

ROAD DEVELOPMENT AUTHORITY

COMMUNIQUE

Widening of Motorway M1 from Colville Deverell Bridge to Grewals

In the wake of recent comments being made by different quarters on the contract for some major road infrastructure development projects in particular the "*Widening of Motorway M1 from Colville Deverell Bridge to Grewals Project*", the Road Development Authority (RDA) deems it necessary to bring to the attention of the public the following clarifications:

(a) All procurements for RDA projects are done strictly as per the provisions of the Public Procurement Act 2006. For the project mentioned, the "Open Advertised Bidding" process was used. The closing date was **18 May 2011** and the bids were received and opened at the Central Procurement Board.

(b) Four bidders responded to the advertisement, i.e.

(i) COLAS Maurice Ltée – Colas Madagascar – Transinvest (Mauritius) Ltd – Rs 283,385,403.50;

(ii) General Construction Co Ltd – Rs 321,277,106.69;

(iii) Rehm Grinaker Construction Co Ltd – Rs 306,467,973.50;

(iv) Sinohydro Corporation Ltd - Rs 257,803,521.86

(c) The Central Procurement Board (CPB) set up a Bid Evaluation Committee to evaluate the bids and on **23 September 2011**, the CPB conveyed its approval to the RDA for the award of the contract to Sinohydro Corporation Ltd, the lowest evaluated bidder for the sum of Rs 257,803,432.17.

(d) The RDA notified the successful and unsuccessful bidders of the proposed award as per Clause 40(3) of the Public Procurement Act.

(e) Further to the above notice, a challenge from COLAS Maurice Ltée – Colas Madagascar – Transinvest (Mauritius) was received on **27 September 2011**. The RDA replied to the aggrieved bidder on **5 October 2011**. Not satisfied with the reply, the aggrieved bidder lodged an application for review on **17 October 2011** at the Independent Review Panel (IRP). As per Clause 45(4) of the Act, the proceedings for the bidding exercise were suspended by the IRP.

(f) Clause 45(8) of the Act states that "*The Independent Review Panel shall make a decision under this section within one month of the date of the submission of an application for review*". A decision by the IRP should have been made by **17 November 2011** at latest.

(g) In the face of the prevailing situation and to keep the tender exercise active, the RDA requested all bidders to extend their bid validity until **30 December 2011**.

- (h) On **8 December 2011**, the IRP informed the RDA that the case was postponed, without giving a date when it would be heard.
- (i) Apprehending the adverse consequences of delaying the implementation of the project on traffic congestion and the negative impact on the investment on the other phases of widening the motorway from Phoenix to Port Louis and also because of the increase in the traffic volume generated by the opening of the Bagatelle Shopping Mall, the RDA issued a certificate of urgent public interest to the IRP on **14 December 2011**.
- (j) On **15 December 2011**, the IRP removed the suspension and the contract was awarded as approved by the CPB on **16 December 2011**.
- (k) The IRP continued with its proceedings and submitted its decision on **7 March 2012**, i.e. nearly four months after the statutory limit and two months after the bid validity had expired. The Panel found *"no merit in the application which was accordingly set aside"*.
- (l) The public must be aware that in all the decisions that RDA has taken, it has strictly complied with Law and acted in the interest of the public. There was no better option for the tax payer, than to award the contract as approved by CPB and subsequently vindicated by the decision, albeit late, of the IRP.
- (m) Allegations have also been made that the design of the bridge is being carried out after the award. This is as per the bid document in which the design and construction of the bridge would form part of the contract. The same process was applied for the widening of bridges in the other sections of the Motorway M1 and it is a normal practice.
- (n) The RDA is satisfied that the whole process has been fair, transparent and accountable.

Road Development Authority
13 June 2012