



CPBN

CENTRAL
PROCUREMENT
BOARD OF NAMIBIA

Procuring with Integrity

Master The Art of CPBN's

PUBLIC PROCUREMENT PROCESS

A PUBLIC AND BIDDERS **EDUCATION GUIDELINE**



Mr Idi Itope
CPBN: CEO

Foreword

The Central Procurement Board of Namibia (CPBN) is dedicated to conducting the procurement of goods, works, and services on behalf of public entities, with a strong focus on efficiency, transparency, and ensuring value for money.

To improve responsiveness and understanding of its procurement processes, CPBN has launched a public awareness initiative designed to educate bidders and the general public.

In serving the nation, CPBN acknowledges the importance of offering clear guidance on procurement regulations, mandate, processes, requirements, key specifications, disqualifications, and penalties. This guideline serves as a comprehensive resource, equipping all stakeholders with the knowledge needed to engage confidently and effectively in public procurement activities.

Through increased awareness and understanding, CPBN aims to promote a fair, competitive, and transparent procurement environment, ensuring that all eligible bidders have an equal opportunity to participate and succeed by meeting the established criteria.

CPBN: Enhancing responsiveness in the bidding process!



No. 1

Who are we? and why does CPBN exist?

The Central Procurement Board of Namibia (CPBN) was established as a juristic person in terms of section 8 of the Public Procurement Act (PPA), No.15 of 2015 (as amended) with the following mandate:

1

To conduct the bidding process on behalf of public entities for the award of contracts for procurement or disposal of assets that exceed the threshold prescribed for public entities;

2

To enter into contracts for procurement or disposal of assets on its own behalf or on behalf of public entities; and

3

To supervise accounting officers in managing the implementation of procurement contracts awarded by the Board.

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No. 2

Know our Mission, Vision and Values that we stand for:

OUR MISSION

To ethically and efficiently manage procurement on behalf of Public Entities.

OUR VISION

To be a vibrant dynamic procuring agent that enables sustainable growth.

OUR VALUES

- Value for money
- Integrity
- Transparency
- Accountability
- Responsiveness
- Teamwork

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3 0 Z

Understanding the mandates of the Procurement Policy Unit, the Central Procurement Board of Namibia and the Review Panel.

Procurement Policy Unit (PPU)

The PPU was established in terms of section 6 of the PPA, to monitor compliance of public entities in the implementation of the PPA. Furthermore, PPU provide advisory services to the Ministry of Finance and Public Enterprises through issuance of policies, directives, regulations and conducting capacitybuilding in public procurement.

Central Procurement Board of Namibia (CPBN)

CPBN was established in terms of section 8 of the PPA to conduct the procurement processes and enters into contracts for procurement exceeding the threshold of public entities.

Furthermore, CPBN monitors and evaluates the implementation of these procurement contracts.

The Review Panel (RP)

The RP was established in terms of section 58 of the PPA. The RP is mandated to adjudicate on applications for review filed by disgruntled bidders against decisions taken by the board or public entity. Furthermore, the RP adjudicates on applications made by the Board or public entities to suspend or debar bidders and suppliers for misconduct during bid submission and procurement contracts such as nonperformance, collusion, fraud, bid rigging and misrepresentation.

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No. 4

Is CPBN responsible for the procurement and award of all bids in the country?

No, CPBN only manages and awards procurement projects that exceed the thresholds of public entities.

In terms of Regulation 2 of the Public Procurement Regulations, of the PPA, public entities are categorised into 3 groups. Each Category determines the threshold within which they can independently procure goods, works, consultancy and non-consultancy services.

When the value of a procurement exceeds the prescribed threshold for a public entity, such procurement must be referred to CPBN for facilitation.

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No. 5

Who initiates the procurement process at CPBN?

The procurement process at CPBN is initiated by Public Entities when their procurement projects exceed their designated thresholds.

In accordance with **Section 8 (a) of the PPA**, and Regulation 2 of the same Act, CPBN conducts procurement processes on-behalf of public entities.

Annexure 1 of the PPA Regulations categorises public entities into three distinct groups. These categories outline the procurement limits for goods, works, consultancy services, and non-consultancy services that public entities can manage independently.

Any procurement that exceeds the threshold of a Public Entity must be referred to CPBN for facilitation.

The procurement process formally begins when Public Entities submit the following documents to CPBN:

- **Individual Procurement Plan (IPP)**
- **Bidding Document (BD)**

These two (2) documents outlines the scope, cost estimates, procurement methods, timelines, technical specifications or scope of service, evaluation criteria and contract terms and conditions for each project.

CPBN vigorously examine these documents to ensure they promote fairness, competition and contribute to Namibia's National Developmental goals, such as local empowerment and job creation.

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BIDDERS EDUCATION

GUIDE 1-26

ACRONYMS

BD	- Bidding Document
BEC	- Bid Evaluation Committees
CPBN	- Central Procurement Board of Namibia
IPP	- Individual Procurement Plan
M&E	- Monitoring and Evaluation
NAMPOL	- Namibian Police
PPA	- Public Procurement Act
PPU	- Procurement Policy Unit
RP	- The Review Panel



GUIDE 1

Who can participate in CPBN's bidding process?

The following individuals and **entities are eligible to participate in CPBN's bidding process:**

1. Namibian citizens.
2. Companies or Close Corporations incorporated or registered in Namibia.
3. Co-operatives registered under Namibian law.
4. Trusts registered under Namibian law.
5. Partnerships or Joint Ventures.

In all the above-mentioned entities, **Namibian citizens must hold at least 51% equity** in the entity.

NB: Please note that the requirements on who is eligible to participate in a particular bid are normally stipulated in that specific bid advertisement and bidding document.

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GUIDE 2

Why should you avoid submitting fraudulent documents in our bidding process?

Submitting fraudulent documents during a bidding process, can lead to serious consequences including:

- **Disqualification** from the procurement process.
- **Suspension and debarment** (blacklisting) from participating in future public procurement processes.
- **Legal penalties**, including imprisonment or fines, if found guilty in a court of law.

Ensure the integrity of your submissions to maintain eligibility and avoid these repercussions.

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GUIDE 3

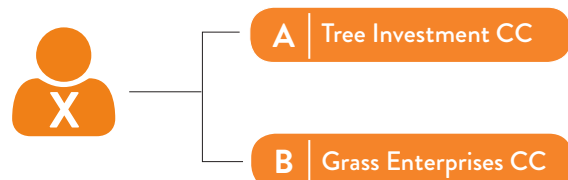
What is bidder conflict of interest in public procurement: **Common Controlling Shareholders**

A bidder may be considered to have a **conflict of interest with one or more parties** in the bidding process if they **share common controlling shareholders**.

Conflict of interest defeats the purpose of competitive bidding in public procurement.

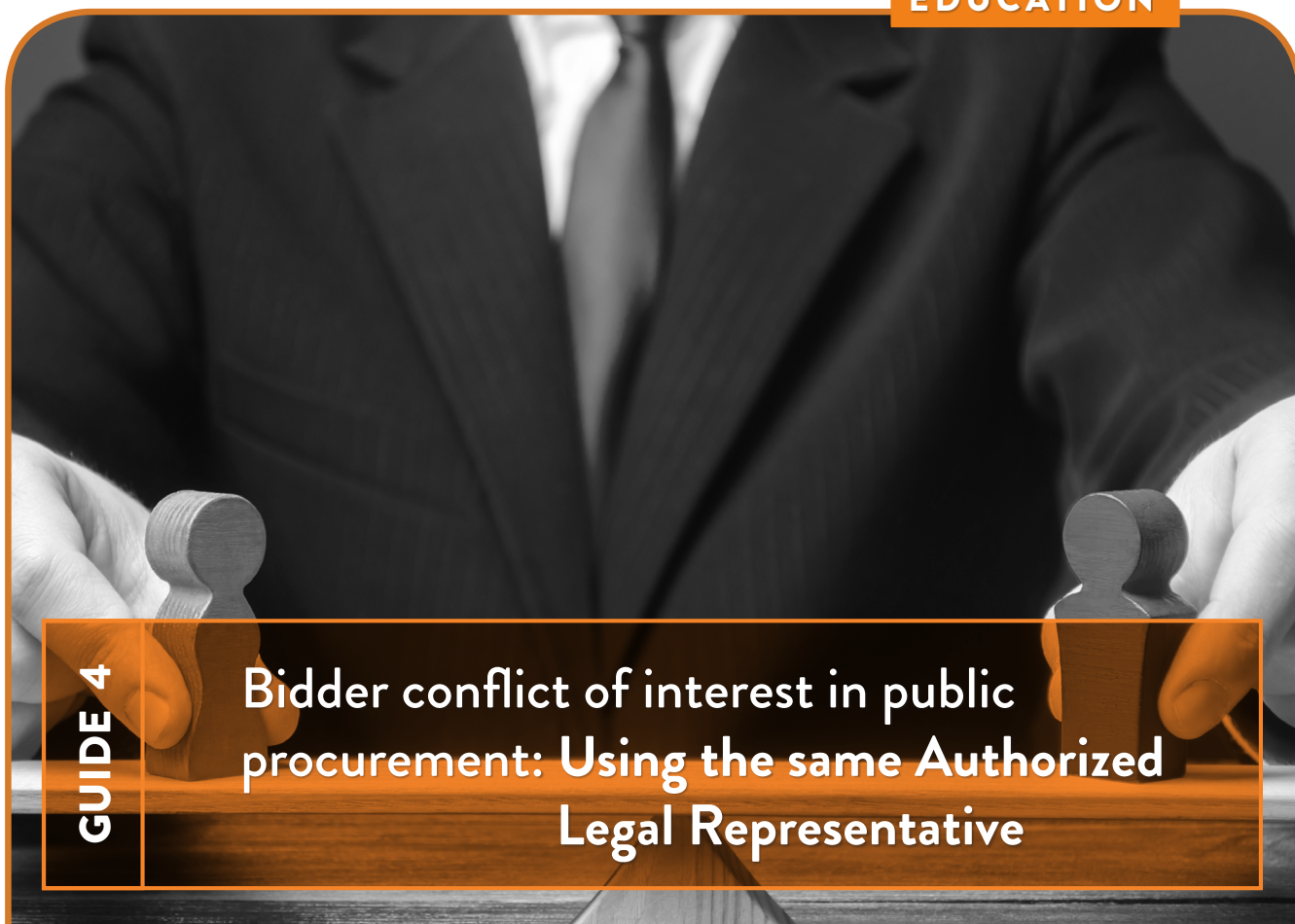
FOR EXAMPLE

Mr. X holds shares in both Tree Investment CC and Grass Enterprises CC, and both entities participate in the same procurement process.



In this case, these two entities have a conflict of interest due to their shared controlling shareholder. As a result, Tree Investment CC and Grass Enterprises CC will be disqualified from the bidding process.

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GUIDE 4

Bidder conflict of interest in public procurement: Using the same Authorized Legal Representative

A bidder may be in a conflict of interest with **one or more parties** in the bidding process if they **have the same authorized legal representative** (person with power of attorney) for the purpose of a bid.

FOR EXAMPLE

Ms. Y was granted Power of Attorney (PA) by Davids Trading (PTY) Ltd to compete and submit its bid. Ms. Y was also granted Power PA by Black Moon Investment CC to complete and submit its bid in the same procurement process.



2 Entities sharing the same Power of Attorney (PA) = Disqualification

In this case, these two entities are in conflict because they share the same authorised legal representative. As a result, both entities will be disqualified from the procurement process, due to their shared authorised legal representative.

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GUIDE 5

What is bidder conflict of interest in public procurement: Direct or indirect relationship amongst bidders

A bidder may be in conflict of interest with **one or more parties** in a bidding process if they **have a direct or indirect relationship**, either through common third parties or directly, that enables them to **gain access to information about another bidder's submission or exert influence on CPBN's decisions** regarding the process.

FOR EXAMPLE

Bricks Manufacturer CC (BM), a company that manufactures and sells bricks, participates in a procurement process for the supply and delivery of bricks. One of the requirement of the bid is that bidders submit a manufacturer authorization letter.

Sun CC and Building CC approach BM to obtain a manufacturer authorization for the same bid, which outlines BM's pricing for supplying bricks to both entities.

In this scenario: BM is in a conflict of interest with both Sun CC and Building CC because BM has a direct relationship with these bidders, putting it in a position to know their pricing strategies.

As a result, BM will be disqualified from the procurement process, due to conflict of interest.

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GUIDE 6

What is bidder conflict of interest in public procurement: **Multiple Entity Participation**

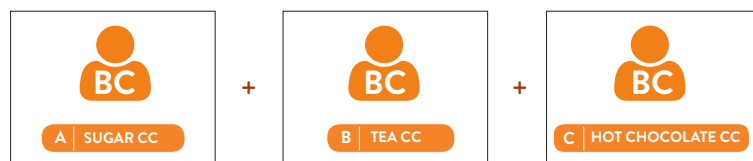
Conflict of interest occurs when a bidder **participates in a bidding process with more than one entity. This will result in the disqualification of all bids in which the bidder is involved.**

However, this does not restrict the inclusion of the same subcontractor in more than one bid, as long as the subcontractor is not otherwise participating as a bidder.

FOR EXAMPLE

Mr. Black Coffee (BC) owns Sugar CC, Tea CC, and Hot Chocolate CC. He submits bids on behalf of all three entities for the supply and delivery of foodstuffs to the Office of the Prime Minister.

In this case, Sugar CC, Tea CC, and Hot Chocolate CC are in a conflict of interest, as Mr. Black Coffee is participating in multiple bids within the same bidding process.



As a result, all three entities will be disqualified from the bidding process.

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GUIDE 7

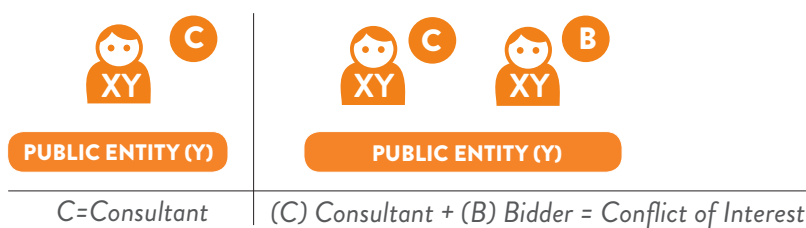
What is bidder conflict of interest in public procurement: **Conflicted Consultants**

Conflict of interest occurs when a **Bidder** or any of its affiliates **participated as a consultant** in the preparation of the bidding document.

FOR EXAMPLE

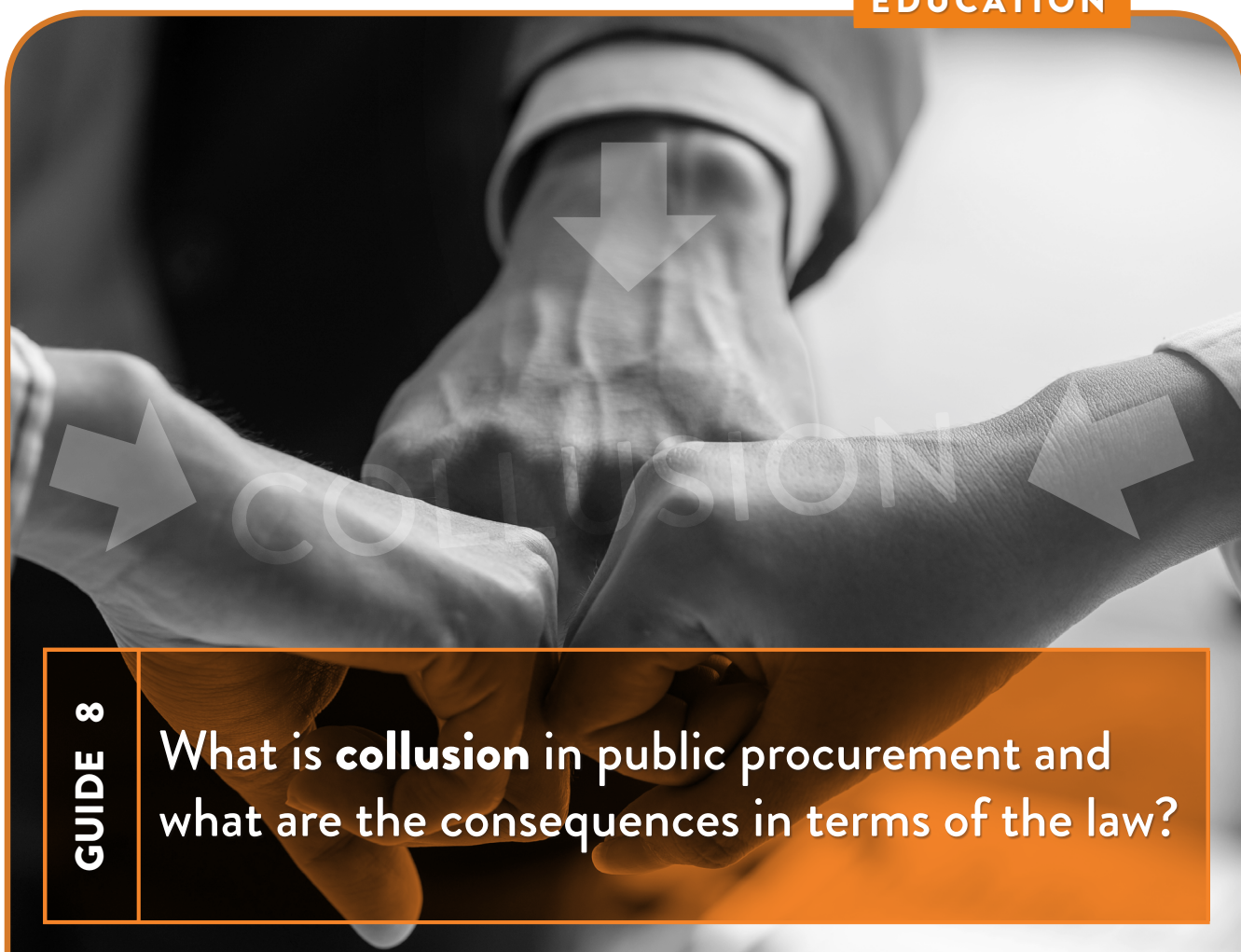
XY Consultant CC is appointed to craft technical specifications for an E-procurement system on behalf of Public Entity Y before the procurement project is submitted to CPBN for facilitation.

When CPBN issue this bid in the market XY Consultant CC also participates in the bidding process. In this case, XY Consultant CC is conflicted as it crafted the technical specifications for the particular bid.



As a result, XY Consultant CC will be disqualified from the bidding process.

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GUIDE 8

What is **collusion** in public procurement and what are the consequences in terms of the law?

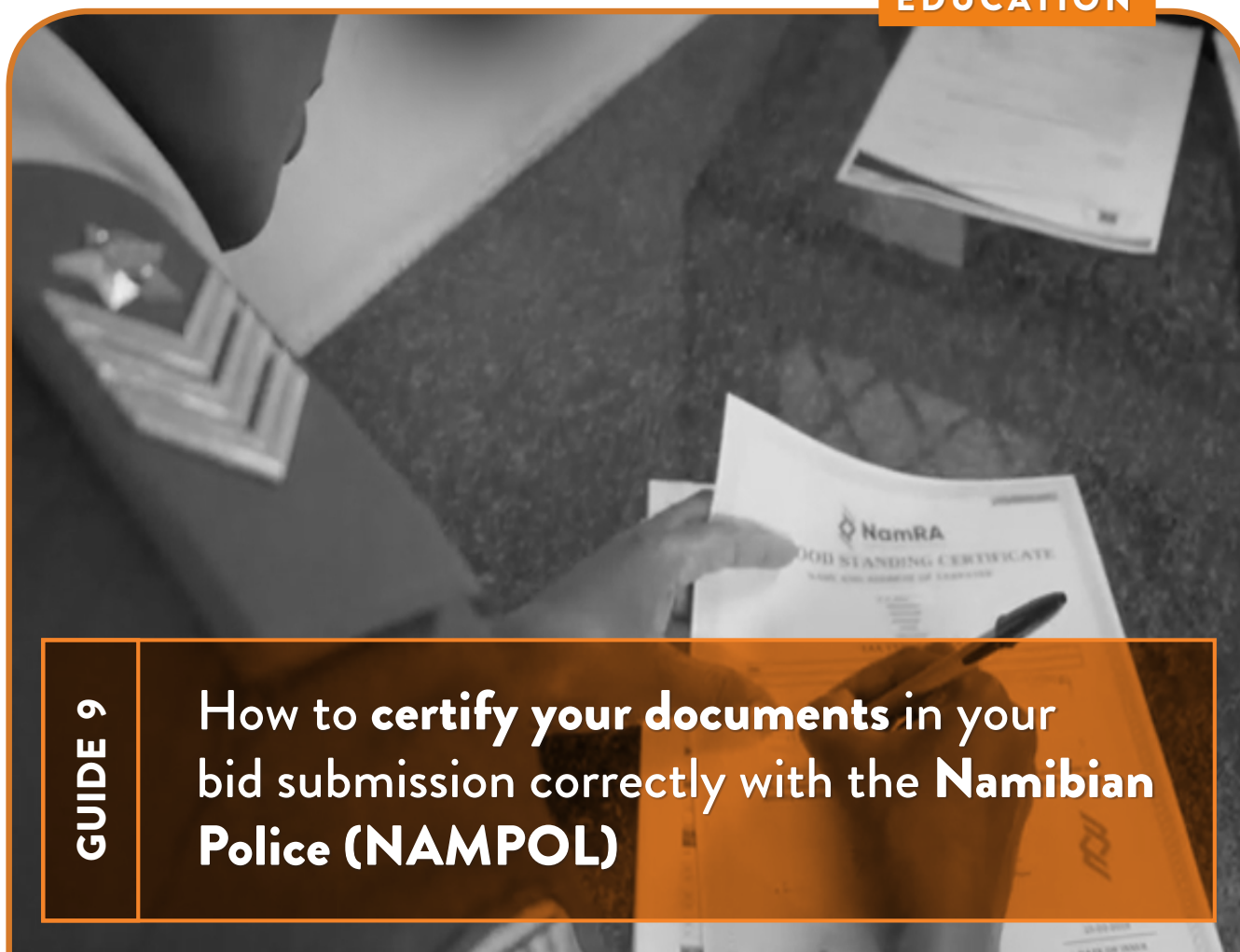
Collusion amongst bidders in terms of section 67 of the PPA, occurs where two (2) or more bidders enter into an agreement:

1. Not to submit a bid in response to an invitation for bids; or
2. On the terms or conditions of a bid to be submitted in response to an invitation to bid; or
3. To allocate procurement contracts amongst themselves; or
4. To establish bid prices at artificial non-competitive levels or otherwise deprive CPBN of the benefit of free and open competition.

CONSEQUENCES OF COLLUSION

- Liable to a fine not exceeding **N\$5 million**;
- **Imprisonment** for a period not exceeding **10 years**; or
- Both such **fine** and **imprisonment**;
- **Debarment (blacklisting)** from participating in public procurement processes.

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GUIDE 9

How to certify your documents in your bid submission correctly with the **Namibian Police (NAMPOL)**

In collaboration with the NAMPOL, CPBN requires that when bidders submit bids to the CPBN, copies of 3rd party documents that are included in the bids, (Company Registration Documents, Good Standing Certificates from NAMRA, Social Security Commission, Affirmative Action, Qualification Certificates etc.), must be certified in line with the following police guidelines:

1. Black and White Copies	Only black and white copies made from original documents are acceptable. Colour copies will not be accepted.
2. Four-Point Signature	The certifying officer must provide a four-point signature, which includes: - Surname and initials - Force number - Signature - Rank
3. Signature Placement	The officer's signature should be placed within the space provided on the certifying stamp.
4. Certification on Each Page	Each copy must bear a police date stamp and certification stamp, along with the officer's four-point signature. This applies to every page within a bundle of documents.
5. Original Certifications Only	Copies made from previously certified copies will not be accepted.

By following these guidelines, you can minimize the risks of disqualification and enhance your chances of a successful bid submission.

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GUIDE 10

How to certify your documents in your bid submission correctly with the **Commissioners of Oaths** other than NAMPOL. (e.g., Legal Practitioners)

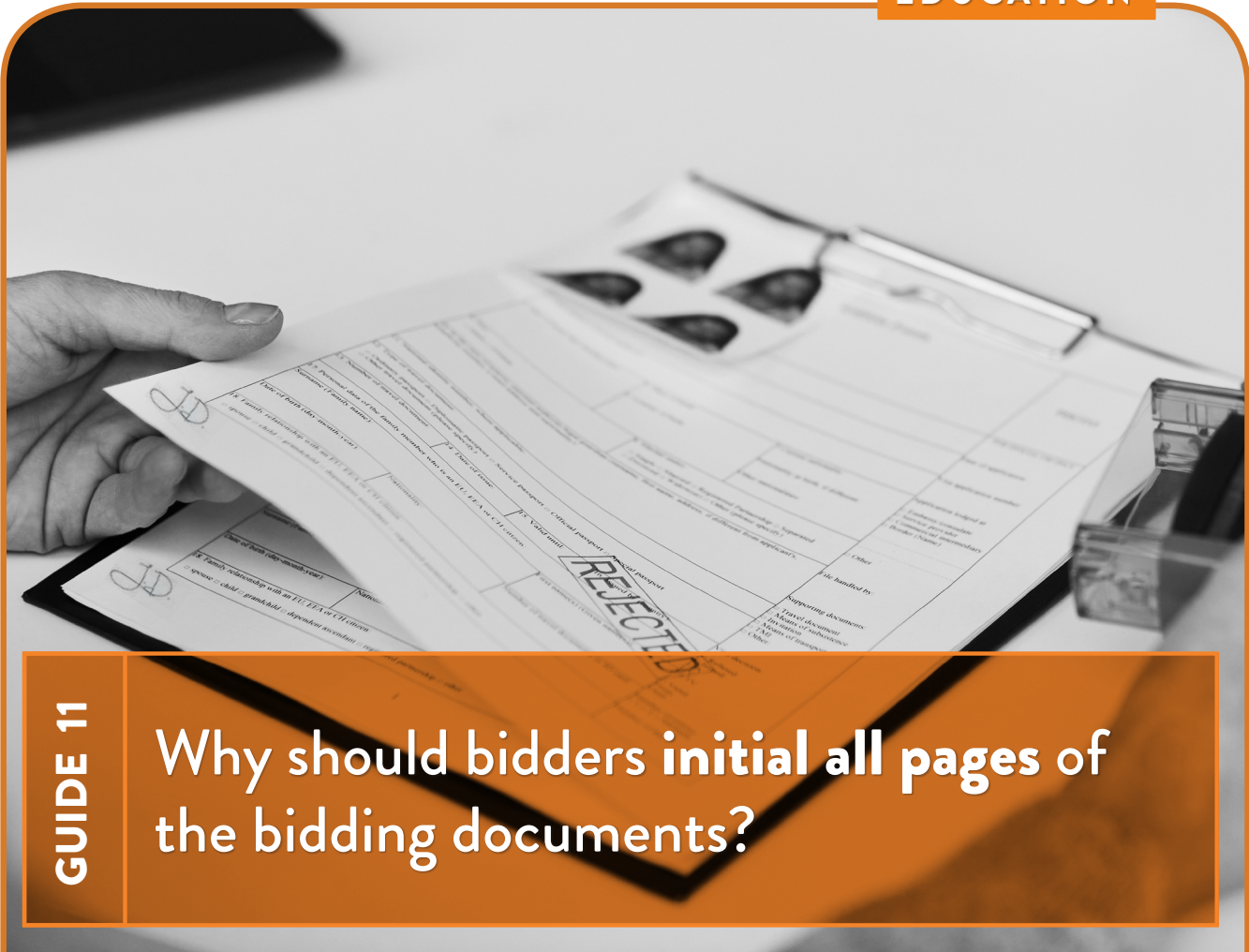
CPBN requires that when bidders submit bids to CPBN, copies of 3rd party documents that are included in the bids, should be certified in line with the following guidelines:

For Example
(Company Registration Documents, Good Standing Certificates from NAMRA, Social Security Commission, Affirmative Action, Qualification Certificates, etc.)

1. Black and White Copies	Only black and white copies made from original documents are allowed. No colour copies will be accepted.
2. Stamps and Signatures on Each Page	Each page of the document must be stamped and signed by the Commissioner of Oaths.
3. Multi-Page Documents	If the document consists of multiple pages, the certification stamp must appear on every page.
4. Original Certifications Only	Copies made from already certified copies will not be accepted.

By following these guidelines, you can minimize the risks of disqualification and enhance your chances of a successful bid submission.

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GUIDE 11

Why should bidders **initial** all pages of the bidding documents?

Initialing all pages of the bidding document guarantees the integrity of the signed document and ensures that the **signatories have consulted and validated all** the pages and that they are binding themselves to the terms and conditions.


Sign Initials

The original and all documents of the bidding document shall be signed on designated sections and initialed on all the other pages by the authorised signatory (authorized legal representative).

This includes all supporting documents submitted by the bidder as part of its bid.

By following these guidelines, you can minimize the risks of disqualification and enhance your chances of a successful bid submission.

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GUIDE 12

How does **clarifications** work during the bidding process at CPBN?

When the CPBN issues a bid, bidders have the opportunity to request for written clarifications up to 14 working days before bid closure.

This process allows bidders to seek clarifications on any unclear provisions or requirements within the bidding document.

This procedure is in accordance with Regulation 34 of the PPA.

During the clarification period, CPBN is legally obligated to respond in writing within 3 working days of receiving any clarification requests. If additional time is needed for research, investigation, or validation, bidders will be notified accordingly.

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GUIDE 13

What is the importance of pre-bid meetings and site visits?

“ENHANCING BID QUALITY”

Pre-bid meetings are a vital part of CPBN’s procurement process, fostering transparency, fairness, and competition.

These meetings ensure that bidders are well-informed and adequately prepared to submit competitive proposals.

Unfortunately, many bidders are disqualified during the initial evaluation stage due to incomplete bidding documents.

To support bidders in submitting responsive and competitive bids, CPBN hosts pre-bid meetings and conducts site visits to clarify key provisions and requirements of the bidding documents.

These include the procurement management process, instructions to bidders, technical specifications, pre-and post-evaluation criteria, and contract terms. This initiative enhances bidders’ understanding and responsiveness to the requirements.

Site visits provide bidders with the opportunity to physically inspect the construction site, allowing them to assess the topography and identify potential challenges.

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GUIDE 14

How to follow and comply with the checklist before bid submission?

To assist in ensuring successful bid submissions, CPBN encourages all bidders to carefully follow a comprehensive checklist before submitting their bids.

This proactive approach will help bidders avoid common pitfalls and enhance the quality and completeness of their bids.

Administrative Checklist

- ✓ Documents are properly certified as indicated in the bidding document
- ✓ All pages of the bidding document are initialled
- ✓ All supporting documents are initialled (company profiles, brochures etc)
- ✓ All relevant pages are signed as stipulated in the bidding document
- ✓ All pages are stamped as required in addition to signatures
- ✓ Submit one original and 2 copies of the bidding document

Mandatory Documents Checklist

- ✓ Certified Company Registration Documents
- ✓ Original or Certified Valid Social Security Good Standing Certificate
- ✓ Valid Original or Certified copy of Good Standing Tax Certificate from Receiver of Revenue
- ✓ Valid Original or Certified Copy of Good Standing Social Security Certificate
- ✓ Valid Original or Certified Copy of Affirmative Compliance Certificate
- ✓ Proof from Employment Equity Commissioner that Bidder is not relevant employer or exemption issued in terms of Section 42 of the Affirmative Action Act of 1998.

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GUIDE 15

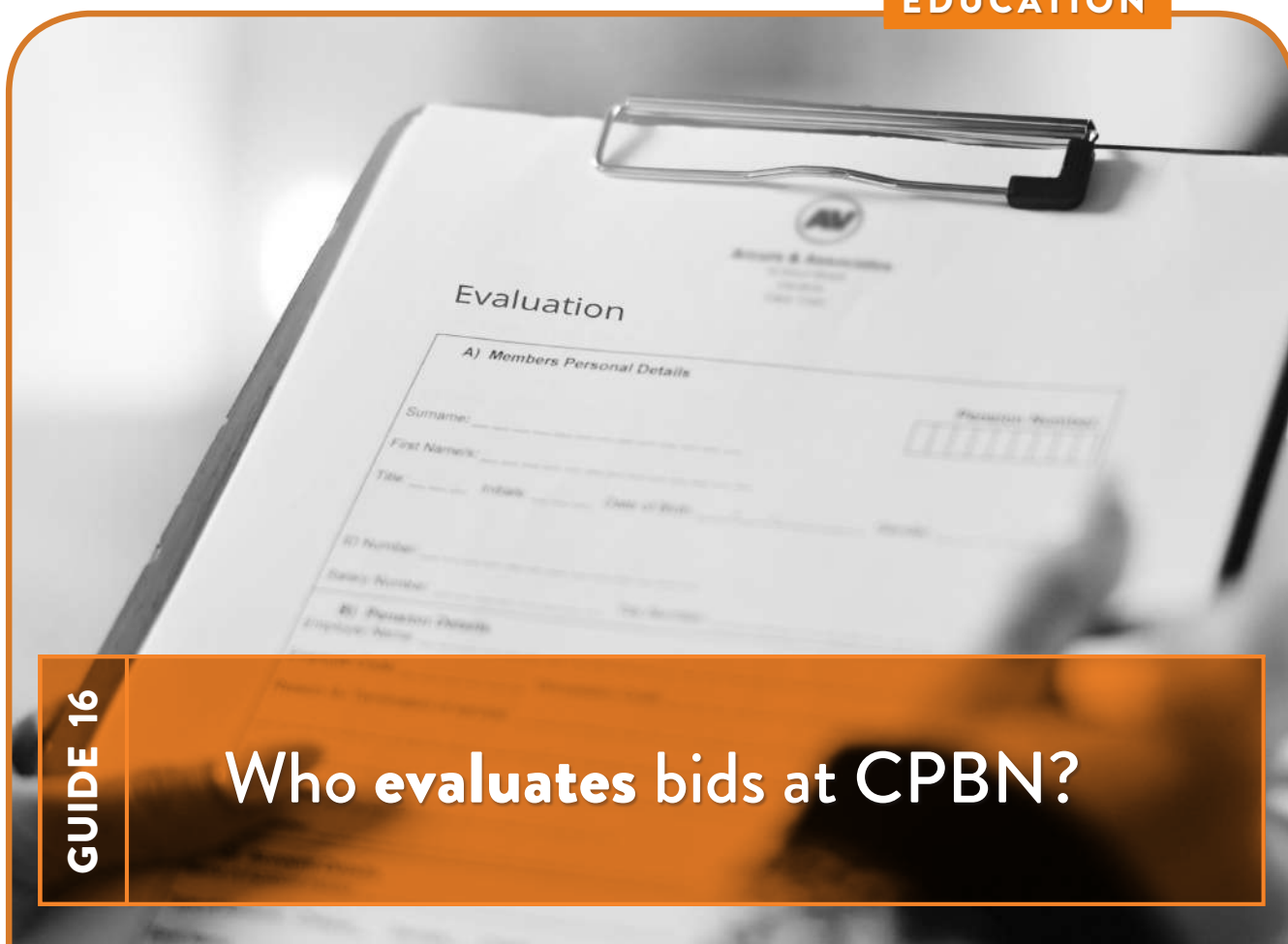
Why does CPBN promote **competitive bidding**?

CPBN advocates for competitive bidding to ensure best value for tax payers money, prices and quality.

By fostering a competitive environment, bidders are incentivized to provide their most competitive prices and the highest quality products and services.

This process not only enhances efficiency but also promotes accountability and transparency in the use of public funds.

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GUIDE 16

Who evaluates bids at CPBN?

The bids at CPBN are evaluated by independent Bid Evaluation Committees (BECs) who are not employees of CPBN.

Members of these committees are appointed by the Board on an ad-hoc basis in terms of Section 26 of the PPA.

The BEC members are selected from a database compiled from applications received from members of the public.

Any member of the public who meets the requirements can apply to become members of the BEC.

Interested to become a BEC member?

Applications are available at:

<https://www.cpbm.com.na/index/bidevaluation>

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GUIDE 17

Under which conditions can CPBN cancel a bid?

In terms of section 54 of the PPA, bids may be cancelled by CPBN or a public entity at any time prior to the acceptance of a bid in the following instances:

- (a) All bids are non-responsive (i.e. all bids are disqualified)
- (b) The lowest evaluated bid is substantially above the applicable cost estimate
- (c) The goods or services are no longer required
- (d) It has been established that there has been collusion among bidders
- (e) An irregularity that warrants the cancellation of the bidding process occurred
- (f) It is not economically viable to proceed with the bid
- (g) The bidding process does not create or achieve the expected outcome.

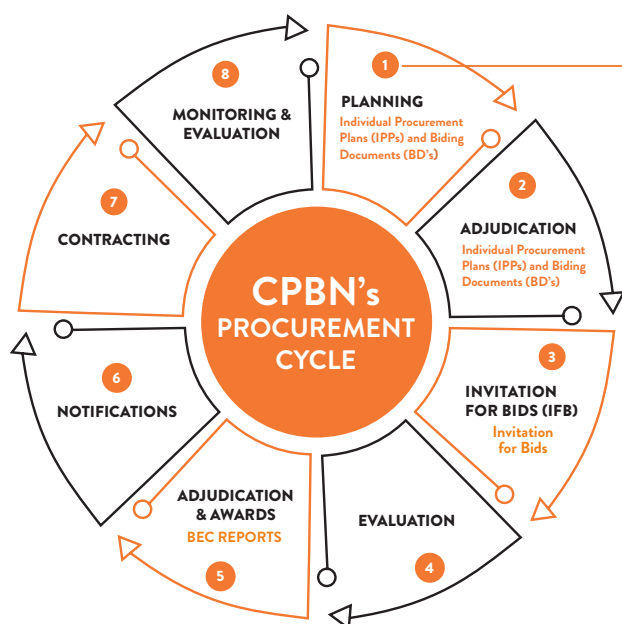
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GUIDE 18

CPBN's Procurement Process

STEP 1: Planning of Individual Procurement Plans (IPPs) and Bidding Documents (BDs)



This phase includes consulting and collaborating with Public Entities to understand their procurement needs, share best practices, and exchange relevant documentation.

It involves pre-vetting and guiding Public Entities on completing IPPs and BDs to meet Board standards. This stage concludes with preparing briefing notes for the Board's adjudication.

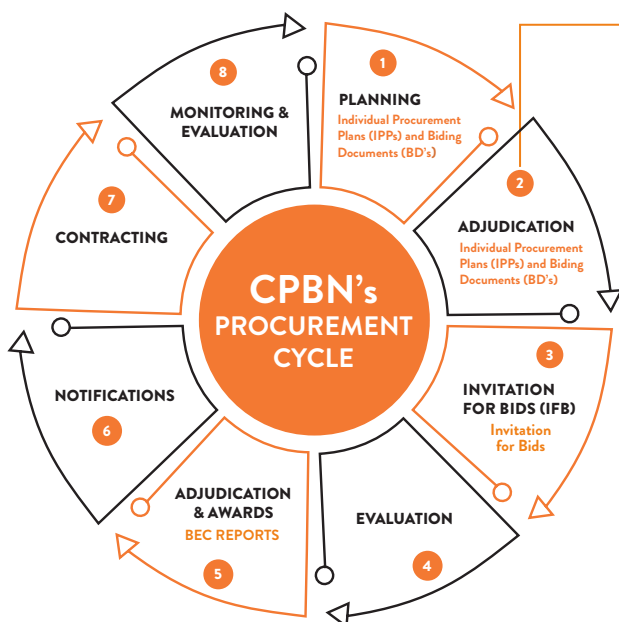
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GUIDE 19

CPBN's Procurement Process

STEP 2: Adjudication of Individual Procurement Plans (IPPs) and Bidding Documents (BDs)



The Board adjudicates the IPPs and BDs to assess and approve the scope of work or services, cost estimates, funding sources, procurement methods, timelines, technical specifications, evaluation criteria, and contract terms and conditions.

This review ensures clarity, fairness, competition, empowerment, and value for money. The Board may approve, decline, or refer IPPs and BDs back to Public Entities for revisions, issuing decisions through Board resolutions.

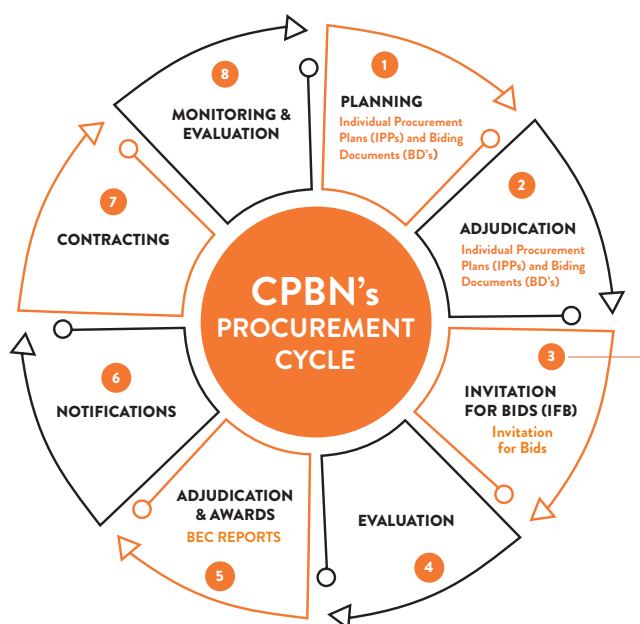
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GUIDE 20

CPBN's Procurement Process

STEP 3: Invitation For Bids (IFB)

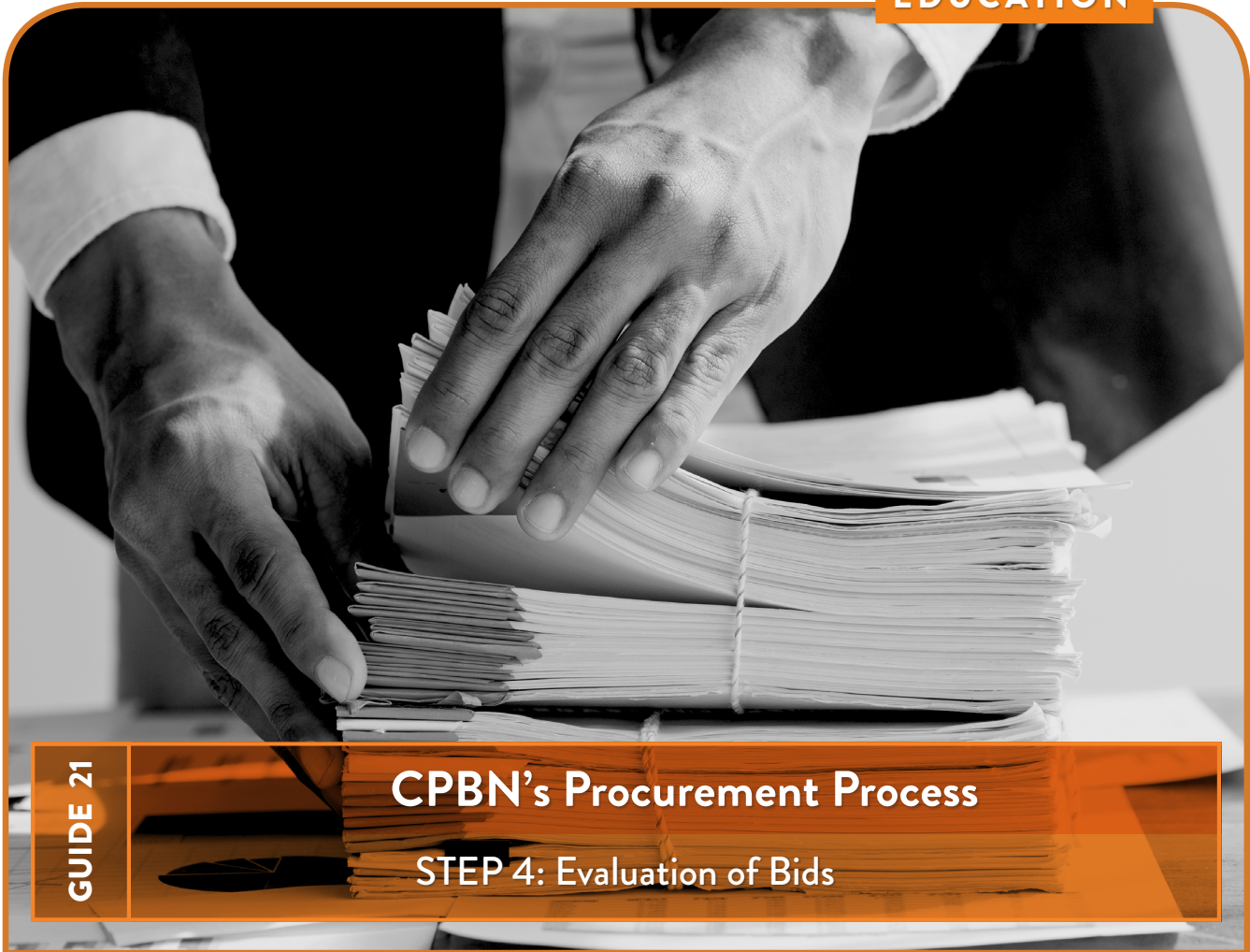


The Board publishes the IFB in print media and on the CPBN website for at least 30 working days. CPBN conducts a pre-bid meeting and site visit to help bidders understand specifications, scope of works or service and other requirements.

Bidders may request clarifications in writing, and responses are provided within three days until 14 days before bid closure. Prior to evaluation, Bid Evaluation Committee (BEC) members are trained on CPBN's evaluation processes.

CPBN manages bid closure, bid opening, and produces related reports. The Board also appoints independent, qualified individuals from the public to serve as BEC members.

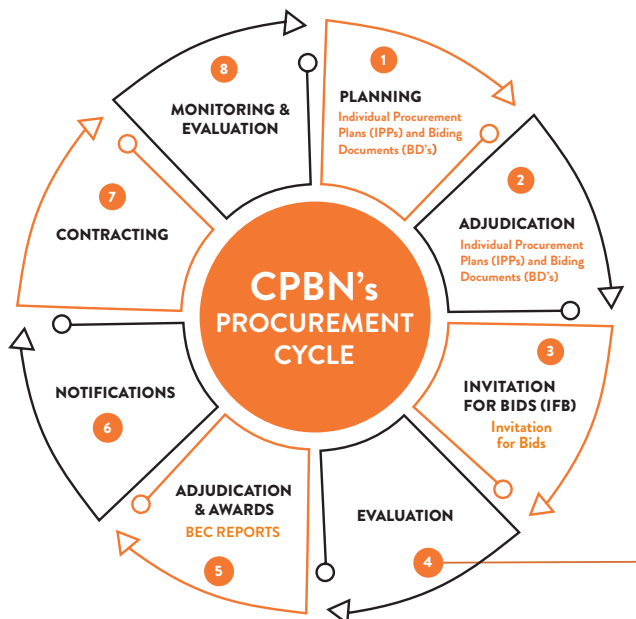
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GUIDE 21

CPBN's Procurement Process

STEP 4: Evaluation of Bids



The Bid Evaluation Committee (BEC) begins examining and evaluating bids within five days of bid closure. The evaluation must be completed within 14 days or extended to a maximum of 30 days.

During evaluation, the BEC may request clarifications in writing from bidders as needed. Once complete, the BEC submits an evaluation report to the Board for adjudication.

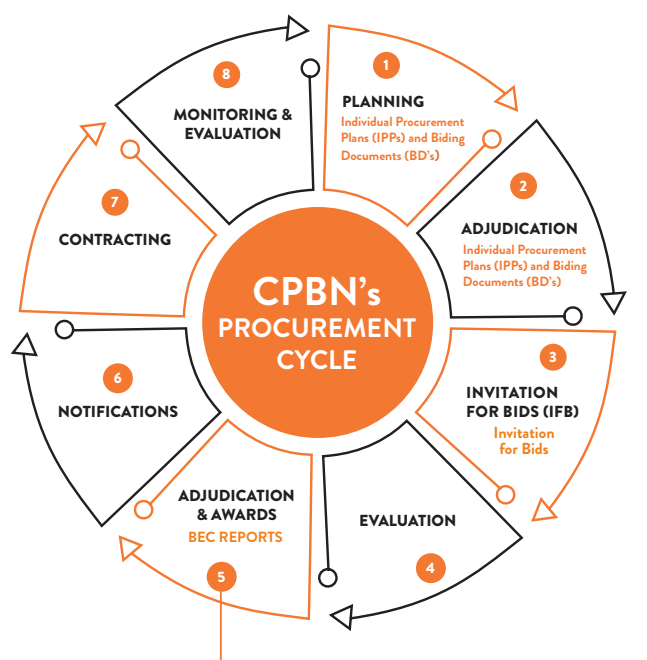
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GUIDE 22

CPBN's Procurement Process

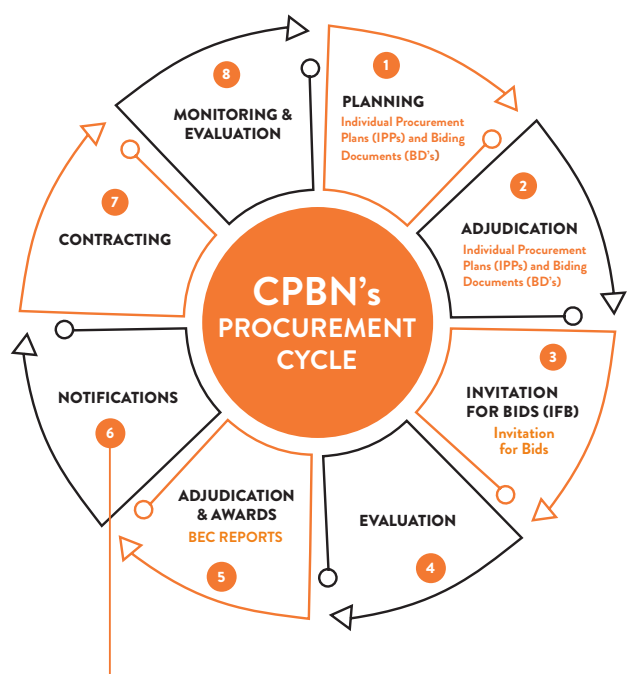
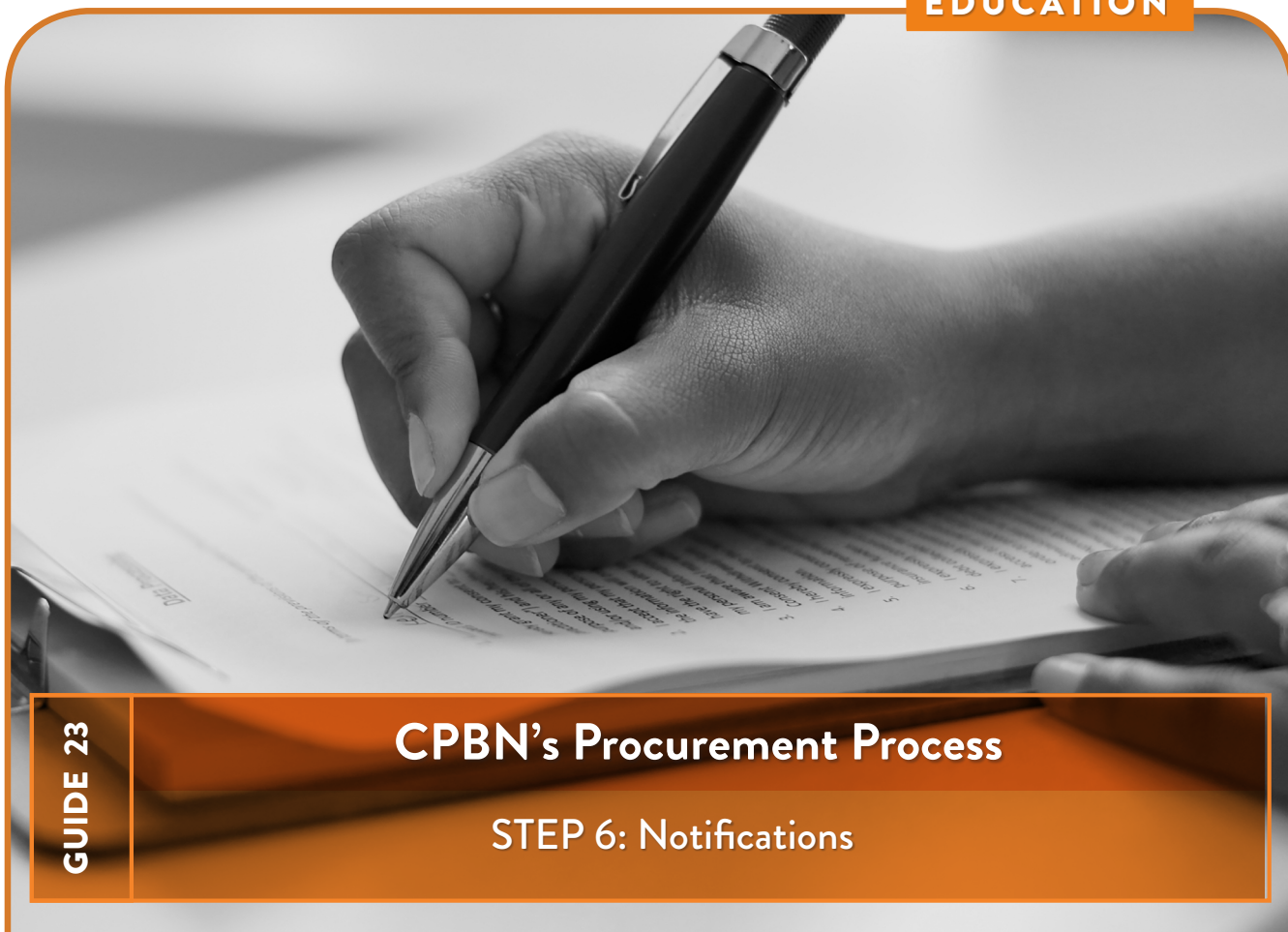
STEP 5: Adjudication and Award (BEC Reports)



The Board adjudicates the Bid Evaluation Committee's (BEC) recommendations in accordance with Section 9 (1) (l) and (i) (ii) of the PPA, either approving or rejecting them.

The Board may issue resolutions to guide or direct the BEC, requesting implementation or resubmission if needed.

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If the Board approves the BEC report, a **Notice for Selection of Procurement Award** is issued to all participating bidders within three days. This notice initiates a seven-day standstill period for unsuccessful bidders to apply for reconsideration.

If no applications are received, a Notice of Award is issued to the successful bidder(s), triggering another seven-day standstill period for unsuccessful bidders to apply for review with the Review Panel.

If no review requests are submitted, an Acceptance Letter is sent to the successful bidder. If a performance guarantee is required, it must be provided within 30 days before contract signing.

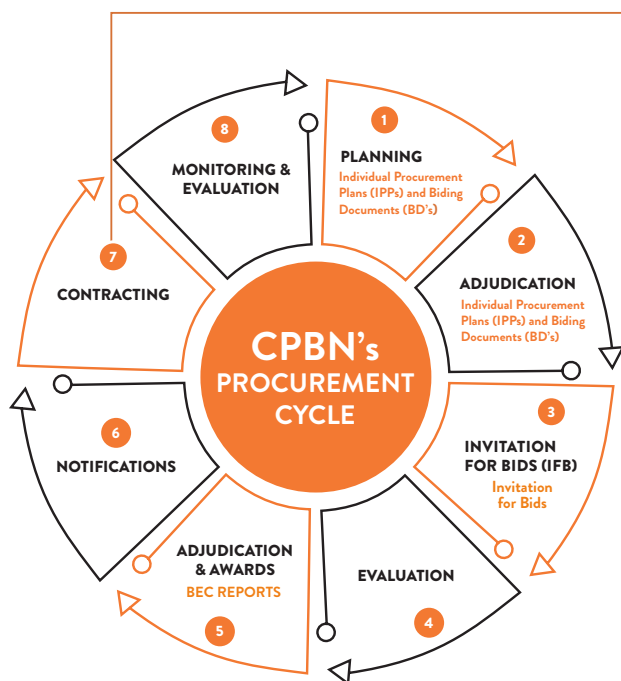
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GUIDE 24

CPBN's Procurement Process

STEP 7: Contracting



CPBN prepares the contract in consultation with the Public Entity. The contract is then signed by CPBN, the contractor/service provider, and witnessed by the Public Entity.

Site handover and the start of contract implementation are scheduled based on the agreement between the employer, contractor, suppliers, and/or service providers.

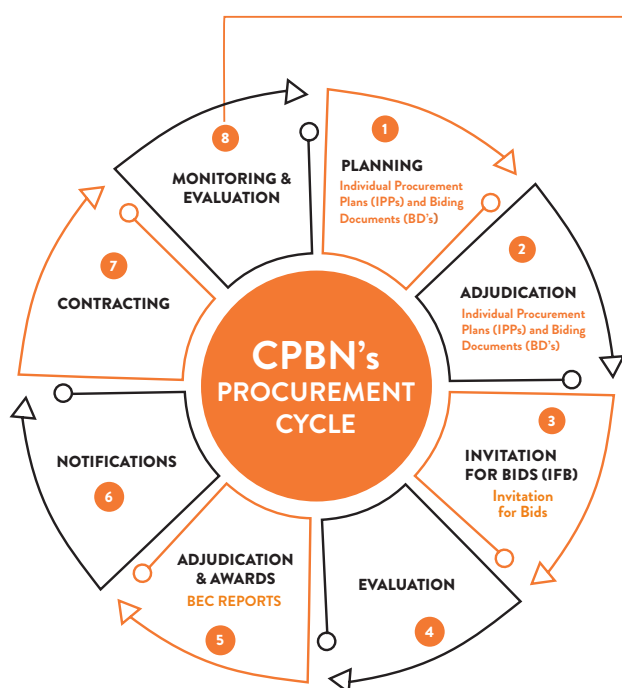
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GUIDE 25

CPBN's Procurement Process

STEP 8: Monitoring and Evaluation

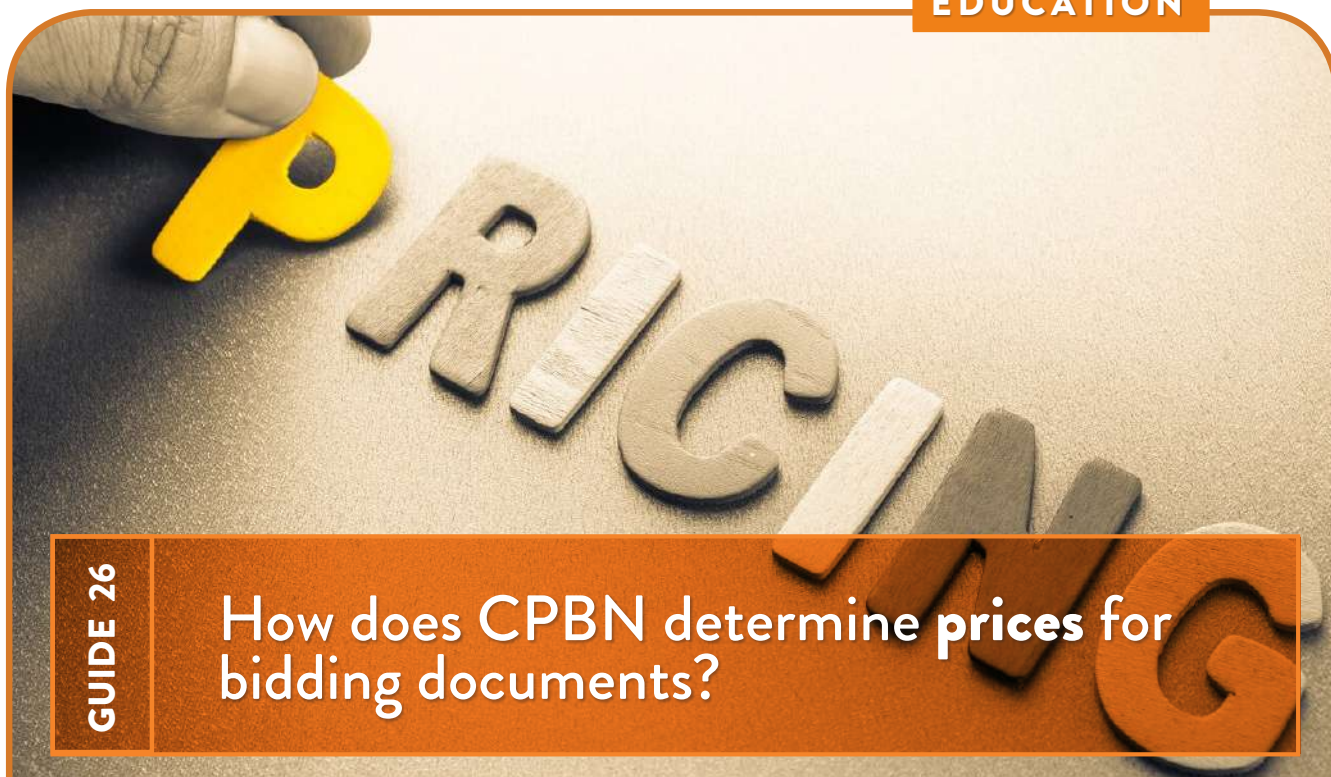


CPBN oversees the overall implementation of contracts, assisting the employer with daily contract management. Public Entities must submit quarterly progress reports to CPBN for projects awarded by the Board.

CPBN conducts regular Monitoring and Evaluation (M&E) through site visits to ensure compliance with the the PPA, regulations, directives, and signed contracts.

This monitoring continues until the project is completed.

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GUIDE 26

How does CPBN determine prices for bidding documents?

CPBN is guided by the Public Procurement Regulations Amendments of 20 April 2018 in determining the value of the selling price of bidding documents as prescribed in the table below:

COLUMN 1 PROCUREMENT METHODS	COLUMN 2 Fee to be charged for bidding document
All Methods listed under Section 27(1) and 64(2) except Open Advertised Bidding	Free
Open Advertised Bidding	
Procurement contracts with an estimated value not exceeding N\$ 1 000 000.00	N\$ 100.00
Procurement contracts with an estimated value above N\$ 1 000 000.00 and not exceeding N\$ 20 000 000.00	N\$ 300.00
Procurement contracts with an estimated value above N\$ 20 000 000.00 and not exceeding N\$ 100 000 000.00	N\$ 600.00
Procurement contracts with estimated value above N\$ 100 000 000.00 and not exceeding N\$ 500 000 000.00	N\$ 1,000.00
Procurement contracts with an estimated value above N\$ 500 000 000.00 and not exceeding N\$ 2 000 000 000.00	N\$ 3,000.00
Procurement contracts with an estimated value above N\$ 2 000 000 000.00	N\$ 6,000.00

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Follow Us:



 +264 (61) 447 700

 pr@cpb.org.na

 www.cpbn.com.na

 P O Box 23650, Pionierspark

 Erf 8161, Julius Nyerere Street, Windhoek, Namibia