

# DUE DILIGENCE REPORT

## CIRCULAR

Ref. No. SGF.50/5.52/III/652

Office of the Secretary to the  
Government of the Federation,  
The Presidency,  
Shehu Shagari Complex,  
Three Arms Zone,  
Abuja.

11<sup>th</sup> October, 2017

Chief of Staff to the President,  
Deputy Chief of Staff to the Vice President,  
Principal Secretary to the President,  
All Honourable Ministers/Ministers of State,  
Heads of the Civil Service of the Federation,  
National Security Adviser,  
Economic Adviser to the President,  
Special Advisers/Senior Special Assistants,  
Chief of Defence Staff/Service Chiefs/Inspector-General of Police,  
Governor, Central Bank of Nigeria,  
Chairman, Federal Civil Service Commission,  
Chairman, Police Service Commission,  
Chairman, Code of Conduct Bureau,  
Chairman, Code of Conduct Tribunal,  
Chairman, Federal Character Commission,  
Chairman, Revenue Mobilization, Allocation and Fiscal Commission,  
Chairman, Federal Inland Revenue Service,

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- Chairman, Independent National Electoral Commission,
- Chairman, National Population Commission,
- Chairman, Independence Corrupt Practices and other Related Offences Commission,
- Chairman, Economic and Financial Crime Commission,
- Chairman, National Drug Law Enforcement Agency,
- All Permanent Secretaries and Heads of Extra-Ministerial Departments,
- Clerk of the National Assembly,
- Chief Registrar, Supreme Court of Nigeria,
- Accountant-General of the Federation,
- Auditor General for the Federation,
- Directors-General and Chief Executives of Parastatals, Agencies and Government-Owned Companies.

**CONDUCT OF POST-QUALIFICATION/DUE DILIGENCE ON  
RECOMMENDED BIDDERS FOR CONSIDERATION  
FOR AWARD OF CONTRACT**

It has been observed that Ministries, Departments and Agencies (MDAs) are not complying with the provisions of Sections 23(10) and 32(3)(i) of the Public Procurement Act (PPA), 2007, which were reiterated in Clauses 40.9 and 40.10 of the Procurement Procedure Manual and Clauses 107 of the Public Procurement Regulations for Goods and Works mandating procuring entities to verify the information submitted by recommended bidders before contract award.

2. As a result, the Federal Executive Council (FEC) in its Meeting of Wednesday, 17<sup>th</sup> May, 2017 reached a resolution that detailed Due Diligence/Post-Qualification must be carried out on recommended Contractors to confirm their technical and financial integrity to successfully execute projects before committing Government's scarce resources.

3. To this end, all Accounting Officers are to ensure that post-qualification/due diligence are carried out on all bidders recommended for award of projects and the report of such verification should form part of the documents to be submitted to the Bureau when requesting for Due

Process Certificate of "No Objection". The Due Diligence Report should include the detailed findings on the following:

- i. Names of the Directors of the Company;
- ii. Professional and technical qualifications of personnel submitted to carry out the procurement;
- iii. Financial capacity of the Company;
- iv. Equipment and other relevant infrastructure possessed;
- v. Verification of adequate personnel to perform the obligations of the procurement contract;
- vi. Possesses the legal capacity to enter into contract with the Federal Government;
- vii. Not in receivership, subject of any form of insolvency or bankruptcy proceedings or the subject of any form of winding up petition or proceedings;
- viii. Have fulfilled all the obligation with regards to payments of taxes, pensions and social security contributions; and
- ix. Not have any Director who has been convicted in any Country for criminal offences relating to fraud or financial impropriety or criminal misrepresentation or falsification of facts relating to any matter.

4. MDAs should therefore note that the Bureau of Public Procurement would not consider any request for Due Process Certificate of "No Objection" that is not accompanied with Due Diligence Report duly approved by the Accounting Officer of procuring entity. Thus, MDAs should adhere strictly to this directive.

5. The Implementation of this Circular is with immediate effect and the content should be brought to the attention of all concerned for strict compliance.



**Dr. (Mrs.) Habiba M. Lawal**

Ag. Secretary to the Government of the Federation