Finance and the Public Service, wrote to the Contractor General to advise him that the Ministry had sought "guidance and direction from the Cabinet" on the matter.

The OCG continues to expect that both the provisions of the Contractor General Act and the Government's Procurement Procedures and Guidelines will be respected and scrupulously adhered to by the Cabinet and by all Public Bodies and Public Officials.

Once the OCG's Report is tabled in Parliament, the entire Report will be published by the OCG on its official website at www.ocg.gov.jm.

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