

press clippings

مجلس المناقصات يبدأ تعميم نظام المناقصة الإلكتروني

الوزير ميرزا: النظام يتقيد للمقاييس والإجراءات الدولية ويوفر الشفافية والعدالة والأمانة

التمامة - مجلس المناقصات، صرح وزير شؤون النفط والغاز رئيس مجلس المناقصات الدكتور عبد العزيز آل خليفة، بأن مجلس المناقصات بدأ تعميم نظام المناقصة الإلكتروني، مؤكداً أن النظام يتقيد للمقاييس والإجراءات الدولية ويوفر الشفافية والعدالة والأمانة.

وأكد الوزير على الجودة التي يتمتع بها النظام والتي تشمل في توفير عدد الخدمات للموردين والمقاولين من مختلف دول العالم، كالتسجيل الإلكتروني، عرض لخصائص مختلف حالاتها، مروحة، مفتوحة أو تم إرسالها، إلى تسهيل إجراءات تقديم العروض الإلكترونية مع المحافظة على الشفافية، الشفافية وتكافؤ الفرص، من جهة أخرى، يتيح النظام للجهات الحكومية المشترية لثيرة لاختيارها من تحديد التي تود فيها تسير خطوات من بها لكل مناقصة، علاوة على النظام خاصة حفظ أي نموذج يسهل الرجوع إليه، كما لاحقاً بسهولة ويسر، التزام بالشفافية والهيمنة الإدارية الخاصة بتلك المناقصات هي تكافؤ الفرص، من جانبك معلوماتي، مستخدمته، في أي تم فحص النظام الإلكترونية من متخصصة، وتم

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15 February 2009

H.E. Dr. Abdul Hussain Ali Mirza
Chairman
Tender Board
Kingdom of Bahrain

TC0001-25378199
ICAK-PT-254819192

Your Excellency,

We refer to your letter dated 2 February 2009 whereby the Tender Board had reviewed and accepted our bid to be among others to be considered by Central Stores.

We wish to record our appreciation for the kind consideration the Tender Board elected to exercise on this occasion and to assure you that we shall fully adhere to all solicitation requirements, at all times, as is our practice.

We thank you and the Tender Board for your consideration and wise counsel.

Very truly yours,

Sayed A. Shalub
General Manager

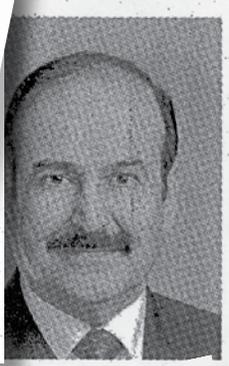
تطور مؤشرات لقياس أدائه وتتوأكب مع رؤية 2030

مجلس المناقصات ينهي مراجعة وتجديد خطته الاستراتيجية

تبنى مجلس المناقصات مؤخرًا إعادة دراسة ومراجعة الخطة الاستراتيجية التي أعدها المجلس في عام 2003 لتتواءم مع الرؤية الاقتصادية لسنة 2030 وتطوير مؤشرات أداء رئيسية مبنية على أفضل الممارسات الإدارية الحديثة والمعايير الدولية. ويأتي ذلك إيماناً بضرورة الاستمرار في تحسين الأداء وزيادة كفاءة عمليات المناقصات.

وأكد رئيس مجلس المناقصات عبد الحسين ميرزا على حرص المجلس منذ تأسيسه في يناير (كانون الثاني) 2003 على تطبيق أعلى مقاييس النزاهة والشفافية والانفتاح في جميع مراحل إجراءات المناقصات الحكومية وحرصه على جودة ممارساته لتقديم خدمات ذات جودة عالية وتعزيز القدرة على سرعة الاستجابة لكل الجهات الحكومية الخاضعة لقانون تنظيم المناقصات والمشتريات الحكومية والموردين والمقاولين المشاركين في هذه المناقصات.

وأضاف الوزير ميرزا بأن مجلس المناقصات أتم مراجعة وتجديد الخطة



عبد الحسين ميرزا

«سامسونج» تشيد بشفافية إجراءات «المناقصات»

البيان - تشيد شركة سامسونج العالمية بأداء مجلس المناقصات في توفير بيئة عمل شفافة ونزيهة للمنافسة العالمية. وتعد شركة سامسونج من الشركات العالمية في مجالات البناء وتكنولوجيا المعلومات، وتعد هذا الإنجاز خطوة مهمة لتحقيق الشفافية والعدالة في المناقصات الحكومية، والتي تأسس عليها التطور الاقتصادي في دولة البحرين.

وأكدت الشركة على التزامها بالشفافية والعدالة في جميع عملياتها التجارية، بما في ذلك عمليات المناقصات الحكومية. وتعد هذا الإنجاز خطوة مهمة لتحقيق الشفافية والعدالة في المناقصات الحكومية، والتي تأسس عليها التطور الاقتصادي في دولة البحرين.

وأضافت الشركة أن هذا الإنجاز يعكس التزام مجلس المناقصات بالشفافية والعدالة في جميع عملياته التجارية، بما في ذلك عمليات المناقصات الحكومية. وتعد هذا الإنجاز خطوة مهمة لتحقيق الشفافية والعدالة في المناقصات الحكومية، والتي تأسس عليها التطور الاقتصادي في دولة البحرين.

أهمية مجلس المناقصات

يعتبر مجلس المناقصات في المملكة من أكثر الهيئات حساسية بالنسبة إلى أقاليمها وأهمها يتعلق بصرف الأموال لتأمين الشفافية والمصداقية في جميع عملياته التجارية، بما في ذلك عمليات المناقصات الحكومية. وتعد هذا الإنجاز خطوة مهمة لتحقيق الشفافية والعدالة في المناقصات الحكومية، والتي تأسس عليها التطور الاقتصادي في دولة البحرين.

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Much more needs to be done to fight corruption

Dr Jasim Hasain Ali, Special to Gulf News purchases.

SIH, the board, which is a governmental agency, plans to institute e-tendering in the near future, a development that could further improve Bahrain's ranking on CPI.

E-tendering would provide firms the opportunity to submit bids and be advised of winners without suffering financial cost of sending representatives.

بسبب تطور شفافية المناقصات الحكومية، تقدم طيف بمؤشر مدركات الفساد

«الشفافية»: مطلوب جهود كبيرة لتحقيق المزيد من الشفافية

أعلنت الجمعية البحرينية للشفافية بأن منظمة المدركات العالمية لقياس أداء الحكومات في مجال مكافحة الفساد، CPI، قد أعلنت عن نتائجها لعام 2008. وتعد البحرين من بين الدول التي حققت تقدماً طفيفاً في مؤشر مدركات الفساد، CPI، حيث ارتفعت من 18 نقطة في عام 2007 إلى 19 نقطة في عام 2008.

وأشارت الجمعية إلى أن هذا الإنجاز يعكس التزام مجلس المناقصات بالشفافية والعدالة في جميع عملياته التجارية، بما في ذلك عمليات المناقصات الحكومية. وتعد هذا الإنجاز خطوة مهمة لتحقيق الشفافية والعدالة في المناقصات الحكومية، والتي تأسس عليها التطور الاقتصادي في دولة البحرين.

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The Tender Board also has plans to continue the development of its data bank, in order to accommodate retrieval of any information relating to any of the government tenders for periods as back in time as practically possible. The plans also include rendering the data bank accessible online by the concerned authorized users at the various government ministries and institutions, to retrieve their required information as quickly and easily as possible.

It is also amongst the Tender Board's future plans, to put its key performance indicators (KPI) program, which was finalized during 2008, to the best possible usage and benefit. This includes consistent and systematic monitoring and measurement of performance levels of every function/activity in every unit, section and department, in the Tender Board's Technical and Administrative Unit, in order to ensure maximum compliance with the internationally recognized best practices.





Future Plans



One of the most important plans for future development is the linking of the Tender Board's e-Tendering platform, in a comprehensive and fully integrated manner, with the entire e-Government system. Presently the Tender Board is working closely with the e-Government Authority on this subject. With the achievement of this goal in addition to linking e-Tendering system with the various systems used by the ministries and government institutions, and finalizing the training of the users, the cycle would be complete, (Tender Board as the regulator, the government institutions as the buyers and the bidders as the providers). It is planned to have this goal achieved by the end of year 2009.

After having implemented this objective, all ministries and government institutions will be able to announce their tenders and procurements by directly placing notices of the same on the e-Tendering platform on the website. The contractors and suppliers on the other hand will be able to take notice of these tenders and procurements directly from the e-Tendering platform, and also to eventually submit their bids online, without the need to go through the existing traditional mechanisms, the fact that would undoubtedly improve and speed up the process of government tendering, and lead to further enhancing levels of transparency, fair competitiveness, impartiality and equal opportunities, in addition to improving channels of communication between the concerned parties.

Amongst the other future plans, the Tender Board is also continuing in the process of conducting a comprehensive review and process re-engineering of all the procedures and processes related to government tendering, in the ministries and other government institutions to ensure application of best possible practices at all levels throughout the tendering processes, thus amply contributing to the Kingdom's dedication to conducting business in the most responsible and honest manner that would undoubtedly further boost investors' confidence in Bahrain's economy both locally and internationally.





e-Tendering system with those of the other ministries and government institutions, in order to eventually have the e-Tendering entirely linked to all of the ministries and government institutions, thus paving the way for the ultimate link with e-Government.

➤ **Training The Concerned Government Employees**

The IT Section in the Board's Technical and Administrative Unit has delivered lectures on e-tendering and the e-Tendering system in December 2008 to a number of concerned employees from the government ministries and other government institutions in order to acquaint them with the system and how to interact with it through their own systems, when processing their tendering and procurement activities. As the e-tendering function smoothens out in operation, and as further developments of the system take place, the training process will continue in order to keep the concerned employees in the ministries and other government institutions abreast of these developments.

➤ **Training The Concerned Individuals in the Private Sector**

The Tender Board signed a memorandum of understanding with the Labour Fund (Tamkeen) on 3rd July 2008 to collaborate together in developing and providing the necessary training programs to the owners and employees of the private sector, who actively participate in the government tendering and procurement. The training programs aimed at providing candidates from 300 contractors and suppliers in the Kingdom, with all the necessary information and know-how that assist and urge them to start automating submission of their bids. The training programs, already started in September 2008 and ended in December 2008, provided the basic information about electronic tendering in general and about the Board's e-Tendering system in particular, covering the various stages of the tendering process, starting from government tenders announcement stage, then bid submission stage, bids opening stage, following up and viewing the process of bids opening and finally identifying the successful bids which were awarded with the project, all smoothly, user friendly and with full extent of transparency through the Tender Board's website. Al-Nadeem Information Technology, who has implemented the Board's e-tendering site, has been chosen to conduct these training programs.

The Tender Board has already been recognized as a model of excellence in the Middle East, in terms of regulating the government acquisitions. However, with the full launch of the electronic bidding system, having fully trained the concerned parties from both the ministries and other government institutions, as well as from the private sector who participate in the government tenders and procurements, the Tender Board of the Kingdom of Bahrain would have entered a new era, and joined the ranks of the most prominent, world-class organizations.





The concerned team at the Technical & Administrative Unit continues to work on further development of the Board's website and e-tendering system. Some of the development projects include:

- 1) Linking the e-tendering system to an appropriate credit card issuer to facilitate payment of initial bonds through credit cards.
- 2) Linking the e-tendering system to the Commercial Registration Directorate at the Ministry of Industry and Commerce, to facilitate the verification of the validity of the commercial registration certificates of the bidders.
- 3) Linking the e-tendering system to the Central Bank of Bahrain, to facilitate any foreign exchange requirements.
- 4) Linking the e-tendering system to Bahrain e-Government portal through coordination with the e-Government Authority.

➤ Linking e-Tendering to e-government

The Tender Board started in the second half of 2008, the preparatory works towards establishing a link between the e-Tendering System and the e-Government System, by developing electronic channels of communication with the different electronic systems used by all the ministries as well as the other governmental institutions. The Tender Board chose to start the first experimental link of its e-Tendering with the tendering system used by Bahrain Petroleum Company (Bapco). The operation was run in parallel, whereby Bapco's tenders and procurements processes started to be conducted electronically through the e-Tendering system, while continuing with Bapco's own traditional way of processing, to ensure that the results are in conformity with one another. This experimental stage proved to be entirely successful and subsequently the electronic processing was put to full live operation in July 2008. After that, the Tender Board repeated the experiment of parallel processing with both Electricity and Water Authority and Ministry of Works. This was also completed very successfully in October 2008, and the results were entirely satisfactory. The Tender Board will continue with the process of linking its





the private sector, which in turn requires the development of the capabilities of suppliers and contractors on the use of modern technological systems, the Tender Board has taken a number of initiatives aimed at enabling the private sector to play a greater role in the process of participating in the development and evolution of the electronic market in the Kingdom of Bahrain. Some of these initiatives taken by the Board and the achievements accomplished by the Board towards these objectives are outlined in the paragraphs that follow.

➤ E-Tendering

The Tender Board began in September 2007 to create and develop its extensive e-tendering platform at its website over the Internet, a platform that includes an integrated electronic system fully equipped to meet all the needs and requirements of e-government in the Kingdom. Since establishment, the system provided the function of broadcasting the tenders opening sessions online, relaying all of the bidding information to the public over the website in real time. The platform is distinguished by its being fully integrated with the current electronic systems used by the various government ministries and other institutions, and that it has a powerful database developed to address and interface with any tendering and procurement electronic system that is based on international norms and standards.

On March 21, 2008, the Tender Board signed an agreement with Ernst & Young to carry out a comprehensive analytical study of the Board's website and its electronic platform, to assess, identify and evaluate any potential security risks, threats and vulnerabilities that may threaten the integrity of the system and its reliability. This project was successfully completed in December 2008, with the positive outcome that both the website and the platform are absolutely safe and not vulnerable to any security risk.





KEY ACHIEVEMENTS

The Tender Board continued during 2008 the process of further developing and promoting the capabilities of its Technical and Administrative Unit, both in terms of strengthening its organizational structure and administrative systems by recruiting excellent and qualified Bahrainis to fill in the various vacancies, and in terms of developing and modernizing its operational systems and procedures. The Tender Board has also paid great attention to the training and development of its human resources through intensive internal and external training programs in order to raise the standard of their professional skills and enhance their capabilities, which had the greatest impact on the level of performance of the Board during 2008 and on the considerable achievements that have been accomplished. The following are some of these major accomplishments that have been made during the year:

➤ Enhancement of the Live Opening Sessions of the Tenders

The live broadcast of the public opening sessions of the tenders through the Tender Board's website, which was introduced last year, has seen further developments during 2008. The entire information related to the opening and the bids opened is broadcasted on the website for all concerned, whether from the tendering/purchasing ministries and other governmental institutions, or from contractors/suppliers or other interested parties. The process allows the follow-up of the opening of the tenders, one after another and step by step, online, from wherever the followers are, without the need to personally be present at the Tender Board headquarters. Undoubtedly, this automated system of broadcasting the tenders opening sessions has brought in greater levels of openness and transparency to the opening of the tenders, and has provided utmost convenience to all concerned or interested to view and follow up without any trouble, the entire details of the public opening session online and the necessary information about the bids opened, as if they were present themselves in person at the opening sessions. Thus, the Tender Board in the Kingdom of Bahrain is the first of its kind in the world, to broadcast the process of opening of tenders online through the Internet, for everybody to watch and follow throughout the world.

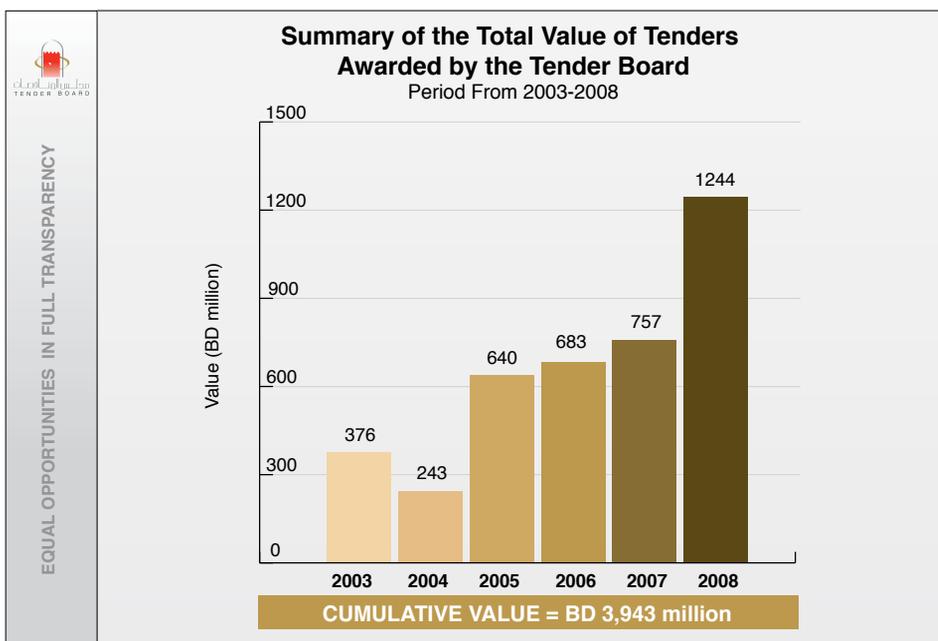
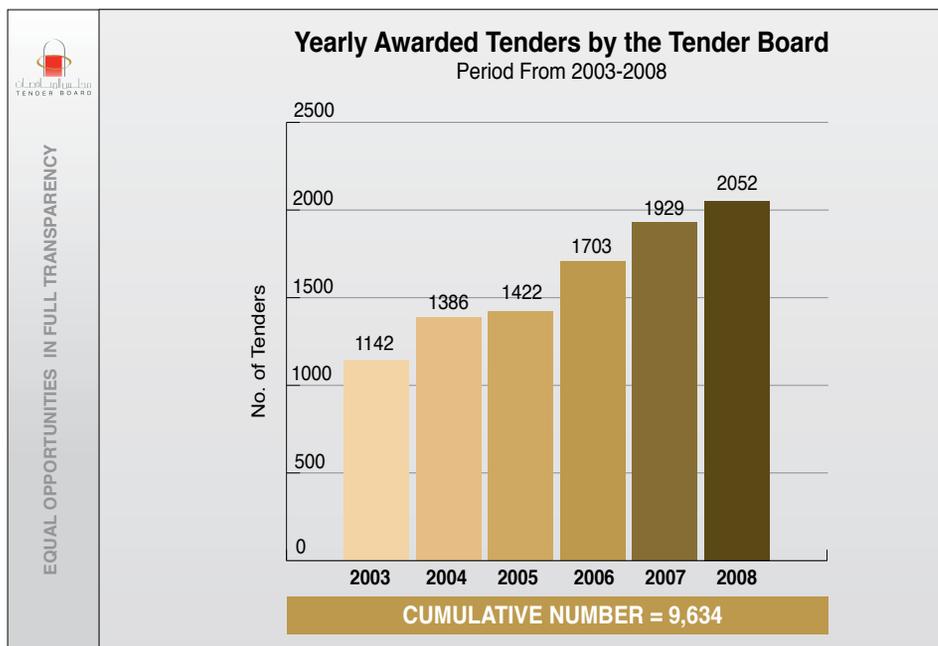
➤ Key Performance Indicators

After acquiring the international quality certificate (ISO 9001:2000) in November 2006, the Tender Board continued its efforts in accordance to its ongoing strategy of enhancing quality management system, by the introduction of key performance indicators (KPI), in November 2007. The ultimate objective of KPI is to monitor and measure the levels of performance on an ongoing basis in the various departments and sections of the Board's Technical and Administrative Unit. A group of consulting firms have been invited to bid for a limited tender that has been put forward for the revision of the Board's strategy and development of appropriate performance indicators. Eventually the tender was awarded to Ideal Management Consultancy and a contract was signed in May 2008 for the implementation of this project. The key performance indicators, when fully implemented shall provide to the management of Technical and Administrative Unit, and to the Board, basic tools and requirements to monitor, follow and measure the overall performance of the Tender Board and its quality management system versus internationally acceptable best practices.

➤ Development of Technology

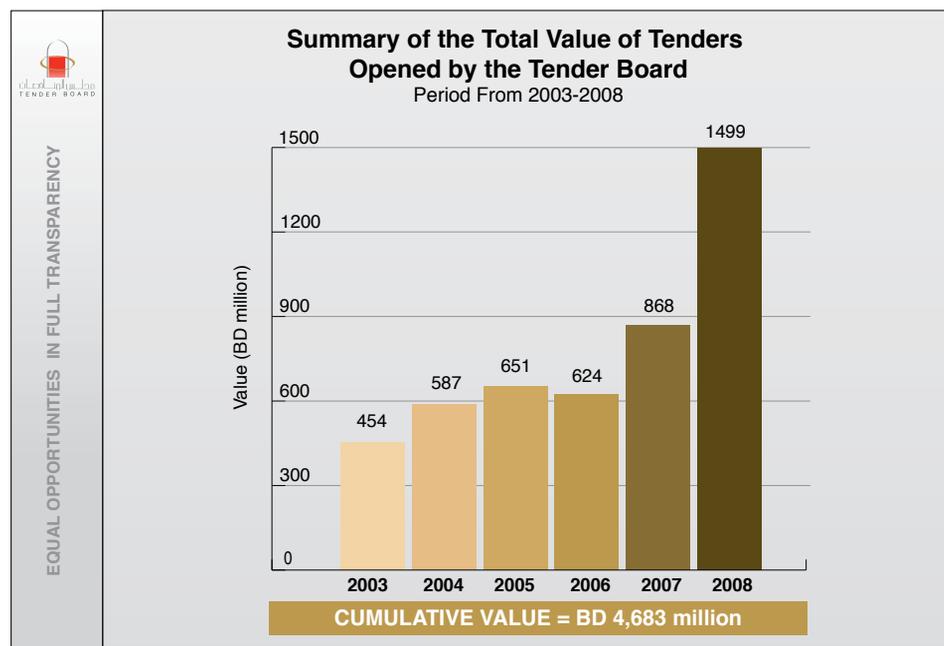
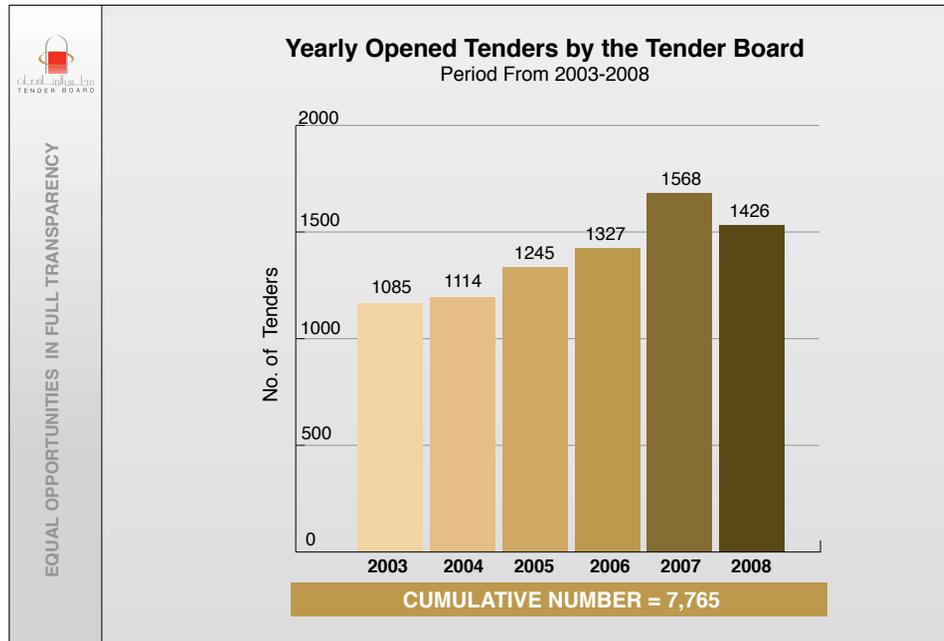
In line with the overall strategy of the Kingdom of Bahrain regarding the adoption of the e-government initiatives and supporting the growth and development prospects, which calls for greater interaction with





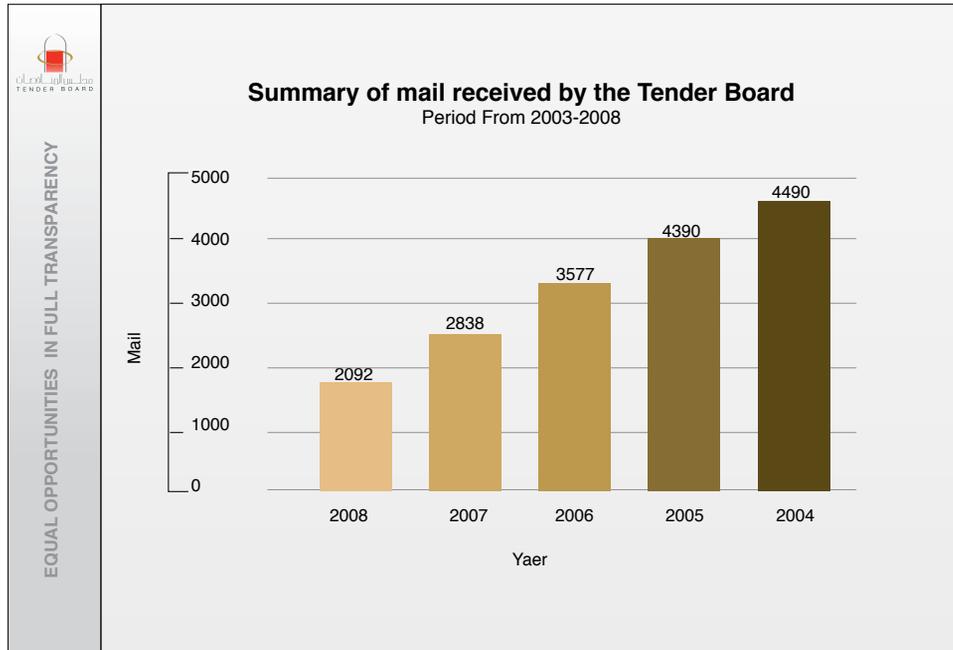
Due to the increase in number of government projects and the increase in number of purchasing authorities subject to the Law Regulating Tenders and Purchases, the number of awarded tenders under the supervision of the Tender Board rose from 1,929 in 2007 up to 2,052 in 2008, an increase of 6%. Accordingly, the cumulative value of these tenders rose from BD757 million in 2007 up to BD1,244 million in 2008 showing an increase of 64%.



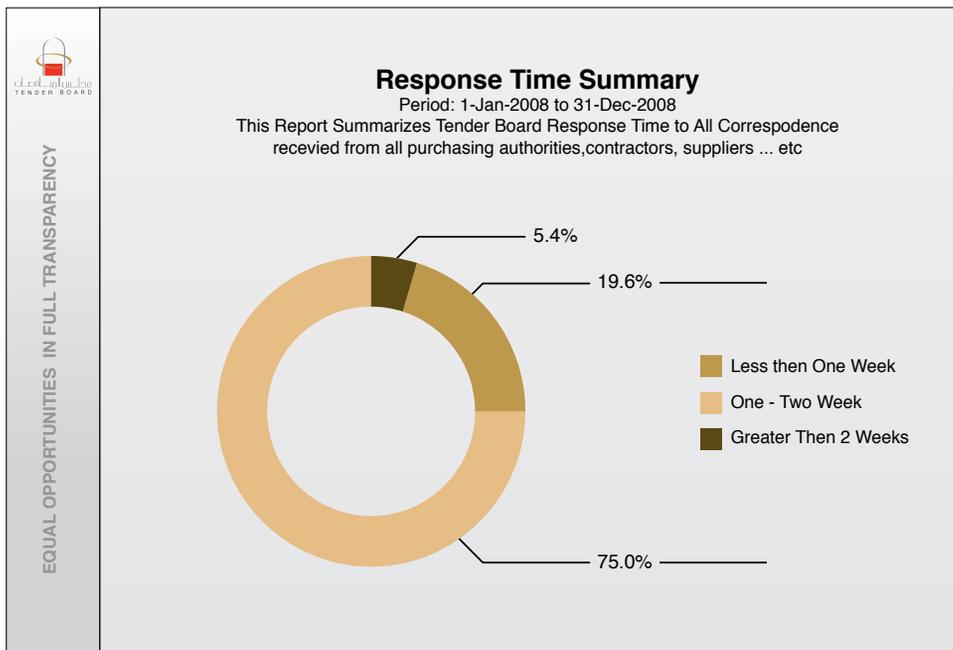


Despite the decrease in the number of tenders opened by the Tender Board in 2008 which reached 1,426 tenders compared with 1,568 tenders in 2007, the estimated cost of the opened tenders rose from BD867 million in 2007 to BD1,499 million in 2008 with an increase of 73%.

STATISTICS



The quantity of mail received by the Tender Board has steadily increased, as indicated in the above table.



The Tender Board holds weekly meetings without interruption as it is keen to handle all mail received efficiently and to speed up the response to the purchasing authorities and suppliers and contractors. The statistics confirm that the Tender Board undertakes the study of recommendations, makes appropriate decisions and responds to the mail received in a period not exceeding two weeks for over 94% of the cases.



complaints from the contractors and suppliers or any other concerned parties. The fruits of the guidance provided by the Tender Board have materialized during 2008 in the form of vast reduction in the number of complaints received by the Tender Board, to reach its lowest record since the inception of the Tender Board in 2003.

The Tender Board was able to realize one of its most important objectives for which it was established, namely achieving the highest possible level of economic efficiency while acquiring government purchases at fair and competitive prices, thereby contributing to the realization of a huge cut in the overall cost of projects for awarded tenders in 2008, reaching about BD59 million. The Tender Board has also contributed in saving about BD155 million since its inception in 2003.

As for the suggestions made by the Tender Board in 2007 in respect of amending and/or modifying certain provisions of the Tender Law, the Tender Board is still awaiting final approval of the National Council.

The Tender Board has four specialized sub-committees comprising distinguished professionals and experts from various fields of profession. These committees, at the request of the Tender Board, offer their technical assistance in dealing with matters referred to them by the Board as and when deemed necessary by the Board. Their respective areas of technical support that they provide to the Tender Board ranges over the following areas:

Reviewing the requests for reconsideration and complaints that the Tender Board receives with regards to the government tenders; Reviewing the pre-qualification of contractors and suppliers carried out by the respective government ministries and other institutions; Ratification of technical specifications prepared by the tendering government institutions for the tenders they propose to launch; Supervision of the opening of the tenders for the projects which have a budget of less than one million Dinar each.





suppliers who have opted to participate in the tenders announced by the government institutions for the implementation of these projects and acquisitions, largely as a result of the excellent reputation that the Tender Board has achieved in terms of ensuring application of absolute integrity, transparency and equal opportunity to all suppliers and contractors and prevention of any interference or influence of personal interests in the tendering processes. Obviously the increase in the number of the participating bidders in the government projects and procurements would lead to increase in the number of competing bids and therefore would provide the purchasing authorities multiple alternatives to choose from. In addition, the higher number of bidders would result in more competitive pricing, which would lead in turn to having the government projects and acquisitions implemented at a higher degree of economic efficiency and protection of public funds.

Despite the relatively small size of the workforce in the Tender Board's Technical & Administrative Unit, we have been able nevertheless to efficiently and skillfully deal with the consistently increasing amount of work, especially in the recent two years. This has been made possible, thanks to the sincerity and dedication of our loyal staff in carrying out their duties and responsibilities, and performing the work assigned to them in the most professional manner, in addition to our policy of applying a flexible organizational structure and maintaining a friendly and open working environment based on full cooperation between all the staff members together with a comprehensive and sophisticated quality control system, an advanced database with excellent archiving and retrieval system.

Further, once the electronic tendering system that has been recently developed and introduced on trial basis towards the end of 2008, (the first of its kind in the GCC and the Middle East) is fully implemented and operational by the end of 2009, it will considerably facilitate the whole function of government tendering and procurement. The system will virtually allow all aspect of the government tendering and procurement to be carried out online over the Internet with utmost convenience. Thus, it will become entirely easy and convenient for the bidders as well as any other interested party to follow-up from their own locations, the tenders opening processes and to view the details of the bids opened, with absolute transparency and openness.

We have made over the past year a number of important accomplishments that have significantly contributed to the improvement of our operations and to our ability to provide more efficient services with improved quality and speed of response to both the government institutions and the suppliers and contractors participating in government tenders, in addition to promoting the principles of transparency, openness and the provision of information. One of the most important tasks accomplished by the Tender Board during the year was to explain and clarify as and when necessary to the concerned individuals at the government institutions and of the contractors and suppliers, the provisions and requirements of the Tender Law in respect of government tenders and procurements, and to highlight to the government institutions the extent of flexibility and universality contained in the Law in providing numerous methods of tendering that would cater to almost every tendering condition, so that there is hardly any need for seeking the Tender Board's approval of conducting their tenders on exceptional basis. Hence, all the government institutions may carry out almost all of their projects and purchases by strictly abiding to the Tender Law provisions and requirements. The Tender Board is always there to help and assist the purchasing government institution by guiding them to the right type of tendering methods that suits their requirements, and at the same time protects them from being exposed to any criticism and/or





OVERVIEW



The Tender Board has firmly continued its regulatory and supervisory role over government tendering and procurements conducted by the various government ministries and institutions, with the main objective of ensuring that all the procedural requirements as per the Tenders & Procurements Law and the Tender Board's directives, have been adhered to by the purchasing parties throughout the various stages of the tendering activities processes, starting from the tender announcement until the final stages of bid evaluation, selection of the successful bid and recommending the award of tender for the Tender Board's approval. The law of Tenders & Purchases stipulates that all along the tender and purchase activities and processes, the ministries and other government institutions (the purchasing authorities) should observe and abide by highest standards of integrity, absolute transparency, availing equal opportunities to all suppliers and contractors, achieving economic efficiency and preventing interference or influence of personal interests in the assessment and evaluation of the tenders received and in the selection of the successful bid.

Since its inception on 7th January 2003, the Tender Board has decided to meet regularly on a weekly basis, to look into all the incoming correspondence, whether from the government ministries and other institutions or from the contractors and suppliers, regarding any matter relating to government tenders and/or purchases activities at any stage, from the announcement of these tenders/purchases until they are awarded to the successful bidders whose bids offer best terms and lowest prices, after standardizing the bases and criteria of comparison between the various bids received.

While the Kingdom has witnessed in the past few years a big increase in the number and volume of the governmental projects and acquisitions scheduled for implementation within the framework of the economic and social reform program, there has also been a surge in the number of contractors and





➤ MISSION

Control and supervision of all tender procedures and government procurement processes; review the recommendations made by the governmental institutions regarding the award of their tenders/ procurements; making appropriate decision of approving or otherwise of such recommendations; directing as necessary the governmental institutions towards applying the best practices that are compatible with the provisions of the Legislative Decree regarding government tendering and procurement; cooperating with the governmental tendering/procuring institutions to achieve maximum level of economic efficiency in carrying out their projects and/or obtaining their purchases at competitive and fair prices; and ensure the application of justice, integrity, transparency, fair competition with equal opportunities for all the concerned bidders.

➤ VALUES

- Have total respect for all our staff and consider them as our most important asset.
- Perform our duties with competence, efficiency, effectiveness, objectivity and impartiality.
- Abide by all the terms and provisions of the laws and regulations relating to the Tender Board in particular, and of the other laws and regulations issued by the official regulatories in the Kingdom in general.
- Endeavour at all times to act in a manner that promotes confidence, credibility and integrity of the Tender Board.
- Take full individual and collective responsibility and accountability for all the work conducted by us.
- Adhere in our work to the principles of respect, fairness and good treatment with everyone at all times.
- Strive as a team to achieve the maximum levels of quality in the work.
- Constantly seek ways to improve the quality of the work delivered by us.





PROFILE

➤ ESTABLISHMENT

Pursuant to the Legislative Decree No. (36) for year 2002, issued on 9th October, 2002 with respect to regulating the government's tender and procurement affairs, and in accordance with the article No. (8) of this Decree, the Tender Board was established by the Royal Decree issued on 7th January 2003, as a fully neutral and independent official regulatory body, reporting directly to the Cabinet, with a clear agenda of setting up a strict regulatory mechanism and of developing and applying clear policies and procedures that would ensure absolute fairness and transparency in the tendering and procurement processes carried out by all ministries and other governmental institutions that are subject to the law, and that would ensure total fairness and equal opportunity to all suppliers and contractors involved.

The Legislative Decree stipulates that the Tender Board shall be composed of a chairman, a deputy chairman and seven members, to be appointed by a Royal Decree. The term of membership of the Board shall be two years, renewable once only, with the possibility of re-appointment of a previous member, after the lapse of at least two years over his last membership with the Board.

The Legislative Decree also defines the principle objectives of the establishment of Tender Board as following:

- Protection of public property and prevention of any influence of personal interests on tender formalities and processes.
- Achievement of maximum level of economic efficiency in obtaining government purchases at competitive and fair prices.
- Encouragement of suppliers' and contractors' participation in government's tenders and procurements.
- Enhancement of integrity, competitiveness and providing equal opportunity and fair treatment to all suppliers and contractors.
- Achievement of total transparency in all aspects of government's purchasing procedures.

➤ VISION

To maintain and enhance the widespread confidence that the Board has earned both locally (from the governmental institutions and all the local suppliers and contractors), and regionally (from the concerned entities and authorities), thereby being the role model organization, demonstrating best practices with regards to business processes and ethics in the Middle East region.





BOARD MEMBERS



1) Dr. Abdul Hussain Bin Ali Mirza

Minister of Oil & Gas Affairs
Chairman of the National Oil & Gas Authority
Chairman of the Tender Board

2) Dr. Abdulmajeed Ali Alawadhi

Chief Executive of Electricity & Water Authority
Deputy Chairman of the Tender Board

3) Dr. Jumaa Ahmad Al Kabi

Minister of Municipalities Affairs & Agriculture
Member of the Tender Board

4) Mr. Nayef Omar Al-Kalali

Undersecretary, Public Works Affairs
Ministry of Works
Member of the Tender Board

5) Dr. Ebrahim Mohammed Janahi

President of Bahrain University
Member of the Tender Board

6) Mr. Ebrahim Bin Khalifa Al Dossary

Assistant Undersecretary for Information & Follow-up
Prime Minister's Court
Member of the Tender Board

7) Mr. Ebrahim Mahdi Shehab

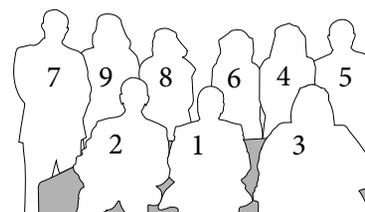
Chief Investment Officer & Deputy General Manager
Housing Bank
Member of the Tender Board

8) Mr. Abdul Razak Jaffar Zainalabedin

Assistant Undersecretary for Foreign Trade
Ministry of Industry & Commerce
Member of the Tender Board

9) Mr. Taha Mahmood Faqihi

Director of Government Projects
Ministry of Finance
Member of the Tender Board





considerable attention during the year to the development of its systems and processes employed by its Technical and Administrative Unit to ensure application of the most modern operating systems and procedures, of which I would mention for example, the Tender Board website on the Internet, which has won command and appreciation from a wide range of concerned authorities and interested parties both locally and internationally. In addition to that, we are on the verge of finalizing the implementation of a comprehensive electronic bidding system which allows for carrying out the entire government bidding processes through the Internet. As for control and the development of performance levels, the Tender Board has recently appointed a specialized consultancy firm to study and review the Tender Board strategy and to develop appropriate standards and key performance indicators for all the operational functions within the Technical and Administrative Unit.

We have achieved over the past year a number of significant achievements which have had the greatest impact on our operations, allowing us to provide more efficient services in addition to enhancing transparency and the provision of information. These significant achievements have led the Tender Board to maintain and improve upon the impressive reputation it has acquired in terms of commitment to fairness, equity, competitiveness, transparency and provision of equal opportunities. This in turn has played an important role in attracting foreign investment and increased investors confidence in the economy of the Kingdom of Bahrain, due to fair, competitive and sophisticated business practices.

Through cooperation with the government ministries and institutions in establishing a most attractive economic environment in the Kingdom of Bahrain by ensuring the implementation of the government projects and acquisitions in the best possible methods as mentioned above, the Tender Board reiterates its commitment to support the government's efforts in the implementation of the Kingdom's economic and social reform program, and in the achievement of the national objectives aimed at further development and progress of the Kingdom of Bahrain which in turn should lead to raising the standard of living and prosperity of its loyal people.

Finally I would like to take this opportunity to express my sincere thanks and utmost gratitude to His Majesty King Hamad Bin Isa Al Khalifa, King of the Kingdom of Bahrain, His Highness Shaikh Khalifa Bin Salman Al Khalifa, the Prime Minister, and His Highness Shaikh Salman bin Hamad Al Khalifa, the Crown Prince & Deputy Supreme Commander of Bahrain Defence Force, may the Almighty God bless them all, for their visionary leadership, valuable views, support and guidance, without which this level of achievement would have hardly been possible. I would also like to thank my brothers, the members of the Tender Board and all the staff for the commitment, professionalism and hard work they have exerted throughout this outstanding year.

Dr. Abdul Hussain Bin Ali Mirza

Minister of Oil & Gas Affairs &
Chairman of the National Oil & Gas Authority
Chairman of the Tender Board





This is the sixth annual report of the Tender Board, and it is my pleasure and privilege that the Tender Board since its inception in January 2003 has played a most important role in the great march of progress and the economic boom enjoyed by the Kingdom of Bahrain, and in enhancing levels of economic efficiency, integrity and transparency, to match the highest international standards, a fact that has attracted recognition both locally, such as the National Council and the government institutions, and internationally, such as the Standard & Poor's and the International Transparency Organization which ranked the Kingdom higher by three notches globally in its CPI index for 2008.

The Tender Board continued its regulatory role in promoting the principles for which it has been established and in deepening these principles amongst all the government institutions governed by the Tenders and Procurements Law established through the Royal Legislative Decree No. 36 of 2002. The Board has endeavoured all along to guide and assist these government institutions in carrying out their projects and acquiring their procurements through application of best possible practices in order to achieve maximum level of economic efficiency in accordance with the objectives outlined in Article (2) of the Tenders and Procurement Law. The Tender Board's role was not merely supervisory, but also involved educating the concerned staff of both the government institutions and the contractors and suppliers in respect of the Tender Law provisions and requirements and of the operational policies and procedures.

This has definitely led to a better understanding at both the government institutions (being the buyers) and the contractors and suppliers (being the providers), which in turn led to a substantial increase in the number of government projects and procurements processed through public tendering versus limited tendering, as compared to what it used to be prior to the establishment of the Tender Board. In contrast, there has been a substantial corresponding reduction in the projects and procurements carried out through limited tenders and/or direct purchase. Further, there has also been significant improvements in the systems, methods and procedures applied by the government institutions in terms of processing their tenders, starting from the preparatory stage and then choosing the most appropriate method of tendering, followed by announcing the tenders, and then evaluating the bids received, and finally raising proposal to the Tender Board to approve the awarding of the contract to the successful bidder. These improvements have subsequently led to an enhanced degree of economic efficiency, integrity, fair competition and highest levels of transparency, and eventually to increased number of bidders and to the reduction in the percentage of complaints received from unsuccessful bidders.

Simultaneously, the Tender Board continued to develop and enhance its technical and administrative capabilities at various levels, starting from the selection of the right calibre of Bahraini staff, properly assessing their skills and capabilities in order to place the right candidate in the right position, and then providing them with appropriate training to develop their professional skills and keep them abreast of the best practice methods. This has already contributed significantly to the outstanding level of performance achieved by the Tender Board during 2008 in particular. The Tender Board paid





Chairman's Statement



It is my great honour and pleasure to present, on behalf of the members of the Tender Board and the staff of Tender Board's Technical and Administrative Unit, the Tender Board's sixth annual report for the year ended 31st December 2008.

Needless to say that, thanks to the great reform process of His Majesty King Hamad Bin Isa Al-Khalifa, since he took over the helm of leadership in the country, and to the invaluable guidance of His Highness the Prime Minister, Shaikh Khalifa Bin Salman Al-Khalifa, and to the support of His Highness the Crown Prince and Deputy Supreme Commander, Shaikh Salman Bin Hamad Al-Khalifa, the Kingdom of Bahrain has shifted over the past few years to a new era of open prospects in all areas of growth and development. The remarkable leap in growth and development, which was spread over all sectors of society: social, business and economic, has continuously received world wide recognition. And here, we observe the economy of the Kingdom moving forward one firm step after another towards achieving the nation's desired development and progress. It is not disputable that the economy of the Kingdom of Bahrain has the capacity and the ability to achieve greater prosperity, growth and development if the available opportunities are dealt with in a timely manner and with utmost efficiency, integrity and transparency. Here comes the role of the Tender Board, which is to contribute towards the achievement of these principles which are the basis of every endeavour to achieving growth and development.





His Highness Shaikh
Khalifa Bin Salman Al Khalifa
The Prime Minister



His Majesty King
Hamad Bin Isa Al Khalifa
The King of the
Kingdom of Bahrain



His Highness Shaikh
Salman Bin Hamad Al Khalifa
The Crown Prince and Deputy
Supreme Commander





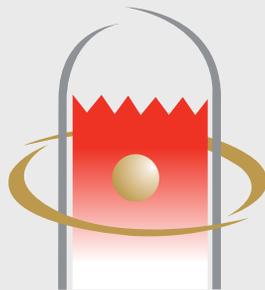
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Annual Report 2008

Equal Opportunities in Full Transparency



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