



GUIDE TO THE PUBLIC PROCUREMENT SYSTEM

Government Procurement Services Government of Montserrat

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List of Acronyms

Acronym	Definition
DPC	Departmental Procurement Committee
GOM	Government of Montserrat
GPS	Government Procurement Services
PE	Procuring Entity
PPB	Public Procurement Board
STDs	Standard Tender Documents
XCD	Eastern Caribbean Dollars

PART A: INTRODUCTION

1 Introduction

1.1 Purpose of guide

This guide is designed to provide public officers with an overview of the public procurement system including:

- the objectives of public procurement;
- roles and responsibilities in the public procurement system;
- ethical standards for public procurement; and
- an overview of the procurement cycle.

It provides an introduction to public procurement only. You should use the relevant guide and standard documents when carrying out the procurement process.

1.2 Legal framework

Public procurement in Montserrat is governed by:

- the Public Procurement Act 2025 (the “Act”); and
- the Public Procurement Regulations 2025 (the “Regulations”).

This guide is issued by Government Procurement Services (GPS) under section 10 of the Act to provide procuring entities (PEs) with the necessary guidance and direction to plan procurement.

GPS has issued separate guides which cover the processes to follow for procurement planning, each different method of procurement and contract award and management.

GPS has also adopted standard tender documents (STDs), contract forms and other procurement forms and templates. The use of these documents is mandatory and this guide provides advice on which documents should be used where relevant.

The Act and Regulations can be downloaded from <https://tenders.gov.ms/publications>. All other documents are available from GPS by emailing procurement@gov.ms.

In the event of any discrepancies, the Act and Regulations take precedence over this guide and the standard documents. Any queries or suggestions for updates to this guide or the standard documents should be addressed to the Head of GPS.

1.3 Application

The Act, Regulations and this guide apply to all PEs, including ministries, departments, units and subdivisions of the Government of Montserrat (GOM) that engage in procurement.

Government owned entities are required to follow this guide, unless they have their own procurement rules or regulations, approved by the Cabinet on the recommendation of the Public Procurement Board (PPB).

Donor funded procurement

Where procurement is funded, or partly funded, by a donor (such as the Caribbean Development Bank or World Bank), the Act, Regulations and procurement guides apply where they are compatible with the requirements of the loan, grant or other funding agreement.

Where any incompatibilities are identified, consult the Head of GPS for advice on how to resolve them.

Exemptions

There are a number of specialised types of procurement which are not subject to the procedures in the Act, Regulations and procurement guides. These are summarised in the table below, but the precise wording for these exemptions should be checked in section 5 of the Act. Any queries should be addressed to the Head of GPS.

Exemptions from the Public Procurement Act	
Procurement under regional or international co-operative procurement agreements, including those of the Organisation of Eastern Caribbean States	Contracts awarded under framework agreements to which Montserrat is a party
Specialised services for regulated financial institutions	Services related to public debt
Purchase or rental of land or buildings	Research and development services to create a prototype
Arbitration and conciliation services	Employment contract
Procurement between two procuring entities to achieve common objectives	Procurement for national defence and security purposes
Legal services related to judicial proceedings	Utilities including water, electricity and fuel

PART B: OBJECTIVES OF PUBLIC PROCUREMENT

2 Objectives of public procurement

2.1 Purpose of the Act

The overall purpose of the Public Procurement Act 2025 is to:

- promote positive economic, environmental and social value outcomes for Montserrat (sustainable procurement);
- maximise value for money, quality and efficiency;
- promote competition;
- ensure fairness, transparency and integrity; and
- ensure that funds are managed in accordance with the Public Finance (Management and Accountability) Act.

References and templates:

- Section 3 and Part 7 of the Public Procurement Act 2025
- Regulations 13 and 30 of the Public Procurement Regulations 2025

Public officers should be guided by these objectives in all procurement activities. The procedures and rules in the Act and Regulations are designed to achieve these objectives. Section 2.2 below provides further guidance on sustainable procurement, while section 4 covers ethical standards to support integrity in public procurement.

2.2 Sustainable procurement

Sustainable procurement is an approach which incorporates a PE's economic development, environmental and social inclusion objectives into the procurement process, in accordance with Government policy.

GPS will develop a sustainable procurement policy for all PEs to implement. This may use several different approaches to sustainable procurement including:

- promoting national industry by applying a margin of preference to tenders with goods manufactured in Montserrat or using local labour or services;
- promoting socio-economic development by setting aside a proportion of procurement for certain target groups e.g. small or micro enterprises or special groups such as women, youth, the elderly or persons with disabilities;
- encouraging the procurement of environmentally friendly goods, works or services.

You may divide a procurement into lots where it would support sustainability goals e.g. by making it easier for small or micro enterprises to tender.

You may seek to procure goods, works or services with a reduced environmental impact throughout their life cycle. Ways to achieve this include:

- developing environmentally friendly specifications;
- including qualification or evaluation criteria which consider the environmental characteristics or approaches of the tenderer or the goods, works or services required;
- evaluating tenders based on life-cycle costing which considers costs relating to acquisition, use, consumption of energy or resources, maintenance and end of life costs;
- including contract conditions related to compliance with environmental standards and legislation.

**PART C: ROLES AND RESPONSIBILITIES IN PUBLIC
PROCUREMENT**

3 Roles and responsibilities

3.1 Overview of roles and responsibilities

The public procurement system involves several different structures with different responsibilities for:

- carrying out procurement;
- reviewing and approving procurement; and
- regulating the procurement system.

Responsibilities for carrying out and approving procurement vary, depending on the value of the procurement and other factors; see section 3.2.

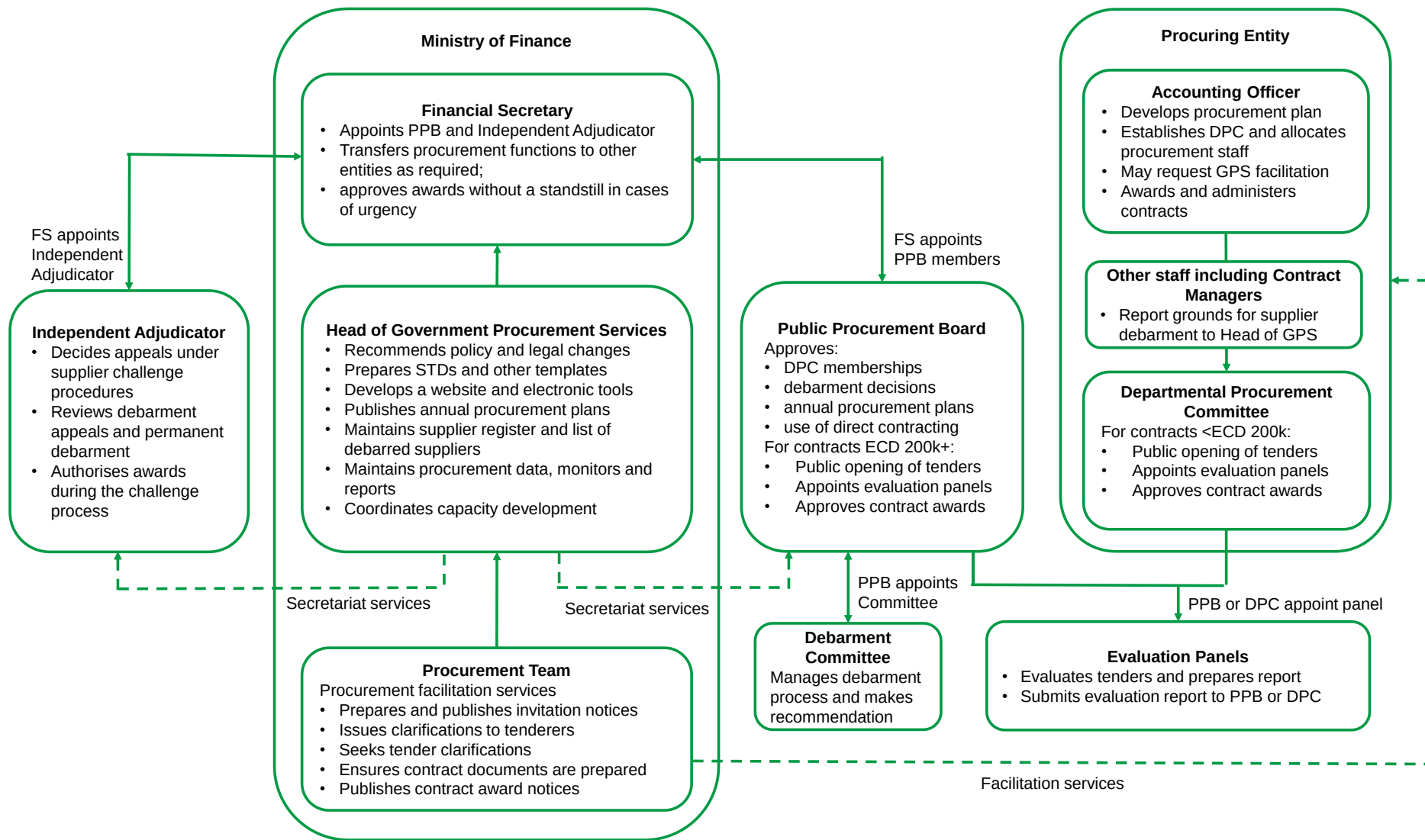
Regulatory functions are carried out by several different organisations and individuals, including the Financial Secretary, PPB, GPS and the Independent Adjudicator; see section 3.3.

References:

- Sections 6-13 of the Public Procurement Act 2025
- Regulations 4-5, 7, 47, 52-54, 57 and 58-59 of the Public Procurement Regulations 2025

The graphic below provides an overview of public procurement structures, showing the functions of the different organisations. Further information about each is provided in the sections below.

ROLES AND RESPONSIBILITIES IN PUBLIC PROCUREMENT



3.2 Responsibility for procurement

Who does procurement?

Procuring entities are responsible for carrying out their own procurement. This includes all activities within the procurement cycle (from procurement planning through to contract management), with the exception of evaluation, which is carried out by an **evaluation panel**.

Evaluation panels are appointed by either:

- the PPB, where the estimated value of the procurement is XCD 200,000 or higher; or
- the Departmental Procurement Committee (DPC) where the value is below XCD 200,000.

They must include a minimum of three persons, with at least two of those having experience relevant to the evaluation tasks e.g. experience in procurement law, finance, business or public administration or in the technical area of the tenders being evaluated.

Procuring entities must appoint a **contract manager** for each contract awarded.

GPS Facilitation

GPS will provide facilitation services for any procurement with a value over XCD 100,000 or where requested by an accounting officer. This includes support to the tendering, evaluation and award process.

GPS facilitation includes preparing and publishing invitation and award notices, responding to requests for clarification from tenderers, assisting the evaluation panel to seek tender clarifications and ensuring that formal contracts are prepared.

Responsibility for key procurement activities is shown in the table below:

Person or body	Procurement responsibilities
Accounting officer	• Developing an annual procurement plan • Designating suitable staff to carry out procurement tasks • Requesting facilitation by GPS where appropriate • Establishing a DPC (subject to PPB approval) • Awarding and administering contracts, after all required approvals.
Staff designated by the accounting officer	• Conducting early market engagement (with GPS) • Preparing a description of requirements and cost estimate • Selecting the procurement method • Preparing prequalification and tender notices and documents and responding to requests for clarification

	- Evaluating applications to prequalify and expressions of interest - Issuing notices of intention to award and notices of acceptance - Preparing contract documents and contract award notices - Keeping procurement records and preparing procurement reports.
Evaluation panel	- Evaluating tenders in accordance with the tender document - Preparing an evaluation report with recommendations - Responding to any queries on the evaluation report.
Contract manager	- Ensuring the signing and mobilisation of awarded contracts - Managing the contract - Keeping contract management records.

Who approves procurement?

Review and approval of procurement is the responsibility of:

- the **PPB** where the estimated value of the procurement is XCD 200,000 or higher; or
- the **DPC** where the value is below XCD 200,000.

The PPB or DPC's responsibilities are:

- conducting the public opening of tenders;
- appointing evaluation panels;
- checking that there is sufficient budget for any proposed contract;
- checking that procurement processes are compliant with the Act and Regulations;
- giving (or refusing) consent for any contract award recommendation.

The table below shows how responsibilities change for different value thresholds:

Estimated Value of Procurement	Responsibilities
XCD 100,000 or less	Procuring entity conducts procurement DPC appoints evaluation panel and approves award
XCD 100,000-200,000	GPS provides facilitation services to support PE in conducting procurement DPC appoints evaluation panel and approves award

XCD 200,000 or more	GPS provides facilitation services to support PE in conducting procurement PPB appoints evaluation panel and approves award
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3.3 Regulating the public procurement system

Activities to regulate the procurement system are carried out by the Financial Secretary, (PPB), GPS and the Independent Adjudicator. Their key responsibilities are summarised in the table below:

Person or body	Procurement responsibilities
Financial Secretary	- Overall responsibility for GOM procurement policy - Appoints members of the PPB and the Independent Adjudicator; - Gives approval for procurement to proceed without a standstill period, where urgent public interest considerations require it.
Public Procurement Board	- Approves the membership of DPCs - Receives procurement reports from DPCs and GPS - Approves debarment or reinstatement of suppliers - Approves annual procurement plans and any updates - Approves the use of direct contracting with a value of XCD 15,000 or higher - Reviews and approves procurement with a value of XCD 200,000 or higher
Government Procurement Services	- Overall responsibility for management of the procurement system and monitoring public procurement - Recommends policy or legal changes to procurement procedures - Adopts STDs, forms and templates, as well as a framework for contract management - Develops a procurement website and other electronic procurement tools - Publishes summary annual procurement plans - Maintains a supplier register and list of debarred suppliers

	• Maintains procurement data, monitors procurement and reports on procurement • Coordinates capacity development in public procurement for both the public and private sectors and organises supplier engagement forums • Provides advice to the PPB and Financial Secretary as required • Provides secretariat services to the PPB and Independent Adjudicator • Provides procurement facilitation services.
Independent Adjudicator	• Decides on appeals brought by suppliers under challenge procedures • Review appeals against debarment and decisions to permanently debar a supplier • Can authorise a PE to award a contract during the challenge process, where it is in the public interest.

PART D: ETHICAL STANDARDS

4 Ethical standards

4.1 Overview of ethical standards

Public procurement is particularly vulnerable to corruption and unethical practices due to the high values involved, the complexity of the process and the need for interaction between the public and private sectors. Therefore, everybody involved with public procurement must follow the highest integrity standards.

References and templates:

- Sections 20 and 38-40 of the Public Procurement Act 2025
- Regulation 46 of the Public Procurement Regulations 2025
- Code of Conduct for Suppliers
- Code of Conduct for Public Officers
- Declaration for Members of Evaluation Panels
- Declaration for Members of PPB and DPCs

The Act defines “prohibited practices” which are shown in the table below. These are prohibited for suppliers, public officers and any other person involved in public procurement.

Prohibited Practices	Definitions and examples
Fraud	Any act or omission, including a misrepresentation, that knowingly or recklessly misleads or attempts to mislead, a party to obtain a financial or other benefit or to avoid an obligation. For example, a supplier deliberately including incorrect information in a tender or during implementation of a contract.
Collusion	An arrangement between two or more parties, designed to achieve an improper purpose, including influencing improperly the actions of another party. For example, two tenderers fixing prices for tenders to artificially increase prices.
Coercion	Impairing or harming, or threatening to impair or harm, directly or indirectly, any party, or the property of the party, to influence improperly the actions of a party. For example, preventing a tenderer from submitting a tender through physical harm or threats.

Obstruction	Deliberately destroying, falsifying, altering or concealing of evidence related to an investigation or making false statements or false allegations to investigation or supervisory authorities in order to impede their investigation into allegations of a violation of a prohibited practice. Threatening, harassing, or intimidating any party to delay or prevent it from sharing evidence or disclosing its knowledge of matters relevant to an investigation or from pursuing the investigation; or acts, which impede the exercise of the relevant authorities' access, inspection and audit rights. For example, deliberately deleting files, lying to a government authority investigating potential corruption or threatening someone else to make them destroy or hide evidence of corruption.
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4.2 Codes of conduct

The ethical standards expected are summarised in codes of conduct, with alternative versions for suppliers and for public officers. These can be found at <https://tenders.gov.ms/publications>.

Any breach of the codes of conduct may result in prosecution under criminal laws and, for public officers, disciplinary proceedings under public service law. Any member of the PPB or an evaluation panel who is not a public officer may have their appointment suspended or terminated.

PEs must reject any tender where the supplier has engaged in prohibited practices. They must also notify the relevant law enforcement authorities.

4.3 Confidentiality

Confidentiality is a key requirement in the Act and code of conduct for public officers. You must keep the following information confidential:

- technical, price or other information in tenders and any similar documents;
- any communications with suppliers in respect of procurement or a contract;
- any other documents, data or other information related to procurement or a contract.

The only exceptions to confidentiality rules are:

- information that is shared under procurement rules e.g. information in procurement notices or read out at public tender openings;
- information disclosed to report prohibited practices or to protect security interests;
- where disclosure is required by law or ordered by a competent court or authority.

4.4 Conflicts of interest

Managing conflicts of interest is important to maintaining high ethical standards. A conflict of interest occurs where a person:

- can influence a decision relating to a procurement; AND

- has a personal, financial, business or other interest in the procurement which might compromise (or be perceived to compromise) their ability to perform their responsibilities fairly and without any bias.

Examples include where a public officer has close friends or family members who own or work for a tenderer or where the public officer holds shares or has a position as a director with a tenderer. This could lead to accusations that the public officer has shared additional information with that tenderer or favoured their tender in evaluation. At contract implementation stage, a contract manager with a conflict of interest may not fully enforce a contract or may amend it in the supplier's favour.

You must declare any conflict of interest!

Conflicts of interest damage the integrity and fairness of procurement. Any person involved in public procurement or management of contracts **MUST** declare any conflict of interest to the accounting officer, in writing.

Members of the PPB, DPCs and evaluation panels must sign a declaration regarding confidentiality and conflicts of interest when appointed. Any other person involved in procurement must declare any conflict of interest as soon as they become aware of it.

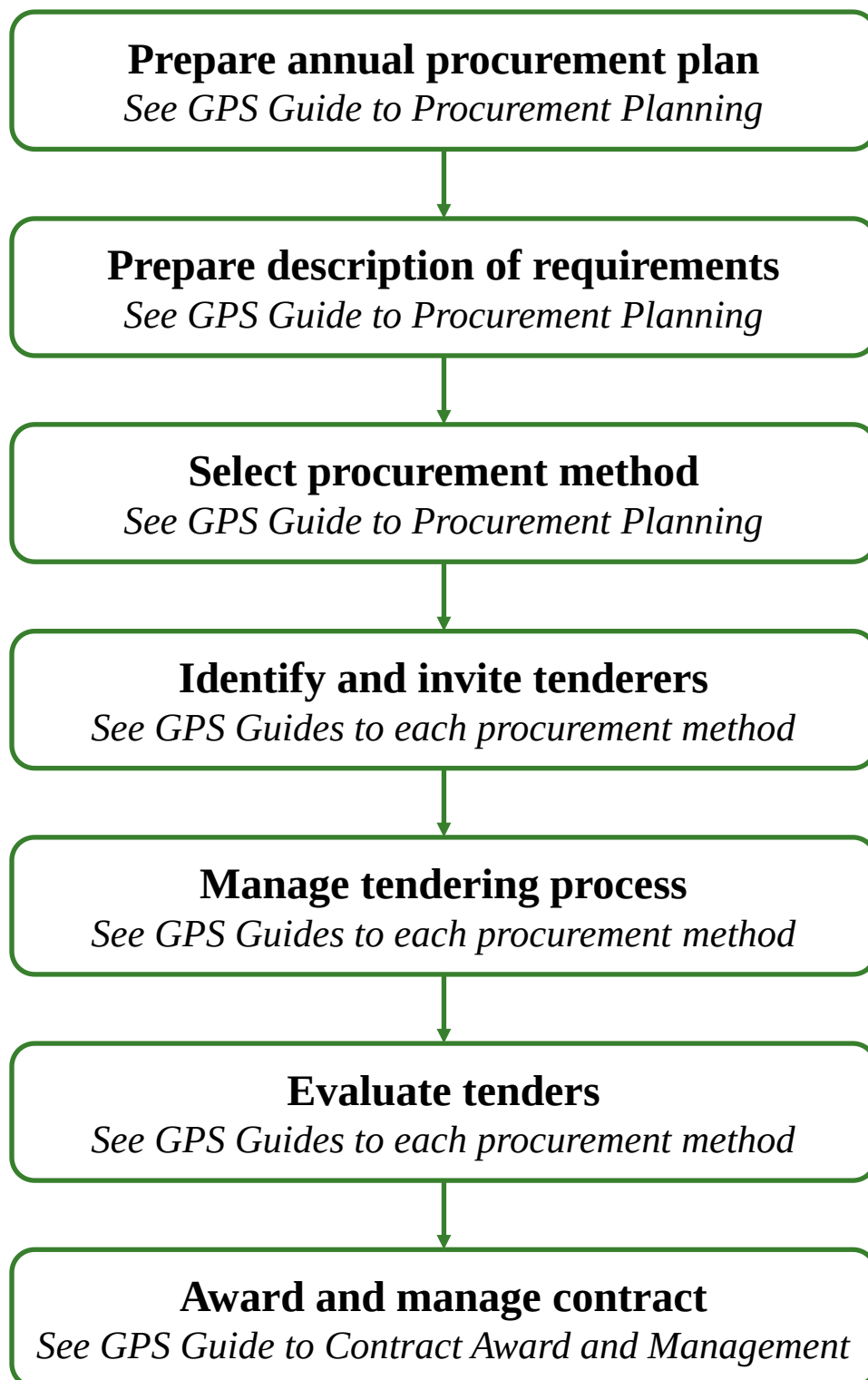
Failure to declare a conflict of interest may result in disciplinary proceedings under the public service law or to suspension or termination of your appointment.

Where a conflict is declared, the accounting officer will investigate to determine whether a conflict of interest does exist. Where there is a conflict, the public officers concerned must not participate in any way in the procurement, including any procurement activity or voting on the procurement.

PART E: OVERVIEW OF THE PROCUREMENT CYCLE

5 The procurement cycle

All procurement follows the procurement cycle shown below. The process is slightly different for each method of procurement and for goods, works, services or consulting services. Despite these differences, the basic steps of the procurement cycle are always the same.



PART F: PROCUREMENT RECORDS AND REPORTS

6 Procurement records and reports

6.1 Procurement records

Every PE must maintain an individual record for each procurement, marked with its unique procurement reference number. Everybody involved in procurement and contract management must keep records related to all their procurement activities.

References:

- Section 37 of the Public Procurement Act 2025
- Regulations 45, 58(3)(a), 59(2)(i) and 60 of the Public Procurement Regulations 2025
- Summary Procurement Report
- Contract Performance Report

Records must include:

- all plans, notices, tender documents, tenders, reports, contracts meeting minutes and approvals;
- justifications for key decisions, such as choice of procurement method or the reasons for rejection of a tender;
- communications with a tenderer or supplier; and
- anything else related to any procurement or contract management activity.

Remember that the procurement record, or parts of it, may be disclosed in certain circumstances, such as when a tenderer challenges the procurement. Proprietary commercial information must not be disclosed.

Use the forms and templates for all stages of the procurement process; these will guide you to record all necessary information. Make sure that all records are marked with the procurement reference number.

How to allocate Procurement Reference Numbers

Every procurement record must be marked with a unique reference number. Allocate procurement reference numbers using the following system:

Procuring entity/financial year/sequential number e.g. **MALHEYAS/2026-27/001**, then **MALHEYAS/2026-27/002** etc

Keep a register of each number issued with a brief description of the procurement it relates to.

Procurement records must be maintained for at least 7 years after completion or termination of a procurement or contract.

6.2 Procurement and contract reports

Every PE must submit quarterly reports on their procurement activities to GPS.

Use the **Procurement Log**. The template is an Excel worksheet and you should complete one row for each procurement process completed. Follow the guidance notes to insert relevant information in each column.

Every contract manager must submit two different reports on the performance of contracts:

- for contracts with a value of more than XCD 50,000, a quarterly contract status report; and
- for contracts with a value of more than XCD 100,000, a contract performance evaluation report, which should be submitted either as soon as the contract has ended or annually.

For the quarterly report, use the **Quarterly Contract Progress Report** template. Include all ongoing contracts over XCD 50,000 and submit a consolidated report for the whole procuring entity. The template is an Excel worksheet and you should complete one row for each ongoing contract. Follow the guidance notes in *[green italics]* to insert relevant information in each column or to select the appropriate option from the dropdown lists. Where there are any performance concerns, such as late delivery or the contract exceeding the contract budget, add additional comments to explain.

For the annual/end of contract report, use the **Contract Performance Report** template. Complete a separate report for each contract over XCD 100,000. The template is a Word document and you should insert text which explains any changes in price or time schedule and any concerns over quality or the contractor's performance.

Contract managers must also report any non-performance of a contract to the accounting officer, as soon as practical. Do not wait until the next report is due.

PART G: CANCELLING PROCUREMENT

7 Cancelling procurement

7.1 When to cancel a procurement process

Avoid cancelling procurement wherever possible as it wastes time and resources for both the PE and tenderers.

You may cancel procurement at any time before a contract is awarded, where there is good reason to do so. The reasons must be noted on the procurement record. Reasons for cancelling include:

- the goods works or services are no longer needed;
- the technical or commercial requirement or contractual conditions have changed to the extent that a new procurement process is needed;
- there is no longer adequate funding for the contract;
- not enough responsive tenders are received;
- there is evidence of prohibited practices by suppliers;
- it is in the public interest.

Tenderers may not review a decision to cancel procurement or reject all tenders.

References:

- Section 33 of the Public Procurement Act 2025
- Regulation 45(2)(i) of the Public Procurement Regulations 2025

7.2 How to cancel a procurement process

The decision to cancel should be approved by the accounting officer. To cancel procurement, you should:

- publish a notice of cancellation in the same place as the original invitation notice and/or notify invited tenderers;
- notify all tenderers who submitted a tender, prequalification application or expression of interest, in writing;
- return any unopened hard copy tenders or other submissions to tenderers – including unopened financial proposals or second stage tenders and any tenders submitted ahead of the deadline;
- delete any electronic tenders or other submissions; and
- return any tender securities or tender securing declarations.

When planning any new procurement, make sure you take into account the reasons for cancellation of the original procurement!