

Promoting Fairness, Transparency and Efficiency in the Public Procurement Process

Public Procurement Commission

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PRESS RELEASE

The Public Procurement Commission (PPC) has taken note of an article in the Kaieteur News edition of December 4, 2024, with the caption "employment costs for Public Procurement Commission up by \$115M - 2023 Annual Report".

While the PPC welcomes the level of scrutiny it is usually subjected to by the media, we must point out that the report on the employment costs of the PPC was grossly misrepresented in the said article which we are therefore compelled to correct for the record.

Good journalism usually dictates that before publication, the media house through the reporter/journalist seeks an explanation or clarification. Unfortunately, this was not done, hence, the PPC wishes to provide the missing context and explanation for the reported large variance of \$115M obtained in 2023 relative to the previous year, 2022.

In fact, had the media reporters done their work prudently by also examining the PPC's 2023 Annual Report that was previously laid over to the National Assembly in December, 2023, in tandem with the Audited Financial Statements, they would have quickly learnt of the reasons for the variance. It would appear that the 2023 Annual Report was never perused by that particular media house although it is a publicly available document. It would also appear that the (July 8 2022-July 8 2023) Annual Report (laid over in December 2023) as distinct from Audited Financial Statements for 2022 and 2023 (laid over in November 2024) have been fundamentally confused and conflated by the publication.

It should also be noted that the said Annual Report, covering the first year of operation of the presently constituted commission, is the first to be ever laid over in discharge of its constitutional duty to so do; the prior constituted commission having not done so for any period of their operation. Similarly, the aforementioned recently laid over Audited Financial Statements discharges the commission's statutory responsibility to so do, up to date.

The PPC was first constituted by former President David Granger on October 28th, 2016, for a period of three (3) years, pursuant to Article 212Y of the constitution. The tenures of the then Chairperson and Deputy Chairperson were extended by President David Granger (as he then was) for a period of one (1) year with effect from October 25th, 2019. No other commissioners were appointed leaving the commission not fully constituted and or quorate. The commission was next fully constituted, as is presently constituted, by His Excellency Dr. Mohamed Irfaan Ali, for a period of three (3) years, with effect from July 8th, 2022.

The employees of the PPC, who are employed on a contractual basis for three years, had expired for most of the employees by the time the next Commission was constituted in July,



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2022. As a result, the Commission had to set about on a recruitment drive in 2022, to re-staff its constitutionally mandated Secretariat.

With this in mind, it would be improper to compare the employment costs of 2023 with previous year 2022, when the commission was in effect unstaffed. Further to note, the current PPC used the opportunity to review the organizational structure of the PPC as reported in the aforementioned Annual Report; removing padded administrative positions and replacing same with technical staff.

Under the previously constituted PPC, the final year they operated with a fully staffed Secretariat before employees' contracts expired, was the year 2019.

Therefore, it would be more prudent to properly compare the employment cost of the PPC in 2023, with the year 2019.

To this end, in 2019, the total employment cost of the PPC was \$163.2 million, which increased by \$27.7 million or 20% over the previous year in 2018. In 2023, the employment cost of \$175.8 million represents an increase of \$12.5 million or 7% to the last duly constituted PPC's employment cost in 2019.

Therefore, the real increase in employment cost of the current PPC for the year ended 2023, when compared to the previously constituted PPC in 2019, was \$12.5 million or only 7%.

December 4, 2024

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