FINANCIAL CRIMES COMMISSION MAURITIUS

EXECUTIVE SUMMARY

Financial Crimes Prevention Review Report

Systems and Procedures on Procurement of Works

District Council of Moka

November 2026

1.0 Introduction

The Financial Crimes Commission (FCC), through its Education and Preventive Division, conducted a Financial Crimes Prevention Review (FCPR) of the systems and procedures governing the procurement of works at the District Council of Moka (DCM), pursuant to Section 6(2)(j) of the FCC Act 2023. The review was carried out following complaints of alleged malpractices including corrupt practices at the DCM.

Procurement of works is considered as one of the high-risk areas for local authorities, as it involves substantial sums of public money and complex processes that create opportunities for financial crimes. Where a procurement system lacks transparency and competition, these risks are heightened, underscoring the importance of robust governance over the procurement cycle at the DCM.

2.0 Overview of the Review

The FCPR assessed the legal, regulatory and operational framework governing the procurement of works at the DCM, including the roles of the Executive Committee, the Procurement Committee, the Procurement Unit and the Public Infrastructure Department. The review focused on compliance with:

(a) the Public Procurement Act 2006 (PPA 2006);
(b) the Local Government Act 2011 (LGA)
(c) the Public Procurement Regulations 2008;
(d) related Procurement Policy Office (PPO) directives;
(e) the digital systems supporting procurement administration (principally the Council Project Management (CPM) system, a digital platform used since 2013 to manage the entire project lifecycle, from procurement and approvals to contract awarding, implementation, monitoring and payments).

The review was conducted through an examination of complaints and information received by the FCC, a review of files and documents, and consultations with Management and staff of the DCM, together with an assessment of existing systems and practices.

3.0 Key Findings

The review found weaknesses across four categories:

1. **Structural weaknesses**: the legal framework does not explicitly cover procurement of works, and the DCM lacks a properly staffed Procurement Unit, a Committee of Needs and formal Terms of Reference for its Procurement Committee;
2. **Process vulnerabilities**: there are no clear procedures for registering suppliers;
3. **Technology risks**: the CPM system was implemented without consulting the Data Protection Office, its data is hosted overseas, it lacks a Standard Operating Procedure manual, and confidential procurement information such as Bid Evaluation Reports is not adequately safeguarded;

4. **Human factor risks:** the DCM has not yet put in place structured ethics and integrity training, a statement of business ethics for suppliers, a conflict-of-interest policy, a no-gift policy, or an adequately staffed Internal Audit function.

Collectively, these gaps may give rise to risks of favouritism, collusion, bribery and other financial crimes in the procurement of works. The recommendations set out below seek to address these vulnerabilities.

4.0 Key Recommendations

In light of the vulnerabilities identified, the FCC has formulated the following recommendations aimed at strengthening the procurement framework for works at the DCM:

- **Amend the legal framework:** revise Section 160 of the LGA to explicitly cover the procurement of works, aligning it with the PPA 2006;
- **Strengthen the Procurement Unit:** fill vacant procurement posts, provide dedicated training to procurement staff, and structure the unit in line with PPO guidelines on procurement structures in public bodies;
- **Set up a Committee of Needs:** properly plan and assess procurement needs under the Annual Procurement Plan, in line with the Public Procurement Regulations 2008;
- **Formalise supplier registration:** adopt transparent, published criteria and procedures for registering, retaining and removing suppliers, including yearly public advertisement and a maintained supplier register;
- **Adopt Terms of Reference for the Procurement Committee:** define its purpose, composition, and the roles and responsibilities of members at each stage of the procurement;
- **Align the CPM system with the Data Protection Act 2017:** ensure the Data Protection Office is consulted on the handling and protection of personal data within the system;
- **Migrate CPM data to the Government Online Centre (GOC):** move hosting from the current system to reduce cyber-attack and data-compromise risks;
- **Develop a CPM Standard Operating Procedure manual:** cover step-by-step instructions, access controls, multi-factor authentication and error handling for consistent and secure use of the system;
- **Safeguard confidential procurement information:** restrict access to Bid Evaluation Reports and other sensitive data on the CPM system, require confidentiality agreements from users, and strengthen the system's IT audit trail;
- **Build an ethics and integrity infrastructure:** introduce continuous ethics training, a statement of business ethics for suppliers, a conflict-of-interest policy and a no-gift policy for staff involved in procurement; *and*
- **Reinforce the Internal Audit function:** increase staffing and technical capacity to implement the Annual Audit Plan systematically and conduct post-procurement award audits on a sample basis.

The above recommendations are intended to address the loopholes identified, reduce opportunities for financial crimes and procurement malpractices, and reinforce transparency, accountability and integrity in the procurement of works at the DCM.

5.0 Conclusion

The measures proposed in this Report provide a clear framework for strengthening procurement governance, enhancing transparency and accountability, and reducing vulnerabilities to financial crime. Their effective implementation will contribute to safeguarding public resources and strengthening public confidence in procurement processes at Local Authorities in Mauritius.