



**ROYAL GOVERNMENT OF BHUTAN**  
**ANTI-CORRUPTION COMMISSION**  
*'NATION'S CONSCIENCE'*  
**THIMPHU, BHUTAN**  
*"Lead by example"*  
*"If you care, you will dare"*



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**Public Notification**

Tenth Plan has been finalized with a budget of Nu.146.252 billion. Management of public funds demands the highest level of prudence, diligence and integrity. Procurement budget alone may constitute around 30-40% of the total plan outlay i.e. about Nu. 44-59 billion. Procurement, construction being part of it, is one of the most corruption prone areas. Government has to hasten the process for enhancing greater transparency and professionalism in procurement procedures including contract administration.

In many instances it has been found that design and estimates are inconsistent, bills of quantities are manipulated, bid evaluations lack transparency, bids are rejected not based on their responsiveness, but on flimsy grounds without any material deviation and subjective interpretation of contract terms and conditions and rules incurring huge loss to the government as competitive bids are rejected, paving way for costlier bids to win contracts. Some bids are even rejected and not opened when the authorized representatives do not attend bid openings. On the other hand, contractors collude making bids unreasonably high, forge certificates and bank guarantees, sublet works in breach of contract agreement, manipulate item rate of bill of quantities, own more than one construction license in a family which are misused to get works, deliberately and habitually make arithmetical "errors" in the bids, offer discounts but add to the total, etc.

It is also invariably found that tender evaluation committees do not scrutinize bids with due diligence, tender committees are weak and concerned authorities' fail to monitor contractors' performance. These ultimately incur huge loss to the national exchequer.

Heads of agencies should ensure closer scrutiny of design, estimates, bill of quantities and bid documents before tendering any work and greater diligence from individuals and committees. Tender terms and conditions should be clear, avoiding arbitrary and conflicting clauses that leave room for manipulations and collusions. Grounds for rejection of bids should be clearly spelt out with strong rationale and business sense. Concerned institutions should put in place effective mechanisms for monitoring contractors' performance.

ACC shall hold evaluation and tender committees and heads of agencies responsible and accountable for any loss to the national exchequer that is incurred due to lack of due diligence or corrupt intentions.

This notification is being served to ensure successful implementation of the 10<sup>th</sup> Plan, which calls for greater care, diligence, professionalism, transparency and accountability.

**To all concerned public and private entities**

**-SD-**  
**(Neten Zangmo)**  
**Chairperson**

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***"FIGHTING CORRUPTION IS A COLLECTIVE RESPONSIBILITY"***

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