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*An Analysis and Evaluation of the
Public Sector Procurement
of Building Contractors in Botswana*

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ABSTRACT

The objective of this study is to analyse and evaluate the current system of procuring Building Contractors for public sector building projects in Botswana. The study further seeks to find strategies to recommend for improving the current system of procurement.

The analysis and evaluation is carried out by first dividing the main problem into sub-problems. The sub-problems help to form the questions for the interviews and the questionnaire.

Chapter one introduces the reader to the main problem and defines the scope of the problem and the delimitations. The second Chapter is a review of the related literature and a brief outline of the procurement process and the relevant legislation.

The analysis and evaluation of the information and data collected is carried out in Chapter three. This is a very important Chapter since it addresses the questions raised by the main problem and the sub-problems and states the extent to which the hypotheses are affirmed or not affirmed.

Chapter four is dedicated to the recommendations and strategies for improving the procurement system. The last Chapter summarises the main findings and outlines and recommends areas for further study. This treatise comprises some important findings and can form a useful initiative towards developing strategies for improving the efficiency and effectiveness of the public sector system of procuring building Contractors in Botswana.

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LIST OF ABBREVIATIONS

1. *DABS* - *Department of Architectural and Building Services.*
2. *DEMS* - *Department of Electrical and Mechanical Services*
3. *MFDP* - *Ministry of Finance and Development Planning*
4. *MPU* - *Ministerial Planning Unit*
5. *PM* - *Project Memorandum*
6. *PO* - *Planning Officer*
7. *PPO* - *Principal Planning Officer*
8. *PS* - *Permanent Secretary*
9. *CTB* - *Central Tender Board*
10. *TNS* - *Thumbnail Sketch*
11. *NDP* - *National Development Plan*
12. *PADB* - *Procurement and Asset Disposal Board*
13. *NEC* - *New Engineering and Construction Contract 1995*

DEFINITION OF TERMS

1. Bills of Quantities

Bills of Quantities constitute the body of the tender document, which lists all the work to be carried out by category and the expected volume of work. The tenderer is required to price each item in the bill of quantities, and will be paid according to the actual work carried out at the rates specified in the tender.

2. Bridging Finance

Sometimes several months may elapse between a project's approval by an external funding agency and the formal notification of approval. To enable the project to start, it is possible to arrange bridging finance using the domestic development fund.

3. Contract Period

This is the length of time specified in the contract for completion of the work. Failure to complete in time may lead to invocation of the penalty clause. It is possible however, for the Contractor to apply for extension of time if the work is held up as a result of factors beyond his control.

4. Contract Sum

This is the total amount specified in the winning tender for carrying out the work specified.

5. *Design Brief*

This is the outline of the requirements of the project and, if applicable, where it will be located. In the case of an office building, for example, the design brief would specify the numbers and kinds of officers to be accommodated, and the site that has been selected.

6. *Evaluation*

This is the process of assessing whether the project is achieving its goals.

7. *Feasibility Study*

This is a detailed analysis of the technical and economic aspects of a project, which assesses the viability of the project and the best way to implement it.

8. *Performance Bond*

This entails a situation where a Contractor deposits a bond from his bank or insurance company certifying his credit worthiness and to insure the government against his failure to complete the project.

9. Preferencing

A policy of the government based on preferring to appoint targeted Contractors in order to fulfil a specified objective. For instance, the government of Botswana targets Citizen Contractors to non-citizens in order to empower Citizens and create employment for locals. Citizenship is therefore used as criteria in appointing Contractors. The words targeted procurement and preferencing are used interchangeably in this treatise.

10. Preliminaries

This is a section in the Bills of Quantities which describes and permits the Contractor to price all obligations and requirements in addition to the actual construction costs, for example, insurance, plant, equipment, transport and so on.

11. Tender Period

This is the time between the calling for tenders and the deadline for submission of tenders.

12. Variation Order

This is the formal notification to the Contractor that a change in the scope of the work is required from that specified in the Bills of Quantities.