



THE MALTA CHAMBER

PRESS RELEASE

16 April 2022

Department of Contracts and Contracting Authorities need to ascertain Full Compliance of Bidders

The Malta Chamber of Commerce, Enterprise and Industry must once again draw attention to the importance of vetting bidders properly in public procurement tendering processes for administrative compliance. This is an effective way of enforcing compliance and cleaning the market of rogue operators.

While the public procurement process provides legal remedies for competitors to challenge the adjudication process, they have very little visibility on the administrative and technical compliance of the other bidders. Similarly, courts are only able to decide on those matters on which competitors object and to base themselves on the evidence brought forward by the objector. The responsibility for ensuring full compliance, and more so administrative and technical compliance, lies squarely with the Department of Contracts and the Contracting Authorities. Both have the right to cancel tenders as well as their awards at any point in time (even if the recommended bidder has been decreed), when a tender has been awarded to a bidder who is not fully compliant on administrative, technical or financial requirements.

False declarations with regards to fiscal or financial status, non-payment of taxes, non-filing of financial statements or the filing of financial statements showing gravely insolvent positions, repeated reports of malpractice to consumer protection authorities, and the institution of criminal proceedings with serious accusation should all trigger alarm bells to blacklist operators and even suspend and withdraw running contracts if the gravity of the case warrants so.

The Malta Chamber of Commerce, Enterprise and Industry appeals to Government and all relevant authorities, particularly the Department of Contracts, to be truly sensitive to the extent to which the business community and the public in general has had enough of cowboys running roughshod over good governance and clean business, and expects the authorities to leave no stone unturned in convincing all those who are watching that this Government is really serious about its intentions to clean up and raise the bar. We urgently need to close the credibility gap.