

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

Thursday, July 10, 2014

Brief Overview of Sindh Public Procurement Regulatory Authority

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Identification of key distinctions between Sindh and Federal Procurement Regulatory Regimes

Sequence of presentation

3

- SPPRA- Background and Brief History
- Institutional Structure
- Functions of SPPRA
- Legal Framework
- Major distinction between SPP Rules and FPP Rules
- Performance of SPPRA
- Issues & Future Initiatives

SPPRA-Background

4

- Prior to PPRA regime Procurements were governed by B&R Code, GFR and Purchase Manual
- GoP signed Paris Declaration which requires harmonization of procurement laws
- With the support and encouragement of development partners;
 - PPRA Ordinance promulgated by the Federal Government in 2002
 - PPRA Rules introduced by the Federal Government in 2004
- The development partners encouraged GoS to adopt PPRA regime to facilitate application of provincial procurement laws on donor funded projects

SPPRA- Brief History

5

- Sindh PPRA Ordinance first promulgated on 30th Nov. 2006
- Federal PPRA Rules adopted through notification dt. 1st Nov.06
- SPPRA Office established on 22nd November, 2007
- SPPRA Act promulgated on 25th May, 2009
- SPPRA Rules notified on 8th March, 2010
- SBDs / RFP notified on 21st Dec, 2011 and Feb, 2012
- SPPRA APT Regulations 2013 notified on 22nd March, 2013

Institutional Structure

6

- Body Corporate
- Head Quarter at Karachi
 - ▣ It may establish offices at other places in the Province
- Directives of Government Binding on Authority
- Administration of the Authority shall vest in Board which may exercise all powers and perform all functions
 - ▣ Meetings of Board chaired by Chairman and in his absence Vice Chairman
 - ▣ Private members of the Board selected for 3 years
 - ▣ Seven members constitute the quorum
 - ▣ The decision shall be taken by the majority of members

Composition of SPPRA Board

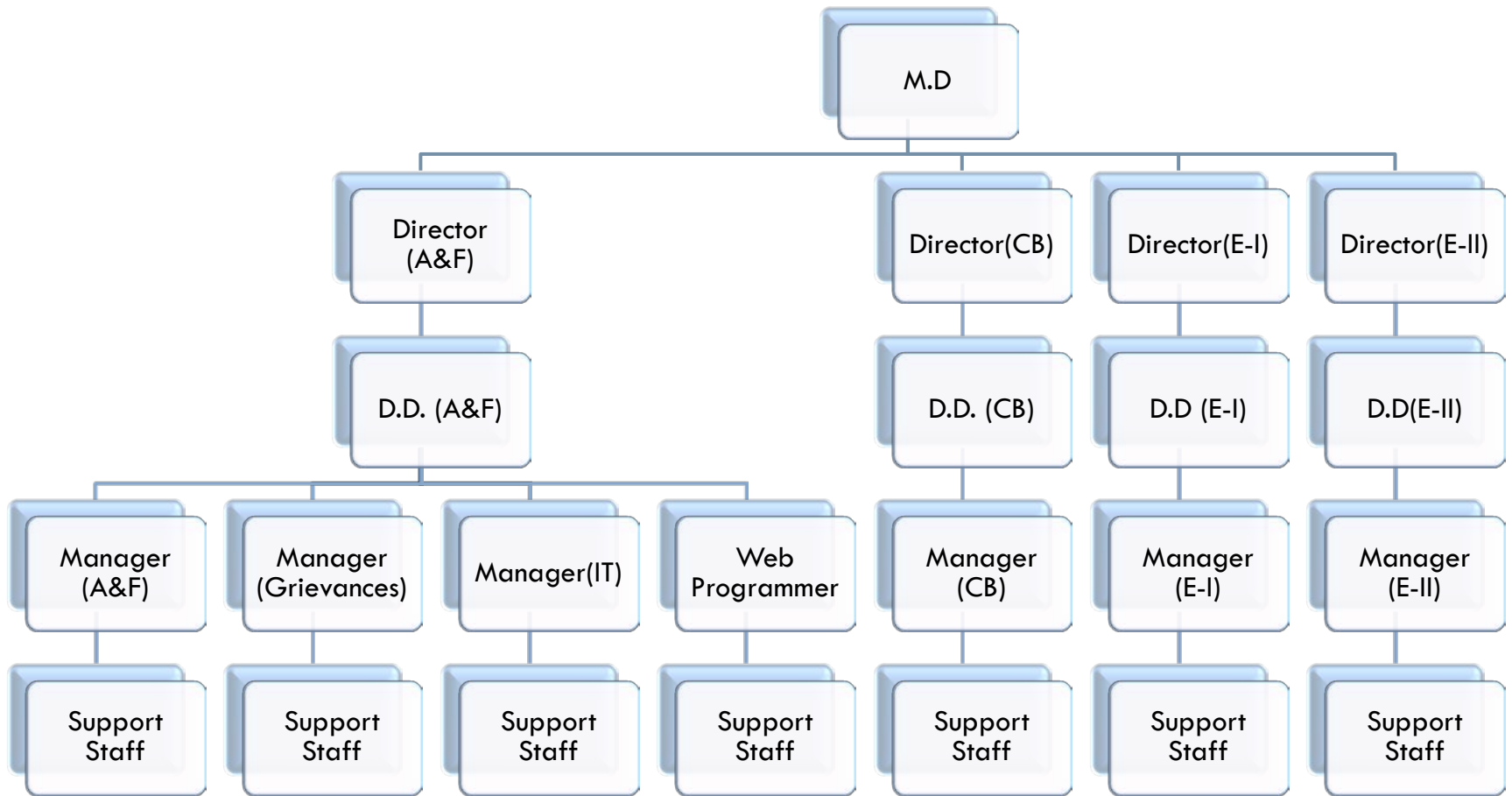
7

- Minister for Law - Chairman
- Chief Secretary- Vice Chairman
- Two members of Provincial Assembly
- ACS P&D; Secretaries of Law, W&S, Irrigation, GA, Finance and IT
- President KCCI or his/her nominee
- Nominee of PEC, Auditor General and Rep. of TIP
- Renowned Professionals in IT, Management and Finance
- Two members from Civil Society
- Managing Director SPPRA - Secretary

Functions of Authority

- Examine and assess application of laws, rules, policies and procedures
- Conduct research and recommend formulation of new laws, rules and policies
- Provide assistance to procuring agencies for improving their institutional framework and procurement activities
- Report to Government on overall performance of procuring agencies
- Guidance to procuring agencies regarding implementation of laws relating Public Procurement
- Capacity building activities for personnel of the procuring agencies;
- Provide dispute resolution mechanism in line with the best international Practices

Organogram



Financial Provisions

10

- Finances
 - ▣ Allocations by the Government
 - ▣ Grants
 - ▣ Income from Investments
- Audit of Accounts by the Auditor General of Pakistan
- Authority may invest surplus funds

Principles of Procurement

11

- Fairness
- Transparency
- Efficiency
- Economy
- Value for Money

Scope and Applicability

12

□ Scope

- Procurements of Goods, Works and Services including Consultancy Services

□ Applicability

- All **procuring agencies** of Government of Sindh
- Procuring agency means:
 - any Department or office of Government;
 - District Government; or
 - any authority, corporation body or organization established by law or which is owned or controlled by Government

Disclosure Requirements

13

- SBDs/ RFP **{Rule 21(4)}**
- Notice Inviting Tender **{ 17,17-1A}**
- Bid Evaluation Report **{ 45 }**
- Contract Documents including Evaluation Report, Form of contract , letter of award and Bill of quantities / Schedule of requirement **{ Rule 50}**

Comparison of SPP Rules with FPP Rules

14

□ **SPP Rules provide for:**

- Rules governing procurement of PPP Projects
- Second Tier Grievance Redressal Mechanism
- Mechanism for declaring Mis-procurement and consequences thereof
- Constitution of Procurement Committees and CSCs
- Mandatory Requirement of hoisting BERs on SPPRA website at least seven days prior the award of contracts
- Within seven days of the award of contract , the procuring agency shall publish the contract docs on authority's website

Performance of SPPRA

15

□ Legal Framework

- The SPPRA Act 2009 and SPP Rules 2010 prepared through in-house effort
- SBDs and Regulations of Works also prepared by SPPRA staff

□ Capacity Building

- 3500 officers/ officials trained by SPPRA
- 60 Workshops conducted

Performance of SPPRA: Statistics (Jan 2008 to Dec 2013)

16

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| No. of NITs hoisted (Jan, 2008 to Dec.2012) | 14,913 |
| No. of NITs cancelled (Jan 2008 to Dec 2012) | 364 |
| No. of NITs hoisted(Jan to Dec 2013) | 3563 |
| No. of NITs cancelled (Jan to Dec 2013) | 237 |
| No. of SBDs hoisted (Nov. to Dec 2013) | 206 |
| No. of BERs hoisted (Jan 2008 to Dec 2012) | 2249 |
| No. of BERs hoisted (Jan to Dec 2013) | 1290 |
| No. of Contract docs hoisted (Jan 2008 to Dec 2012) | 1015 |
| No. of Contract docs hoisted (Jan to Dec 2013) | 505 |

SPPRA Website (Statistics)

www.pprasindh.gov.pk

17

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|---|------------------|
| Total hits (Nov 2008 to Dec 2012) | 2,583,047 |
| Average monthly hits (Nov 2008 to Dec 2012) | 43,051 |
| Average daily hits (Nov 2008 to Dec 2012) | 1,414 |
| Total hits (Jan to Dec 2013) | 949,882 |
| Average monthly hits (Jan to Dec 2013) | 79,156 |
| Average daily hits (Jan to Dec 2013) | 2,602 |

Issues

18

- Limited Monitoring Capacity
- Lack of Responsiveness of ADs/PAs
- Poor quality of Audits (Procurement Audit)
- Grievance Redressal Mechanism
- Quality v/s Compliance

Future Initiatives

19

- Strengthening the Monitoring Capacity of SPPRA
 - ▣ Use of Technology to monitor the performance of PAs
 - ▣ Procurement Post Reviews by SPPRA
 - ▣ Linkages with Accountability Organizations
- E-Procurements (digitalization of procurement process)

Future Initiatives

20

- Professionalization of Procurement Function
 - ▣ Procurement Units manned by Professionals
 - ▣ Certification Requirements
 - ▣ Development of Course Modules
 - ▣ Inclusion of Procurement as a discipline in University Curriculum
- Updation of Rules and framing of Regulations

21

THANKS