



REPUBLIC OF NAURU

Public Finance (Control and Management) Regulations 2013

SL No. 1 of 2013

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**Public Finance (Control and Management)
Regulations 2013**

SL No. 1 of 2013

Cabinet makes the following regulations under the *Public Finance (Control and Management) Act 1997*

Notified on 24 January 2013

PART 1 — PRELIMINARY

1 Citation

These regulations may be cited as the *Public Finance (Control and Management) Regulations 2013*.

2 Commencement

- (1) Subject to subregulation (2), these regulations commence on the day after the day on which they are published in the Gazette.
- (2) Regulations 5, 6 and 7 commence on the day on which new section 15E of the Act inserted by the *Public Finance (Control and Management) (Amendment) Act 2012* commences.

3 Interpretation

In these regulations:

‘common item’, in relation to a public authority, means goods or services identified by the Secretary for Finance as a common item by notice in writing to the authority;

‘principal officer’ of a public authority means:

- (a) if the authority is a Minister—the Minister; or

- (b) if the authority is a Department—the Head of the Department; or
- (c) in any other case—the chief executive officer of the authority.

PART 2 — PROCUREMENT OPERATIONS

4 Purpose of Part

This Part is made for the purposes of Part 3A of the Act.

5 Annual procurement plans

Each public authority must, in conjunction with the procurement agent, prepare a procurement plan for each financial year in accordance with the procurement manual.

6 Procurement operations over \$3,000 must be conducted by procurement agent

- (1) Procurement operations of a public authority with a value exceeding \$3,000 must be conducted by the procurement agent on behalf of the authority.
- (2) The value of a procurement operation is to be determined in accordance with the procurement manual.
- (3) Subject to section 15E(5) of the Act and to the procurement manual, procurement operations of a public authority funded by a foreign government or international or regional institution must be conducted by the procurement agent on behalf of the authority.
- (4) There must be a procurement plan prepared in accordance with the procurement manual for each procurement operation subject to this regulation.

7 Procurement of common items

- (1) Procurement operations of a public authority involving the procurement of a common item must be conducted in accordance with this regulation.

- (2) The Secretary for Finance may, by notice in writing to a public authority, identify goods or services that are to be treated as common items by the public authority.
- (3) The procurement agent is to procure or arrange for the procurement, storage and distribution of common items.
- (4) A public authority must contact the procurement agent if it requires a common item.

8 Procurement manual

- (1) The procurement manual must embody the following principles:
 - (a) procurement operations should not be conducted unless the operations are necessary for the purposes of the public authority and funding is available;
 - (b) employees engaged in procurement should be provided with suitable training;
 - (c) in determining whether to enter into an arrangement for the conduct by the procurement agent on behalf of a public authority of procurement operations, the principal officer of the authority should take into account the nature of the operations and the training and experience of the employees of the authority;
 - (d) subject to principles set out in the manual allowing for payments for goods or services in stages and advance payments, payments should be made in arrears and only if the goods or services are provided satisfactorily;
 - (e) payments for goods or services should be made promptly;
 - (f) for procuring goods or services or goods and services, including construction works but not including professional services of a consultant:
 - (i) the principal method of procurement should be by a single stage competitive tender; and
 - (ii) if a method other than the principal method is chosen (such as multiple stage competitive tender, restricted competitive tender, direct procurement or obtaining quotations), the reasons for that decision should be recorded in writing and should relate to one or more of the following:

- (A) the estimated value of the procurement operation;
 - (B) the nature of the procurement operation;
 - (C) the nature of the market;
 - (D) any urgency or other relevant circumstance;
- (g) for procuring professional services of a consultant—the principal method of procurement should be by request for proposals (although the manual may contemplate circumstances when other methods should be used);
- (h) requirements and technical specifications for a procurement operation should describe the requirements in terms of performance or outcome rather than by prescription of detailed characteristics (although the manual may set out circumstances in which it is appropriate to refer to a known manufacturer's specification or equivalent);
- (i) procurement operations should be carried out in a manner that does not discriminate against a potential supplier on the basis of nationality, race, religion, gender or other irrelevant factor;
- (j) procurement operations should be carried out in a manner that assesses the qualifications and capacity of potential suppliers to provide the goods or services and their integrity;
- (k) procurement operations should be conducted in a manner that ensures that commercially sensitive information is kept securely and is treated as confidential;
- (l) procurement operations should be conducted in the manner set out in the documentation provided to potential suppliers, including by evaluating the suppliers only in accordance with criteria set out in the documentation;
- (m) the reasons for a supplier being unsuccessful in relation to a particular procurement operation should be communicated to the supplier on request;
- (n) records should be kept of each procurement operation;
- (o) a system should be established for dealing with complaints by potential suppliers.

- (2) Subject to any international agreements to which Nauru is a party, the procurement manual must contain provisions establishing a system for according preference to goods produced in Nauru or services provided by citizens of Nauru in appropriate cases.
- (3) The procurement manual may contain provisions requiring each public authority to cause an independent review to be conducted within a specified period after the end of a financial year of each of its procurement operations conducted during the financial year and exceeding a specified value.