

## Citation

This submission from the Sindh Public Procurement Regulatory Authority (SPPRA) is selected the Runner-Up from Pakistan for SAPIA 2018. This case story presents the measures taken by the Government of Sindh to professionalize procurement.

From November 1, 2017 all procurement-related committees are required to comprise professionally certified staff. Since June 2017, SPPRA coordinated with 10 provincial, public sector universities and placed with four of them a five-day procurement training session for mid-level officers who conduct major procurements. A half-day training session was also developed for senior management members. SPPRA also signed an MOU with the World Bank to use the customized version of MOOC as a zero-level session to provide certification for the procurement staff conducting small procurements. SPPRA has developed PPMS that covers the entire procurement portfolio of the province of Sindh. This good practice is already being replicated by other departments in the country.

## Summary

As Pakistan does not have a procurement cadre or formal procurement training in the public sector, public officials are expected to learn on the job. Procurement workshops and seminars are held but these are random efforts and do not necessarily ensure that the trained staff use their skills properly. A training needs assessment conducted in 2014 showed that Sindh has 10,526 administrative positions that are required to conduct procurement as stipulated in their job description. Of these, 6,723 positions undertake substantive procurement work. The Government of Sindh, on the instance of Sindh Public Procurement Regulatory Authority (SPPRA), issued a mandatory procurement certification notification on 20th April 2017. Accordingly, from 1st November 2017, all procurement-related committees are required to comprise professionally certified staff. Since June 2017, SPPRA coordinated with 10 provincial, public sector universities and placed with four of them a five-day procurement training session for mid-level officers who conduct major procurements. A half-day training session was also developed for senior management members. SPPRA also signed an MOU with the World Bank to use the customized version of MOOC as a zero-level session to provide certification for the procurement staff conducting small procurements. Absence of credible procurement data is a major obstacle in taking prudent strategic decisions. This creates a dilemma for the planning and management functionaries. E-procurement is considered as an efficient solution, but it is generally limited to covering larger contracts in a few departments. While e-procurement is being designed in the country to be launched in a phased approach for large contracts, SPPRA has developed PPMS that covers the entire procurement portfolio of the province of Sindh.



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## **Professionalization of Procurement Functions and Creation of Primary Database for Realizing System Efficiencies**

(This article is a summarized version of the submission entitled "Professionalization of Procurement Functions and Creation of Primary Database for Realizing System Efficiencies" made by Mr. Muhammad Aslam Ghauri, Managing Director, Sindh Public Procurement Regulatory Authority, for the South Asia Procurement Innovation and Good Practice Awards.)

A training needs assessment conducted in 2014 showed that Sindh has 10,526 administrative positions that are required to conduct procurement as stipulated in their job description. Of these, 6,723 positions undertake substantive procurement work

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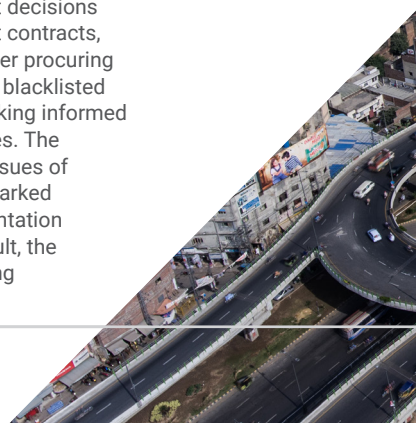
Other PPRAs in the country can use the procurement certification and PPMS system with minimal changes and time efforts.

## Challenge(s) Addressed

The two major areas of nationwide attention were absence of procurement cadre and lack of readily available procurement data. The above two initiatives have addressed these aspects. SPPRA is in a position to analyze the size of procurement outlays, split among goods, works and services, overall timelines of procurement cycle, delays and uncommitted allocated amounts. This also helps SPPRA to improve monitoring and oversight, envisaged under the law as the system has some built-in checks for compliance of rules.

## Impacts

The baseline study established the procurement life cycle of the five departments as 82 days, which has now been reduced to 73 days. These interventions have not only provided procurement data, which was earlier missing but have also reduced the procurement cycle timelines. The database also helps procuring agencies in their procurement decisions by providing them easy access to information regarding past contracts, performance of contractors and suppliers, prices paid by other procuring agencies for the same procurements, and information about blacklisted suppliers and vendors. Above all, procuring agencies are making informed decisions for adopting market aligned procurement strategies. The procurement certification has started addressing capacity issues of the procurement officers/personnel, which has resulted in marked improvements in compliance of rules. Procurement documentation is made public as per requirement of law and rules. As a result, the confidence of private market/bidders has increased in bidding



process. As a next step, SPPRA would draw analysis to determine the efficacy of rules and identifying areas of improvement.

### Level of Innovation/Good Practice

The system has demonstrated its usefulness in bringing efficiency and improved transparency, which are among the core principles of public procurement. Earlier, procurement related scanned documents were hosted on the website of SPPRA, which did serve the purpose of transparency, but not useful in gathering data, as the concept of open data was not followed. As such, there was no database of procurement activities in the Province prior to launching of PPMS. Therefore, introduction of the PPMS is an innovative action and would help increase transparency, economy and efficiency, which will ultimately translate into value for money. E-procurement is the best option to maintain an authentic database. However, e-procurement covers only a section of procurements. While that is being implemented separately, the PPMS covers the entire procurement portfolio of the province of Sindh. The mandatory certification notification and associated training plan are also innovations as there are no ways to ensure a minimum level in procurement competencies of implementing agencies.

### Replicability and Sustainability

The National Procurement Strategy outlines the requirement for developing procurement professionalization and developing sustainable competency of the procurement professionals. It is meaningfully implemented only in Sindh. Other provinces as well as federal government within the country can benefit from this success story. Regional countries, where absence of procurement cadre is an issue, can also replicate this system. PPMS concept has already been borrowed by two of the PPRAs in the country and have started working on developing the Procurement MIS. The above interventions can also be replicated in other provinces of the country as well.





### Lessons Learned

- PPMS is a step towards paperless environment;
- The PPMS is the first step towards e-procurement, as the system can also be upgraded to e-procurement model;
- The system should have been implemented gradually, as the weaknesses of the system actually surface after practicing it in real life situation; and
- The other PPRAs in the country can use the procurement certification and PPMS system with minimal changes and time efforts.

