

**REPUBLIC OF KENYA
KENYA NATIONAL ASSEMBLY
TENTH PARLIAMENT – FOURTH SESSION**

REPORT

**OF THE
DEPARTMENTAL COMMITTEE
ON
FINANCE, PLANNING & TRADE**

**ON
THE APPOINTMENT OF THE DIRECTOR
GENERAL OF PUBLIC PROCUREMENT
OVERSIGHT AUTHORITY**

OCTOBER, 2010

1.0 PREFACE

Mr. Speaker Sir, on behalf of the Members of the Departmental Committee No. F on Finance, Planning & Trade, I would like to take this opportunity to present to the House, the Committee's Report on the appointment of the Director General of the Public Procurement Authority.

The membership of the Committee comprise of the following:-

The Hon. Chrysanthus Okemo, EGH, M.P. **(Chairman)**

The Hon. (Prof.) Philip Kaloki, M.P. **(Vice Chairman)**

The Hon. Jakoyo Midiwo, MGH, M.P.

The Hon. Musikari Kombo, M.P.

The Hon. Lucas Chepkitony, M.P.

The Hon. Nelson Gaichuhie , MP

The Hon. Ntoitha M'Mithiaru, M.P.

The Hon. Ahmed Shabbir Shakeel, M.P.

The Hon. Nkoidila Ole Lankas, M.P.

The Hon. Lenny M. Kivuti, M.P.

The Hon. Sammy Mwaita, M.P.

The functions of this Departmental Committee as established under Standing Order No. 198 are:-

- (i) To investigate, inquire into, and report on all matters relating to the mandate, management, activities,

administration, operations and estimates of the assigned Ministries and Departments;

- (ii) To study the programme and policy objectives of the Ministries and Departments and the effectiveness for the implementation;
- (iii) To study and review all legislation referred to it;
- (iv) To study, assess and analyse the relative success of the Ministries and Departments as measured by the results obtained as compared with their stated objectives;
- (v) To investigate and inquire into all matters relating to the assigned Ministries and Departments as they may deem necessary and as may be referred to them by the House or a Minister; and
- (vi) To make reports and recommendations to the House as often as possible including recommendations of proposed legislation.

The line Ministries falling within the purview of the Committee are:-

- (i) Office of the Deputy Prime & Ministry of Finance
- (ii) Ministry of Planning, National Development & Vision 2030
- (iii) Ministry of Industrialization
- (iv) Ministry of Tourism
- (v) Ministry of Trade

Public Procurement Oversight Authority (PPOA) is one of the State Corporations under the Committee's line ministry of the Office of the Deputy Prime and Ministry of Finance. The Public Procurement Oversight Authority Board through a competitive process recommended the appointment of Mr. Maurice Juma Jone Oduor as the Director General of the Authority.

Consequently the Board wrote to the Deputy Prime Minister and Minister for Finance to facilitate parliamentary approval of the appointment pursuant to section 10(2) of the Public Procurement & Disposal Act of 2005. The Minister communicated the same to Parliament and the matter was referred to the Departmental Committee on Finance, Planning & Trade.

The Committee held a meeting with the Public Procurement Oversight Authority Board on 7th October, 2010 during which the Committee was appraised on the recruitment process. The Committee supported and approved the Advisory Board's recommendation and resolution to appoint Mr. Maurice Juma Jone Oduor to the position of the Director General.

Mr. Speaker Sir, on behalf of the Departmental Committee on Finance, Planning & Trade, I have the honour and pleasure to present the Committee's Report on the recommendation of the appointment of Mr. Mr. Maurice Juma Jone Oduor to the

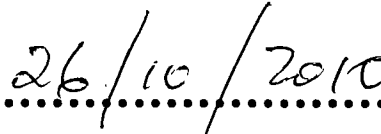
position of Director General of the Public Procurement Authority for consideration and adoption by the House.

Thank you.

Signed 

Hon. Chrysanthus Okemo, EGH, MP

**Chairman,
Departmental Committee on Finance,
Planning & Trade**

Date 

2.0 INTRODUCTION

The Public Procurement Oversight Authority and Public Procurement Oversight Advisory Board are established by the Public Procurement & Disposal Act of 2005. The Act creates the position of Director General who is the Chief Executive Officer of the Authority.

The appointment of the Director General is governed by section 10 of the Public Procurement & Disposal Act which provides that:-

- (i) The Authority shall have a Director General who shall be the Chief Executive Officer of the Authority and who shall be responsible for its direction and management.
- (ii) The Director General shall be appointed by the Authority with the approval of Parliament.
- (iii) To be appointed as the Director General, a person must:-
 - (a) Have a university degree in commerce, business administration, economics, engineering or a related field of study from a recognized university;
 - (b) Have a professional qualification in supply management from a reputable organization;

- (c) Have experience in management; and
- (d) Be of outstanding honesty and integrity.

The requirements for the position were formulated by the Public Procurement Oversight Advisory Board with the following, though not limited, considerations:-

- ◆ Compliance with the Act which is mandatory.
- ◆ Benchmarking, regionally, internationally with similar organizations.
- ◆ Professional experience, management, competence, technical knowledge with advanced academic qualifications as an advantage.
- ◆ Understanding of issues related to the PPOA, good governance, reform especially procurement.
- ◆ Experience and leadership in a similar position.
- ◆ Communication skills and ability to respond to stakeholders.
- ◆ Job evaluation and organization structure report.
- ◆ Integrity and membership of good standing to a professional body where applicable.

3.0 RECRUITMENT PROCESS

In accordance with the mandate conferred on the Public Procurement Oversight Advisory Board by the Act, the

Board engaged the services of a Human Resource consultancy firm to initiate the recruitment process and conduct the short-listing of prospective candidates in a transparent and fair manner.

- (i) The advertisements were placed in the following local dailies:- the Nation; the Standard and the East African on 23rd October and 26th October, 2009. This was a re-advertisement after the first recruitment process was completed in May, 2009 with unsatisfactory results.
- (ii) Registration of applicants was done online and out of 88 applicants received by the consultants, only 54 were duly completed. Applications were received both from Kenya and Uganda. Only 17 candidates were short-listed out of which twelve (12) were male and five (5) were female.
- (iii) First interviews were conducted by the consultants on 25th -27th November, 2009 attended by 16 candidates. The Consultant firm presented its report to the Advisory Board on 27th November, 2009 in which ten (10) candidates (7 male & 3 female) were selected and invited for the final interviews.
- (iv) The final interviews were conducted by the Members of the Advisory Board on 14th and 15th December,

2009 attended by only 8 candidates. The candidates were scored individually by each Board Member and the top five (5) then proceeded to the next stage of due diligence by the National Security Intelligence Service, Kenya Revenue Authority and Kenya Anti-Corruption Authority.

RESULTS OF FINAL INTERVIEWS AND DUE DELIGENCE REPORTS

	Candidate name	Nationality	Due Diligence Report
1	Mr. Juma, Maurice Jone Oduor	Kenya	No Negative Report
2	Mr. Agaba, Edgar Gerald	Uganda	No Negative Report
3	Mr. Korir, Simeon Kiprotich	Kenya	Negative report from KRA & NSIS
4	Mr. Barre, A. Abdulbarri	Kenya	Negative Report from KRA
5	Ms Njoroge, Jane Wangari	Kenya	No negative Report

**NSIS emphasized in their Report, the sensitivity of the post as regards nationality*

3.2 RECOMMENDATION OF THE ADVISORY BAORD

The final two candidates presented to the Board were:-

- (i) Mr. Maurice Juma Jone Oduor
- (ii) Ms. Jane Wangari Njoroge

3.3 ADVISORY BOARD RESOLUTION AND RECOMMENDATION

Further to the results of the due diligence report received, the Advisory Board in its meeting held on 17th March,

2010 recommended by unanimous resolution, subject to parliamentary approval, the appointment of Mr. Juma, Maurice Jone Oduor to the position of Director General on the following grounds:-

- ◆ Technical knowledge with advanced academic qualifications.
- ◆ Professional and management experience since he has been acting for two years since September 2008 to-date and therefore has leadership experience in the position.
- ◆ Has been dealing with high-level government officers and has received favourable responses from the ministries.
- ◆ Has international exposure.

The Advisory Board's recommendations were presented to the Deputy Prime Minister and Minister for Finance on 19th March 2010, for onward submission to Parliament for approval.

4.0 COMMITTEE'S RECOMMENDATION

The Committee held a meeting with the Public Procurement Oversight Advisory Board on Thursday 7th October, 2010 during which the Board appraised the Committee on the recruitment process.

The Committee unanimously supported the Advisory Board's resolution and recommended that Mr. Juma, Maurice Jone Oduor should be appointed to the position of Director General.

_____ 0 _____



Public Procurement
Oversight Authority

RÉSUMÉ

PPOA/00/0062

MAURICE JONE ODUOR JUMA
P.O.Box 17010 - 00510
NAIROBI

Tel. : 0733383886

mjjuma@ppoa.go.ke

Profile

I hold a Master of Science(Purchasing and Logistics), professional qualification in supplies management and Bachelor of Commerce and is pursuing an Executive Masters in Business Administration course. I attended local and international management courses.I headed procurement units and departments with 22 years experience in procurement and supplies management .Currently acting chief executive of a public body with 46 staff members deployed in 7 departments each headed by a Manager.Iam able to formulate oversight mechanism of implementation and improvement of the procurement law.I provide advice and formulate policies to Public Entities which facilitate informed procurement decisions and arrange capacity development programmes in procurement and materials management. Iam able to develop a road map for achievement of set objectives as per the strategic plan. I participated in development of procurement documents, reforms and audit of the public procurement system. Iam Secretary to the Advisory Board.

Education and Training

1. **Masters of Science (Purchasing and Logistics)**
University of Salford (UK)
2007
post graduate degree focussed on modern, efficient procurement management applied in this era of technological changes and its strategic role and importance in organizations.CIPS accredited.
2. **Diploma in Supplies Management**
Government Training Institute (Mombasa)
1992
professional course in purchasing and materials management focusing on methodology of procurement and stores operations;Kenya Institute of Supplies Management membership qualification.
3. **Bachelor of Commerce**
University of Jabalpur (India)
1986
degree on trade practices and business management
4. **Certificate**
United States Department of State, Bureau of Educational and Cultural Affairs, Washington,USA
2009
exposure to practices of procurement oversight/ regulatory bodies and modern procurement/ contracts dispute resolution mechanisms
5. **Certificate**
Institute of Directors London, The Management School London, TMS International and BEEC International
2008
Role of members of Board of Directors,Chief Executives/Secretaries in organizations

Career / Work Experience

1.
SEP/2008 - to Date

Acting Interim Director General
Public Procurement Oversight Authority

Appointed from 1st September, 2008 by the Advisory Board and is the Board's Secretary. In charge of the organization's management and operations with 46 members of staff. Organized the Annual Stakeholders forum, July, 2009, Nairobi that reviewed the public procurement system and proposed amendments to the procurement law; organized the 2nd East African Procurement forum, August, 2009, Nairobi attended by East African countries that discussed and made recommendations on the regional public procurement systems.

2.
OCT/2007 - AUG/2008

Director, Technical Services
Public Procurement Oversight Authority

Deputy to Interim Director General, in charge of Administrative Review Board secretariat, Policy and Research, Capacity and Compliance departments each headed by a Manager reporting to me; the departments ensure fairness in procurement through appeal process, formulates procurement policies and advice entities, capacity development and procurement audits for compliance to the procurement law and propose amendments as necessary. Chaired 3rd meeting of Committee of Procurement Experts, COMESA July, 2008, Nairobi.

3.
SEP/2007 - OCT/2007

Principal Procurement Officer
Public Procurement Directorate
Ministry of Finance,

Development of systems and procedures for public procurement and supplies management in the public sector, monitor procurement performance of public entities, reviewed and analyzed contract documents for countersignature of Permanent Secretary, Treasury, involved in procurement reform process and refining of the Procurement User's guide. In charge of Appeals Board secretariat responsible for analyzing procurement appeals and complaints filed by applicants for deliberation and decision of the Appeals Board.

4.
NOV/1998 - SEP/2007

Senior Procurement Officer/Chief Procurement Officer
Central Tender Board,
Ministry of Finance

In charge of operations at Central Tender Board secretariat, coordinating preparation and analysis of tenders submitted by Government Ministries and departments for deliberation by the Central Tender Board. Drafting of the Board's minutes and communication of its decision to public entities. Secretary Procurement Regulations Review Committee, 2002 collecting, analyzing stakeholders views; member audit committee appointed by Minister for Trade, 2003, that reviewed procurement practices at E.A Portland Cement.

5.
OCT/1992 - NOV/1998

Supplies Officer 1
In-charge of Supplies Section
Kenya Water Institute

Redeployed from Ministry of Water to Kenya Water Institute as officer in charge, Supplies Section, responsible for procurement and supplies management for the operations of the training and general requirements of the Institute. Units in the Supplies Section responsible to me were food and rations, stationery/training equipments and miscellaneous items.

Referees

1.
**PROF. CHRISPINO CHIKANO
OCHIENG**

Director
Jomo Kenyatta University of
Agriculture and Technology

P.O.Box 62000, City Square,

2.
MR. BENSON RATENG

Branch Manager, KICC Branch
Kenya Commercial Bank

P.O.Box 46950 - 00100, Nairobi

3.
MR. ALFRED KANDARAH

Executive Director
Typotech Imaging Systems Ltd

P.O.Box 18104 - 00500, Nairobi

Nairobi

Tel. : 0722725282

cochieng@hotmail.com

Tel. : 020-2241378, 0722606975

brateng@kcb.co.ke

Tel. : +254 20 537555/551723-4

alfred.kandarah@typotechkenya.c

MINUTES OF THE TWENTY-SIXTH SITTING OF THE DEPARTMENTAL COMMITTEE ON FINANCE, PLANNING AND TRADE HELD ON THURSDAY 7TH OCTOBER, 2010 IN COMMITTEE ROOM NO. 9, MAIN PARLIAMENT BUILDING AT 10.00 A.M.

PRESENT

Hon. Chrysanthus Okemo, EGH, MP (Chairman)
Hon. (Prof.) Philip Kaloki, MP (Vice Chairman)
Hon. Jakoyo Midiwo, MGH, MP
Hon. Lucas Chepkitony, MP
Hon. Sammy Mwaita, MP
Hon. Musikari Kombo, MP
Hon. Shakeel Shabbir, MP

ABSENT WITH APOLOGY

Hon. Ntoitha M'Mithiaru, MP
Hon. Nkoidila Ole Lankas, MP
Hon. Nelson Gaichuhie, MP
Hon. Lenny Kivuti, MP

IN ATTENDANCE

PUBLIC PROCUREMENT OVERSIGHT AUTHORITY

Ms Mariamu El-Maawy - Chairperson, Public Procurement Oversight
Advisory Board
Hon. Moses Muhia, MP - Board Member

MINISTRY OF TRANSPORT

Hon. Amos Kimunya, EGH, MP - Former Minister for Finance

KENYA NATIONAL ASSEMBLY

Hon. Charles Kilonzo, MP
Hon. Charles Nyamai, MP
Eunice Gichangi - Senior Legal Counsel
Florence Atenyo-Abonyo - First Clerk Assistant/ Committee Secretary
Abdullahi Aden - Third Clerk Assistant
Rose Mudibo - Protocol Officer

APPOINTMENT OF THE DIRECTOR GENERAL
OF PUBLIC PROCUREMENT OVERSIGHT
AUTHORITY (PPOA)

The Chairperson, Public Procurement Oversight Advisory Board informed the Committee that:-

- (i) PPOA has no substantive Director General and Mr. Maurice J. O. Juma has been serving in as an Acting Interim Director General since September 2008 to-date.
- (ii) The appointment of the Director General of PPOA is governed by section 10 (2) of PPOA Act, 2005 which provides that the Director General shall be appointed by the Authority Board with the approval of Parliament.
- (iii) The Advisory Board engaged the services of a Human Resource firm in October 2009 to undertake the recruitment process and conduct the short-listing of prospective candidates for the position of the Director General.
- (iv) The advertisements were placed in the local dailies and registration of applicants was online. Out of 88 applications received only 54 were duly completed.
- (v) First interviews were conducted by the Consultants in November, 2009 while the final interviews for 8 candidates was done by the Advisory Board in December, 2009.
- (vi) The top five (5) candidates were then subjected to the next stage of due diligence

by the National Security Intelligence Service, Kenya Revenue Authority, and Kenya Anti Corruption Commission.

RESULTS OF FINAL INTERVIEWS AND DUE DELIGENCE REPORTS

	Candidate name	Nationality	Due Diligence Report
1	Mr. Juma, Maurice Jone Oduor	Kenya	No Negative Report
2	Mr. Agaba, Edgar Gerald	Uganda	No Negative Report
3	Mr. Korir, Simeon Kiprotich	Kenya	Negative report from KRA & NSIS
4	Mr. Barre, A. Abdulbarri	Kenya	Negative Report from KRA
5	Ms Njoroge, Jane Wangari	Kenya	No negative Report

**NSIS emphasized in their Report, the sensitivity of the post as regards nationality*

MINUTE NO. 130/2010

RECOMMENDATIONS OF THE ADVISORY BOARD

The final two candidates presented to the Advisory Board were:-

1. Mr. Juma, Maurice Jone Oduor
2. Ms Njoroge, Jane Wangari

The Advisory Board in its meeting held on 17th March, 2010 recommended by unanimous resolution, subject to parliamentary approval, the appointment of Mr. Juma, Maurice Jone Oduor to the position of Director General on the following grounds:-

- ◆ Technical knowledge with advanced academic qualifications.
- ◆ Professional and management experience since he has been acting for two years to-date and therefore has leadership experience in the position.

- ◆ Has been dealing with high-level government officers and has received favourable responses from the ministries.
- ◆ Has international exposure.

The Advisory Board's recommendations was presented to the Deputy Prime Minister and Minister for Finance on 19th March 2010, for onward submission to Parliament for approval by the Departmental Committee on Finance, Planning & Trade.

MINUTE NO. 131/2010

COMMITTEE'S RECOMMENDATION

The Committee commended - the Public Procurement Oversight Advisory Board on the recruitment process and supported the Advisory Board's recommendation and resolution to appoint Mr. Juma, Maurice Jone Oduor to the position of Director General.

MINUTE NO. 132/2010

EVIDENCE BY HON. AMOS KIMUNYA, MP ON CHARTERHOUSE BANK

Hon. Amos Kimunya, MP informed the Committee that the decision to place Charterhouse Bank under statutory management during his tenure as the Minister for Finance was informed by the following:-

- (i) The adverse publicity on Charterhouse Bank in the media and the matter having been officially brought in Parliament thereby causing jittery among international corresponding banks.
- (ii) The perceived risk on the stressed Charterhouse Bank that would trigger off

effects on other commercial banks hence the need to avert a run on other banks and restore confidence in the banking industry.

- (iii) Recommendations by CBK as the regulator to safeguard the depositors, shareholders and the banking industry following its inspections audit reports on Charterhouse Bank.

MINUTE NO. 133/2010

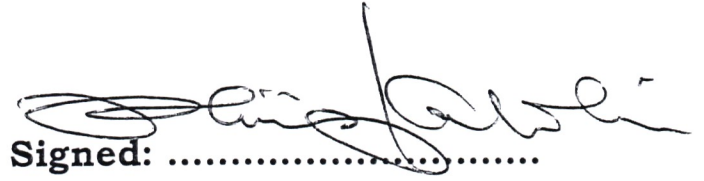
COMMITTEE'S OBSERVATIONS

- (i) The Statutory Manager did not perform her duties and the intention appears to have Charterhouse Bank closed as the Manager proceeded to close the Bank immediately, wrote to CBK to suspend the Bank from Clearing House and commissioned a forensic audit on the Bank.
- (ii) There is no evidence on the perceived fear or a run on Charterhouse Bank due to the adverse publicity to justify its closure.
- (iii) The Minister for Finance exempted other commercial banks from the provisions of sections 13(1) (d) of the Banking Act which Charterhouse Bank was being accused of violating.
- (iv) There is apparent act of omission by the government on the outcome of the allegations on the Bank to assure the public and restore the confidence in the banking industry. Therefore, it is apparent that the government is not interested in protecting the interest of the depositors.

MINUTE NO. 134/2010

ADJOURNMENT

The Chairman adjourned the meeting at One O'clock until Friday 8th October, 2010 at 10.00 a.m.


Signed:

Vice (Chairman)

Date: Oct 26, 2010