

Public Procurement Authority

Inside this issue:

- E-Procurement– Is Ghana Ready? Page 1
- Online Activities : Page 2
- Contribution of IT Services to Public Procurement -Page 4
- Benefits of E-Procurement -Page 6
- Browsing the PPA Website—Page 8
- Online Statistics-Page 12

E - P R O C U R E M E N T : I S G H A N A R E A D Y ?

Procurement processes and procedures in Ghana have gone through a number of changes, with the main objective of reducing or at best eliminating corruption in public procurement, realizing value for money, efficiency in the procurement process among others. A major change was the passing of the Procurement Act, Act 663, in 2003.

As much as the usage of Act 663 has streamlined procurement processes in the country, as well as establishing a high level of sanity in the procurement environment, its entirely manual base has led to some procurement practitioners calling for the establishment of e-Procurement in the country.

E-Government Procurement (eGP) also referred to as E-Procurement is defined as a comprehensive process in which governments use IT systems (including the Internet) to establish agreements for the acquisition of products or services. The Internet's rapid growth has driven many governments to add an electronic commerce component to their operations to gain competitive advantage. Business-to-business online procurement has recently emerged as one of the hot-



test topics in the world of commerce and technology.

Ghana is currently implementing the eGhana project to enhance the use of technology in government's dealings with the public. It is therefore imperative that e-Procurement is adopted as one of the applications of the e-Ghana project to ensure increased;

(Continued on page 11)

Online Activities

List of entities that have submitted their Procurement Plans online As At 31st October, 2010

1. Accra Metropolitan Assembly	35. Ghana Education Service	73. Kumasi Metropolitan Assembly
2. Accra Polytechnic	36. Ghana Free Zones Board	74. Kwaebiirem
3. Accra Psychiatric Hospital	37. Ghana Grid Company Ltd.	75. Land Valuation Board
4. Achimota Hospital	38. Ghana Health Service	76. Lands Title Registry
5. Asunafo North (Asunafo)	39. Ghana Immigration Service	77. Ledzokuku-Krowor
6. Aviation Social Centre Limited	40. Ghana Institute of languages	78. Maamobi Polyclinic
7. Bank of Ghana	41. Ghana Institute of Management And	79. Mamprobi Polyclinic
8. Berekum Tr. College	Public Administration	80. Management Services Division
9. Bolgatanga Polytechnic	42. Ghana Library Board	81. Maternal and Child Health Hospital
10. Bureau of National Investigations	43. Ghana National Fire Service	82. Medical School
(BNI)	44. Ghana National Petroleum Corpora-	83. MINISTRY OF COMMUNICATION
11. Centre for Scientific Research Into	tion	84. MINISTRY OF CULTURE And CHIEF-
Plant Medicine	45. Ghana News Agency	TAINCY
12. Controller And Accountant General	46. Ghana Police Service	85. MINISTRY OF EDUCATION
Dept	47. Ghana Prisons Service	86. Ministry of Employment and Social
13. Council for Scientific and Industrial	48. Ghana Reinsurance Company Ltd	Welfare
Research	49. Ghana Shippers Council	87. MINISTRY OF ENERGY
14. Custom, Excise and Preventive Ser-	50. Ghana Standards Board	88. Ministry of Environment Science and
vice	51. Ghana Statistical Service	Technology
15. Dental School	52. Ghana Tourist Board	89. MINISTRY OF FINANCE AND ECO-
16. Department for Community Develop-	53. Ghana Trade Fair Company Limited	NOMIC PLANNING
ment	54. Ghana Water Company Limited	90. MINISTRY OF FOOD And AGRICULTUF
17. Department Of Feeder Roads	55. Ghana-India Kofi Annan Center of	91. MINISTRY OF FOREIGN AFFAIRS AND
18. Driver and Vehicle Licensing Author-	Excellence	REGIONAL INTEGERATION
ity	56. GIHOC Distilleries	92. Ministry of Information
19. E. P. Tr. College Amedzofe	57. Grains And Legumes Development	93. MINISTRY OF JUSTICE AND ATTORNE
20. Effia Nkwanta Regional Hospital	Board	GENERAL
21. Electoral Commission	58. GRATIS Foundation	94. MINISTRY OF LANDS, FORESTRY And
22. Energy Commission	59. Ho General Hospital	MINES
23. Environmental Protection Agency	60. Information Service Department	95. MINISTRY OF ROADS AND HIGHWAYS
24. Foods and Drugs Board	61. Institute Of Professional Studies	96. MINISTRY OF THE INTERIOR
25. Forestry Commission	62. Internal Audit Agency	97. MINISTRY OF TOURISM And DIAS-
26. Ga East	63. Internal Revenue Service	POREAN RELATION
27. Ga West (Ga)	64. Juaben District Hospital	98. Ministry of Transport
28. Ghana Academy of Arts And Sciences	65. Judicial Service	99. Ministry of Women and Children Af-
29. Ghana Aids Commission	66. Kaneshie Polyclinic	fairs
30. Ghana Airports Company Limited	67. Kassena/Nankana	100. Ministry of Youth and Sports
31. Ghana Atomic Energy Commission	68. Koforidua Polytechnic	101. Mount Mary College
32. Ghana Broadcasting Corporation	, 69. Komfo Anokye Teaching Hospital	102. Mpohor Wassa East
33. Ghana Civil Aviation Authority	70. Konongo District Hospital	103. Narcotics Control Board
34. Ghana Cocoa Board	71. Korle bu Teaching Hospital	104. National Accreditation Board
SH. Ghana Cocoa Doara	72. Kumasi Academy	

105. National Board for Professional And Technical Examinations	136. St. Joseph's Tr. College
106. National Board for Small Scale Industries	137. Students Loan Trust Fund
107. National Commission For Civic Education	138. Suhum Government Hospital
108. National Council for Tertiary Education	139. Sunyani General Hospital
109. National Development Planning Commission	140. Sunyani Polytechnic
110. National Disaster Management Organization	141. Takoradi Polytechnic
111. National Film and Television Institute	142. Tamale Polytechnic
112. National Health Insurance Authority	143. Tema Metropolitan Assembly
113. National Identification Authority	144. Tepa District Hospital
114. National Insurance Commission	145. Tetteh Quarshie Memorial Hospital
115. National Lottery Authority	146. University For Development Studies
116. National Pensions Regulatory Authority	147. University Of Education Winneba (UCEW)
117. National Population Council	148. University Of Ghana (UG)
118. National Vocational Training Institute	149. University of Ghana Business School (UGBS)
119. Noguchi Memorial Institute	150. University Of Science And Technology (KNUST)
120. Non Formal Education Division	151. Value Added Tax Service
121. Nyinahin District Hospital	152. Volta- Regional Co-ordinating Council
122. Office of the Head of Civil Service	153. Volta River Authority
123. Office of the Regional Health Directorate – Brong Ahafo Re-	154. Wesley Girls High School
gion	155. West Africa Sec. School
124. Office of the Regional Health Directorate – Eastern Region	156. West African Examination Council
125. Parliament	157. West Tamale District Hospital
126. Peki Training College	158. Council For Law Reporting
127. Pharmacy Council	159. Adenta Municipal Assembly
128. Public Procurement Authority	160. Ghana-India Kofi Annan Centre of Excellence
129. Revenue Agency Governing Board	161. Ghana Revenue Authority
130. Ridge Hospital	162. Public Utilities Regulatory Commission
131. Serious Fraud Office	163. Ghana Audit Service
132. Shama-Ahanta East Metropolitan Assembly	164. Survey Department
133. SIC Life Company Limited	
134. Social Security and National Insurance Trust (SSNIT)	
135. South Dayi District Assembly	

The Authority urges all other entities who have not submitted their plans as yet to emulate the example of the above listed entities and comply accordingly.

Tendering Information for November 2010 and Beyond

Tendering Opportunities for Nov-Dec 2010

Contracts Awarded for Jan-Oct 2010

Restricted Tender Awards Jan-Oct 2010

Expression of Interest Requests Nov-Dec 2010

The links above will take you directly to the PPA Website Reports for the months of period indicated.

CONTRIBUTION OF INFORMATION TECHNOLOGY SERVICES TO PUBLIC PROCUREMENT: THE ROLE OF PUBLIC PROCUREMENT AUTHORITY

Technology (ICT) has brought much transformation in how organizations, both public and private conduct businesses in recent times for which Public Procurement Authority (PPA) is no exception. PPA is becoming increasingly reliant on ICT to fulfil its mandate of ensuring efficient, transparent, accountable and professionally managed Public Sector Procurement system in Ghana to ensure consistent attainment of best value for money in the procurement of goods, works and services.

PPA's applications

In the light of this, PPA has successfully developed two web-based applications to assist public entities, suppliers, consultants and contractors to transact businesses in a more efficient and professional manner. These applications are:

The Online Procurement Planning System (<u>http://</u>planning.ppbghana.org)

The PPA's website (<u>www.ppaghana.org</u>)

The Online Procurement Planning System

The online Procurement Planning System enables Public Entities to place or input their annual procurement plans online for the Authority and other supervisory bodies to monitor the ensuing procurement processes as mandated by law (Act 663). No entity can view another's procurement plans apart from PPA and the supervisory bodies who are given access on the online Procurement Planning System. Most Public Entities have been trained on how to use the system to prepare their annual procurement plan.

The PPA's website

The Authority's website displays information about the Authority, and the Act as well as general procurement activities in the country. The homepage of <u>www.ppaghana.org</u> has six (6) tabs:

- \Rightarrow About PPA and Secretariat
- ⇒ Tenders and Offers
- \Rightarrow News and Events at PPA
- ⇒ Commentaries and Regulations
- ⇒ Frequently Asked Questions and
- \Rightarrow Online Documents.

Posting of Tenders, Expression of Interest, Opened and Restricted Contracts Awarded, Prequalification on PPA's website

The Authority has also trained Public Entities on how to use the website <u>www.ppaghana.org</u> in posting their tenders, contracts awarded; expression of interest, pre-qualifications as well as restricted tenders' contracts awarded. This posted information can be viewed by interested suppliers, contractors, consultants and the entire public who chose to visit the site. Published information is displayed on the site for a maximum period of three months.



Averaged price list for common user items

There is also average price list information on common user items which are periodically updated to reflect the current prices and can be accessed on <u>www.ppaghana.org</u>. This information often assists procurement professionals to make informed decision during evaluation and for budgeting purposes.

Public Procurement Model of Excellent (PPME) Tool

PPA is currently redesigning the Public Procurement Model of Excellent (PPME) application, which is a tool for assessing the performance of procurement activities of Public Entities.

E-Procurement Implementation

The Authority is also working in collaboration with the eGhana Project and the Ministry of Communication to start the implementation of eprocurement in Ghana soon. It is believed that the implementation of e-procurement would improved transparency and minimized the burden suppliers, contractors and consultants encounter during the procurement process. It is also the hope of the Authority that in the near future; public procurement would be driven by the e-procurement system where tendering, evaluation and award of contracts would be done online.

In conclusion, the Authority is working in collaboration with the Ministry of Finance and Economic Planning and other relevant bodies to ensure that Public Entities make the best use of the applications provided to ensure efficiency and orderliness in the procurement processes in Ghana.

Isaac Asampana Senior IT Officer PPA

BENEFITS OF E-PROCUREMENT



Introduction

There is an enormous potential for savings to be made for establishing and using an e-procurement across the country. The manual or traditional procurement processes has certain disadvantages that increases cost as well as cause delays in the procurement process. Use of information technology to conduct government procurement is therefore expected to generate benefits for both government and procurement practitioners.

Most of these benefits can be grouped in three major areas, namely;

- ⇒ Governance
- ⇒ Efficiency and
- \Rightarrow Economic Development

Governance

Government procurement is often identified with tensions between public expectations of high standards of governance, management requirements for performance, overt political influence and broader stakeholder interests particularly from the private sector. Technology offers the potential to substantially strengthen transparency of government procurement, addressing an area of sometimes intense public interest. E-Procurement will enhance governance in terms of transparency and accountability.

Transparency is achieved in terms of;

- ⇒ Available Information on Public Procurement Function
- ⇒ Available Information on Procurement Transactions
- \Rightarrow Higher compliance levels
- ⇒ Reduced Corruption

- ⇒ Audit Trails on Procurement Transactions
- ⇒ Improved quality of public procurement reporting, monitoring and management
- ⇒ In terms of accountability, the following will readily be available on an e-Procurement system.
- ⇒ Online disclosure of procurement notices
- ⇒ Online disclosure of awarded contracts
- ⇒ Open and fair competition
- ⇒ Increased compliance with procurement policy
- ⇒ Public access to procurement information
- ⇒ Less opportunity for corruptive, collusive, fraudulent and coercive practices.

Efficiency

Using e-Procurement also offer gains in terms of efficiency and effectiveness. The benefits of online technology for the efficiency and effectiveness of government procurement reflects on the cost of transactions and value-for-money outcomes. This can be measured in terms of;

- ⇒ Increased Price Transparency
- ⇒ Increased Competition
- ⇒ Lower Transaction Cost for Suppliers

In addition to these outcomes e-Procurement can be expected to provide significant but less quantifiable benefits through greatly improved management information and analysis, laying the foundation for innovation in sourcing, aggregation and service production.

Economic Development

Implementing e-Procurement also has the potential of changing the procurement landscape in terms of economic development. These developments can be attributed to

- ⇒ Private Business Activation
- \Rightarrow Infrastructural Development
- ⇒ Capacity Building

For all procurement practitioners to participate in procurement activities using e-Procurement, will require building of broadband capacity, promoting digital literacy, and encouraging businesses to use information and communications technology for procurement activities.

Conclusion

In conclusion, if implemented appropriately and part of a holistic procurement vision, as outlined in Act 663, a suitable e-Procurement system will realize substantial long term savings for the country.

Thomas Bondzi Senior IT Specialist PPA

BROWSING THE PUBLIC PROCUREMENT AUTHORITY WEBSITE

FIRST STEP

Launch your Internet Explore, Mozila Firefox, etc. and type in www.ppaghana.org

Below is the home page that will display

NB: Home page is the first page that displays when you type the website address



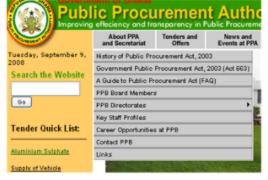
The tabs in the home page are as follows:



SECOND STEP

When you point the cursor on About PPA & Secretariat you will find;

- \Rightarrow History of Public Procurement Act, 2003
- ⇒ Government Public Procurement Act, 2003 (Act 663)
- \Rightarrow A guide to Public Procurement Act (FAQ)



When you point the cursor on **Tenders & Offers** You will find;

- \Rightarrow Tendering Opportunities
- ⇒ General Procurement Opportunities
- \Rightarrow Contracts Awarded
- \Rightarrow Pre-Qualification Opportunities
- \Rightarrow Expressions of Interest
- $\Rightarrow \ \, {\rm Restricted} \ \, {\rm Tendering} \ \, {\rm Contracts} \ \, {\rm Award} \\$



TENDERING OPPORTUNITIES:	This is where you can find tenders on Goods.	
	NB: You can search tender by Ministry, Region, District, Agency and Industry.	
GENERAL PROCUREMENT:	This is where you can find packages MDA's and	
OPPORTUNITIES	other Government entities planned to undertake.	
CONTRACT AWARDED:	This is where you can find various contracts that have been awarded and to which company they have been awarded to.	
PRE-QUALIFICATION:	This is another area you can find tenders on Works	
OPPORTUNITIES		
EXPRESSION OF INTEREST:	This is another area you can find tenders on	

Consultancy

When you point the cursor on News & Events at PP You will find;

- \Rightarrow News at PPA
- ⇒ Upcoming Events
- \Rightarrow Press Releases



When you point the cursor on Commentaries & Regulations You will find;

- \Rightarrow PPA Regulations
- \Rightarrow PPA Bulletin
- \Rightarrow Case Studies



When you point the cursor on Frequently Asked Questions You will find;

- \Rightarrow Public Procurement Act
- \Rightarrow Public Procurement Secretariat
- \Rightarrow Tendering

ity	HOME Contacts Site Map		
Commentaries and Regulations	Frequently Asked Questions	Online Documents	
Common User Items Average Pricelist	Public Procurement	Act	
	Public Procurement	Secretariat	
	Tendering		
0 U N	PPA has undat	ed the	

When you point the cursor on **Online Documents** You will find;

- ⇒ Standard Tender Documents
- \Rightarrow Procurement Manuals
- \Rightarrow Procurement Policies
- \Rightarrow Downloadable Forms

NB: You can print the above Online Documents if you have Acrobat Reader or Adobe Reader on your computer.



- ⇒ Transparency
- \Rightarrow Non-discrimination
- \Rightarrow Equality of access
- ⇒ Open competition
- ⇒ Accountability and
- \Rightarrow Security of process in the procurement process.

However establishing e-Procurement requires changes to number of areas that affect the procuring landscape. Such areas include

- ⇒ Legislation
- ⇒ Infrastructure
- ⇒ Capacity building

Current Procurement Act (Act 663) does not cater for the use of electronic transactions in the procurement process. It therefore implies Act 663 should be amended to cater for electronic transactions or use of the executive orders to accomplish same. This will pave the way for entities to advertise their tenders online, suppliers can also submit their bids online, and finally contract award process will also be conducted online.

Successful implementation of an e-Procurement system will require massive infrastructural change by government. All procurement practitioners must have access to the internet in order to participate in the procurement process. Government must ensure the computing infrastructure is put in place to ensure active participation for all procurement practitioners. Government must also embark on a sensitization exercise to educate procurement practitioners on the changes expected with the implementation or eprocurement. Procurement practitioners will also require training on the use of the new system.

It is observed from the foregoing that establishing a successful e-procurement system is a long process requiring strategic planning. Also government leadership is important at the bureaucratic and policy levels if e-procurement is to be successfully implemented.

Currently the country is not ready for e-procurement, however ongoing activities indicates that the government if preparing for the implementation of such a system. Some of the activities are;

eGhana's project to establish internet infrastructure for all government offices in the country by March 2011.

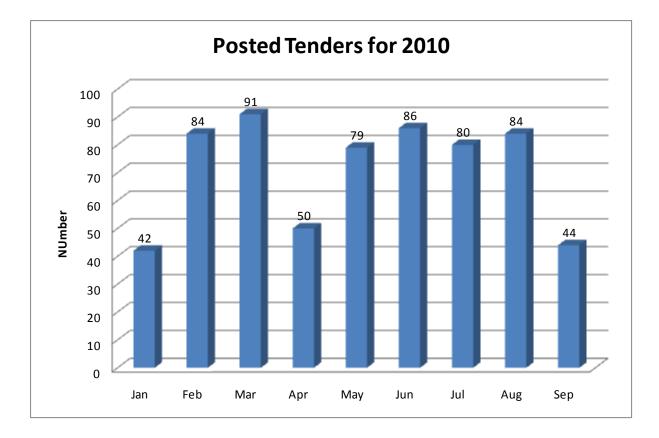
Establishing of Community Information Canters by the Ministry of Communications to enable the public easy access to the internet as well as government information.

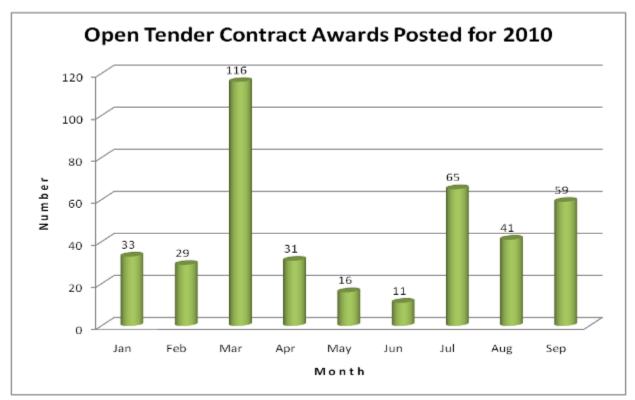
Budgetary support of two million US Dollars (\$2,000,000.00) voted by the World for the establishment of e-Procurement under the eGhana project.

It is therefore expected that the above activities combined with a well prepared strategic plan will see the country ready for e-procurement within next two years.

Thomas Bondzi Senior IT Specialist PPA

Online Statistics







Editorial Team

Emelia Nortey—Director MIS Rhoda E. Appiah—Principal Public Affairs Officer Yvonne Vanderpuye—Principal Operations Officer, CD/HR Thomas K. Bondzi—Senior IT Specialist Public Procurement Authority

P. O. Box PMB 30 Ministries

Phone: (030) 2 765641/2 Fax: (030) 2 765643 E-mail: info@ppaghana.org