



THE MALTA CHAMBER

PRESS RELEASE

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Transparency, Good Governance, Ethical Business

In continuing its call for good governance, The Malta Chamber launches a report on the reform needed in Public Procurement.

On Wednesday, The Malta Chamber launched a document titled **The Public Procurement Reform Report**, which contains 36 recommendations on the entire procurement process.

The key recommendations in this document relate to the **Blacklisting** of operators, the implementation and management of **Direct Orders** and the **Performance of Public Contracts** post-award.

Blacklisting

Economic operators who are in breach of the law, have to be sanctioned and should not be allowed to participate in public procurement or allowed to enter into public contracts. If contracting authorities do not blacklist economic operators who have breached the law, the wrong message is sent to the ethical market and honest operators that everything goes. Contracting authorities should reward economic operators who comply with the law, not only because this is the right thing to do, but because it is a cost for economic operators to comply with the law and contracting authorities must see that there is an equitable level playing field among all economic operators. This action will also reassure consumers of the effective use of public funds.

Direct Orders

The Malta Chamber does not disagree with the concept of directly awarded public contracts so long as their award is (i) duly substantiated and justified in accordance with the law; (ii) adequately publicised, ideally, through a Contract Register; and (iii) subject to scrutiny and judicial challenge by interested parties.

Performance of Public Contracts

The Malta Chamber submits that the monitoring of the performance of public contracts should also be shared with the private sector alike to other aspects of public procurement, obviously, with due respect to trade secrets and sensitive commercial information.



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The Malta Chamber believes that in implementing the necessary recommendations, proposed in this document, the Maltese Government will improve the quality of the tendering process, ensure fairness to all economic operators and reassure the public of an equitable use of public funds.

Procurement Report 2021

The document is the result of a consultation process The Malta Chamber undertook by setting up a working group formed by individuals representing economic operators that have different levels of experience submitting tenders across different industry sectors. The document serves as valuable guidance for the necessary reforms that are needed in order to ensure that economic operators are on a level playing field when tendering for government purchasing opportunities. These reforms also serve to ensure that public funds are deployed to their best potential. The Chamber insists that such procurement exercises must be accessible to all eligible economic operators, free from impropriety and in compliance with the law. The Malta Chamber has strived to continue working on the importance of good governance, transparency and ethical business.

The Working Group was composed of Liz Barbaro Sant, Anton Borg, Marcel K. Mifsud, Maronna Filletti, Mary Gaerty, Roderick Abela and Julia Aquilina. Dr Clement Mifsud Bonnici (Ganado Advocates) was technical advisor on the process.

The Malta Chamber submits that the continued consultation process is a testament to the fact that public procurement in Malta is extremely active and generally working well albeit a number of shortcomings; otherwise, economic operators would seek other opportunities elsewhere. At the same time, this Report confirms the core challenges identified by the Working Group.

The Malta Chamber is adamant and committed to engage in open dialogue with all stakeholders on this Report and to advocate for the adoption of the recommendations it contains.

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