



E-Bulletin



P u b l i c P r o c u r e m e n t A u t h o r i t y

2013 In Retrospect

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All too soon, we are approaching the end of another year-2013. It almost feels like yesterday, when Ghanaians had to begin the year with a lot of uncertainties looming around the famous electoral petition of the 2012 Presidential Elections which was being contested at the Supreme Court of Ghana. Several news reports and assertions by key personalities have since, alluded to the fact that the 8-month litigation had monumental effects on the Ghanaian economy evidenced in low productivity, low investor confidence and created anxiety among foreign nationals residing in Ghana all of which might have culminated into the sharp dip of inflation rates from 8.8% in January to 10.6% in April, 2013.

In the face of these challenges, one common question that remains unanswered is the extent to which these might have affected public expenditure in general and public procurement in particular. So far, the dwindling government releases to institutions of the Central Management Agencies and the MMDAs have had adverse effects on government operations, as many institutions as of October, are yet to receive their first quarter releases. Perhaps, the actual effects could best be ascertained after the 2013 public procurement assessment is done.

These notwithstanding, the PPA has over the year published five (5) editions of its e-bulletin and has for the first time began to disseminate copies to its key stakeholders—Procurement practitioners, Service Providers, Civil Societies Organizations (CSOs), media etc who we consider to be critical to the successful implementation of the Public Procurement Law in Ghana.



Topics discussed in these editions included: *Submitting Winnable Tenders, e-GP-an effective tool for Good Governance, Ensuring Compliance in Public Procurement, Act 663-Antidote to Corruption in Public Procurement, and Interventions to address Implementation Challenges of Act 663.*

On a whole, these editions sought to provide elucidation to some of the thematic areas of public procurement and enrich discussions on how best public procurement could be used as an effective tool for national development. Indeed, many of our readers have shared with us their views by way of feedback on some of these topics and we are very grateful.

As a way of ending the year, this last edition seeks to present a summary of some of the salient articles featured in the past editions (especially for readers who might have missed any of the editions). It is our hope that next year will bring along even more exciting titles that will generate and sustain greater interest.

We wish you success in all your endeavours.

Season's Greetings.

Rhoda Appiah

Principal Public Affairs Officer



Online Activities

List of entities that have submitted their 2013 Procurement Plans online As At October 31 , 2013

- | | |
|--|---|
| 1. Accra Academy Sec. Sch. | 61. Financial and Intelligence Centre |
| 2. Accra Polytechnic | 62. Foods and Drugs Board |
| 3. Adisadel College | 63. Ga West Municipal Assembly |
| 4. Aduman Sec. Sch | 64. Ghana Academy of Arts And Sciences |
| 5. Afadzato South District Assembly | 65. Ghana Aids Commission |
| 6. Aflao District Hospital | 66. Ghana Airports Company Limited |
| 7. Agogo State Secondary School | 67. Ghana Atomic Energy Commission |
| 8. Agona West Municipal Assembly | 68. Ghana Broadcasting Corporation |
| 9. Ahanta West District Assembly | 69. Ghana Civil Aviation Authority |
| 10. Ahantaman Sec. School | 70. Ghana Cocoa Board |
| 11. Akatsi District. Hospital | 71. Ghana Cocoa Board - Quality Control Division |
| 12. Akatsi Training College | 72. Ghana Education Service |
| 13. Akroso Sec. Sch. | 73. Ghana Free Zones Board |
| 14. Akumadan Sec. Sch | 74. Ghana Grid Company Ltd. |
| 15. Amenfi East | 75. Ghana Highway Authority |
| 16. Amenfiman Sec. Sch | 76. Ghana Immigration Service |
| 17. Aowin Suaman | 77. Ghana Institute of Journalism |
| 18. Ashiaman Sec. Sch. | 78. Ghana Institute of Management And Public Administration |
| 19. Asikuma/ Odoben/ Brakwa District Assembly | 79. Ghana Investment Fund For Electronic Communications |
| 20. Assin Manso Sec. | 80. Ghana Investment Promotion Council |
| 21. Assin State College | 81. Ghana Library Board |
| 22. Atebubu Training College | 82. Ghana National Fire Service |
| 23. Baidoo Bonsoe Senior High Technical School | 83. Ghana National Gas Company |
| 24. Bank of Ghana | 84. Ghana National Petroleum Corporation |
| 25. Berekum Training College | 85. Ghana National Sec. Sch. |
| 26. Besease Sec. Comm. | 86. Ghana News Agency |
| 27. Bibiani Sec/Tech | 87. Ghana Police Service |
| 28. Boa-Amponsem Sec. | 88. Ghana Ports And Harbours Authority |
| 29. Bolgatanga Municipal Assembly | 89. Ghana Post Company |
| 30. Bolgatanga Polytechnic | 90. Ghana Post Company Limited |
| 31. Bulk Oil Storage and Transportation | 91. Ghana Prisons Service |
| 32. Central- Regional Co-ordinating Council | 92. Ghana Railway Development Authority |
| 33. Central Tongu District Assembly | 93. Ghana Railways Corporation |
| 34. Centre for Scientific Research Into Plant Medicine | 94. Ghana Refugee Board |
| 35. Christ The King Catholic School | 95. Ghana Reinsurance Company Ltd |
| 36. Cocoa Marketing Company (Ghana) Limited | 96. Ghana Revenue Authority |
| 37. College of Health Sciences | 97. Ghana School of Law |
| 38. Controller And Accountant General Dept | 98. Ghana Secondary/Tech. |
| 39. Copyright Administration | 99. Ghana Shippers Authority |
| 40. Council for Law Reporting | 100. Ghana Standards Authority |
| 41. Council for Scientific and Industrial Research | 101. Ghana Tourist Board |
| 42. Council of State | 102. Ghana Water Company Limited |
| 43. Dabase Sec./Tech | 103. Ghana Water Company Limited - Operations |
| 44. Dental School | 104. Ghana-India Kofi Annan Center of Excellence |
| 45. Department of Children | 105. Gomaa West District Assembly |
| 46. Department Of Urban Roads | 106. Grains And Legumes Development Board |
| 47. Dodowa Health Research | 107. GRATIS Foundation |
| 48. Driver and Vehicle Licensing Authority | 108. Half Assini Sec. Sch |
| 49. E. P. Training College Amedzofe | 109. Ho Polytechnic |
| 50. East Akim Municipal Assembly | 110. Holy Child Sec. |
| 51. Economic and Organised Crime Office | 111. Holy Child Training College |
| 52. Effa Nkwanta Regional Hospital | 112. Hydrological Services Department |
| 53. Effutu Municipal Assembly | 113. Internal Audit Agency |
| 54. Effutu Sec./Tech | 114. Juabeso district Hospital |
| 55. Electoral Commission | 115. Judicial Service |
| 56. Electricity Company of Ghana | 116. Jukwa Sec. Sch. |
| 57. Encyclopedia Africa Project | 117. Kibi Government Hospital |
| 58. Energy Commission | 118. Koforidua General Hospital |
| 59. Environmental Protection Agency | 119. Komfo Anokye Teaching Hospital |
| 60. Fiaseman Sec. Sch | 120. Konadu Yiadom Sec. Sch. |

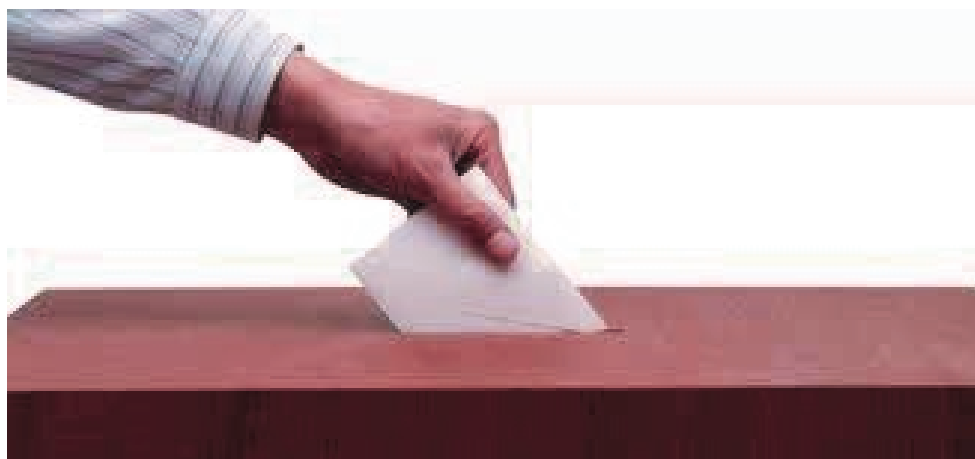


121. Konongo Odumase Sec. Sch.
122. Korle bu Teaching Hospital
123. Kpone Katamanso District Assembly
124. Krachi West (Krachi) District Assembly
125. Krachi West District Hospital
126. Kumasi High Sch
127. Kumasi Metropolitan Assembly
128. Kumasi Polytechnic
129. Kwabre
130. Lands Commission
131. Lands Title Registry
132. Ledzokuku-Krowor
133. Local Government Service Secretariat
134. Management Development And Productivity Institute
135. Management Services Division
136. Mankesim Sec/Tech
137. Manso-Adubia Sec. Sch.
138. Margaret Mary High School
139. Maternal and Child Health Hospital
140. Medical School
141. Mfantseman Municipal Assembly
142. Minerals Commission
143. Ministry Of Communication
144. Ministry Of Culture And Chieftaincy
145. Ministry Of Education
146. Ministry of Employment and Labour Relations
147. Ministry of Employment and Social Welfare
148. Ministry of Energy and Petroleum
149. Ministry of Environment Science and Technology
150. Ministry Of Finance And Economic Planning
151. Ministry of Fisheries and Aquaculture Development
152. Ministry Of Food And Agriculture
153. Ministry Of Foreign Affairs And Regional Integration
154. Ministry of Gender Children and Social Protection
155. Ministry Of Health
156. Ministry of Information
157. Ministry Of Justice And Attorney General
158. Ministry of Lands and Natural Resources
159. Ministry Of Local Government And Rural Development
160. Ministry Of Roads And Highways
161. Ministry Of The Interior
162. Ministry of Tourism Culture and Creative Arts
163. Ministry of Transport
164. Ministry Of Water Resources, Works And Housing
165. Ministry of Youth and Sports
166. Mount Mary College
167. Namong Sec. Sch
168. Nandom District Hospital
169. Narcotics Control Board
170. National Board for Professional And Technical Examinations
171. National Cardiothoracic Centre
172. National Commission For Civic Education
173. National Communication Authority
174. National Council for Tertiary Education
175. National Film and Television Institute
176. National Health Insurance Authority
177. National Identification Authority
178. National Insurance Commission
179. National Lottery Authority
180. National Pensions Regulatory Authority
181. National Petroleum Authority
182. National Road Safety Commission
183. National Service Secretariat
184. National Sports Authority
185. National Vocational Training Institute
186. Nkawie District Hospital

187. Non Formal Education Division
188. North Tongu District Assembly
189. Nyinahin District Hospital
190. Office of the Head of Civil Service
191. OFFICE OF THE PRESIDENT - MAIN
192. Office of the Regional Health Directorate – Eastern Region
193. Office of the Regional Health Directorate – Greater Accra Region
194. Opoku Ware Sec.
195. Parliament
196. Peki Training College
197. Pharmacy Council
198. Potsin T.I. Ahd. Sec.
199. Precious Minerals Marketing Corporation
200. Prempeh College
201. Public Procurement Authority
202. Public Service Commission
203. Public Utilities Regulatory Commission
204. Registrar Generals Department
205. Ridge Hospital
206. S.D.A. Sec. Sch.
207. S.D.A. Training College Asokore
208. Savannah Accelerated Development Authority
209. School of Allied Health Sciences
210. Sekondi-Takoradi Metropolitan Assembly
211. Shama District Assembly
212. Shama Sec. Sch
213. SIC Life Company Limited
214. Social Security and National Insurance Trust (SSNIT)
215. Sogakope District Hospital
216. St. Augustine's College
217. St. Francis Trg. College
218. St. Johns Senior High School
219. St. Joseph's Training College
220. St. Monica Training College
221. St. Theresa's Training College
222. Students Loan Trust Fund
223. Sunyani General Hospital
224. Sunyani Polytechnic
225. Takoradi district Hospital
226. Takoradi Polytechnic
227. Tamale Polytechnic
228. Tarkwa Nsuaem Municipal Assembly
229. Tarkwa Sec. Sch
230. Tema Development Corporation
231. Tema Metropolitan Assembly
232. University For Development Studies
233. University Of Cape Coast (UCC)
234. University of Energy and Natural Resource
235. University Of Ghana (UG)
236. University of Ghana Business School (UGBS)
237. University of Health and Allied Sciences
238. University of Mines and Technology-Tarkwa
239. University of Professional Studies Accra
240. University Of Science And Technology (KNUST)
241. Upper Denkyira East Municipal Assembly
242. Volta Lake Transport Company Limited
243. Volta River Authority
244. Wa General Hospital
245. Wa Polytechnic
246. Water Resources Commission
247. Wenchi East District Assembly
248. Wesley Girls High Sch.
249. West Africa Sec. Sch
250. West African Examination Council



SUBMITTING A WINNABLE TENDER



Discussions on the subject of Public Procurement have usually placed the spotlight on activities of personnel in the public sector who are on the receiving end or better still the “demand side” of the Supply Chain. Recognizing the important role these persons play, the Public Procurement Authority has also dedicated a lot of resources to building capacity, monitoring and providing the needed support for the public officials to effectively function, so that value could be achieved for every cedi spent.

It is however more heart-warming to note that specific attention has in the recent past been given to the suppliers of goods, works and services (suppliers, consultants and contractors) who we generically refer to as Service Providers to build their capacity and offer them the needed support to be effective partners to the public sector.

Government is in no doubt the “Number 1 Biggest Buyer” but a very competent supply side of the chain promotes very keen competition which eventually leads to the selection of the best Service Provider to be awarded contracts for the delivery of public goods, services and works or projects.

Usually, very good suppliers are disqualified during evaluation of tenders after spending precious time and other resources to put together these tenders for reasons which are far from the fact that they are unable to offer best value. They may be offering the best quality, price, human resources, general capacity and other terms of contract to de-

liver, but are not able to make it to the point of award for the simple reason that they missed out on a requirement of the tender process or document. In these cases, since the whole process is a legal one, with clearly published requirements Entities have no other option but to painfully disqualify them or reject their offers during evaluations.

It is to help address some of these lapses which eventually cost the Service Providers and discourage them from participating in public procurements, that the January to February Edition of the Bulletin focused on building the capacity of Service Providers to respond to tenders and achieve the ultimate of being awarded Government Contracts.

It’s interesting to note that the Edition identified some common land mines in the tender documents which every Service Provider needs to pay attention to if they intend to successfully participate in tenders and win (or be awarded) public contracts.

The Articles in the January-February edition of the Bulletin drew the attention of Service Providers or Tenderers to the fact that published Tenders by Institutions or Entities carry full information about what is going to be used to measure or assess them for the award of contracts. It is therefore imperative that they also respond clearly to the needs no matter how trivial the requirement seems. A few of the areas that call for the attention of any Tenderer as identified in this edition which was dedicated to Service Providers included:



- The need for Tenderers to pay attention to Basics such as ensuring that the tender or offer meets the commercial and technical responsiveness criteria published in the tender document by the buyer;
- Every Tender Document is unique and clearly spells out the Specifications and Terms of Reference of the Government Institution which forms the basis for the selection of the winner. The Edition which carried an Article on Developing Procurement Specifications detailed out various types of specifications and the need for these to be unambiguous to allow fair competition. Act 663 does not encourage the use of brand names but requires Entities to be as descriptive as possible to afford Service Providers a common ground to compete for contracts;
- The buyer would usually determine the time and place for the submission of Tenders as well as how long they expect Tenderers to hold their offers (validity period). Service Providers need to strictly comply with these time frames to avoid disqualification or rejection of their offers;
- Again, Service Providers need to fill all forms using the prescribed format in the tender document;
- The capacity of the firm to deliver as far as personnel, track record and methodology for delivery is an area where a lot of attention needs to be given. Service Providers must convince the buyer about their capacity as requested by the tender since the Evaluation process will match exactly what the Service Provider offers against what was requested.
- Tenderers must also ensure that the style for submission, for example where both financial and technical proposals are required to be in one or separate envelopes are complied with.
- Finally, while price is not the most important factor in most evaluations it is certainly a criteria which is considered, suppliers need to ensure that they offer the best price to make them the most competitive.

Entity will provide an indication of how tenders

will be assessed (the Evaluation Criteria) in the Tender Document. Suppliers need to study the criteria to inform their submission since that is the yard stick for determining who is best suited for the contract.

There have been complaints from Service Providers that in their opinion they gave the best offers but were still not successful, the January-February Edition of the Bulletin therefore highlighted the various stages in the evaluation process which leads to the award of contracts. The Evaluation Process comprises preliminary examinations, followed by a confirmation of technical and commercial responsiveness per the published criteria. This process is done by a team of competent persons familiar with the document and the specific procurements being made. It is important to note that Entities cannot introduce any new criteria during Evaluations. The details of what is looked at during evaluation makes interesting reading in the main Article.

The need for Evaluation processes to be facilitated particularly in Ghana where prices are often unstable received some good attention in this Bulletin. Service Providers cannot hold the same prices and other conditions in their offers forever, hence buyers must speedily (but carefully) complete the process of evaluation and award contract within reasonable times or better still the tender validity period to avoid the costs associated with such delays.

The Articles in the January-February 2013 Edition of the E-Bulletin (<http://www.ppaghana.org/news/Ebulletin.asp>), offer Tenderers the needed information to arm themselves to effectively participate in Tenders and also challenge the system where they feel they have not been fairly treated. Entities are also offered good tips on how to avoid potential disputes relating to their competitive processes for the selection of the Best Evaluated Responsive Tenderers for the award of contracts.

Yvonne Vanderpuye

Head HR&A -PPA



E-GP- AN EFFECTIVE TOOL FOR GOOD GOVERNANCE



The March-April 2013 edition of the e-bulletin focused on the theme “E-GP, an effective tool for good Governance”. E-Gp, is strictly a Government to business (G-to-B) process of using ICT, specifically the internet platform to acquire goods, works and services at the best value obtainable.

In an article written by Meetika Srivastava, he describes Good Governance as a genuinely democracy-intensifying concept to make public administration more open, transparent and accountable.

- According to the World Bank, Good Governance entails
- Sound public sector Management (efficiency, effectiveness and economy)
- Accountability
- Exchange and free flow of information (transparency) prevention of corruption
- And a legal framework for development

From the above, if E-GP is an effective tool for Good Governance, then it pre-supposes that it has the following characteristics of Good Governance and also benefits;

Accountability and Transparency- What is being procured, who is eligible, how to bid, what are the evaluation criteria, who have got the award, at what cost, audit trail on procurement transactions etc.

Responsiveness

Effectiveness and Efficiency- Clear Specification, Ease of Registration/Tendering, easy evaluation, efficient payment system, cost savings in procurement expenditure etc;

1. Rule of Law-Procurement Policy compliance
2. Participation
3. Equity and inclusiveness

Ghana's Readiness for Electronic Government Procurement

Ghana's vision to improve efficiency of government's dealings with the public through the use of Information and Communication Technology (ICT) resulted in the initiation of the eGhana Project in 2006 with funding from the International Development Association through the World Bank. The project consists of three main components which seek to¹;

1. Create the enabling environment necessary for the growth of the ICT sector
2. Support local ICT Businesses and IT enabled services (ITES); and
3. Promote e-Government applications and Government Communications.

Under the third component, a number of e-Government applications are being developed. Current applications being developed at various stages of deployment include the following;

e-Justice	e-Immigration
e-Parliament	e-Government Procurement

Systematic Development of E-Government Procurement (E-GP) System in Ghana

The e-Government Procurement (e-GP) implementation began in June 2011. PriceWaterHouse Coopers (PwC) was engaged as consultants for the Systematic Development of Electronic Government Procurement (e-GP) in Ghana.

The project currently is at stage where a firm is going to be chosen through a competitive tendering process to partner the government in providing an application software with full end-to-end eGP functionalities. This application software will be piloted among six selected entities, and then rolled out depending on its successful implementation.

To enable Ghana enjoy the full benefits of the e-GP it is important that we continually assess the readiness of the country for the establishment of an eGP system. This paper seeks to assess Ghana's readiness three main areas, namely;

- IT Infrastructure
- Legal Framework
- Capacity Development

IT Infrastructure

A major requirement for the establishing of an e-GP system is the availability of IT infrastructure. IT infrastructure covering Internet Connectivity, Data Center and its corre-

sponding Disaster Recovery site, Local and Wide Area networks, Security, Desktop Computers, Uninterrupted Power Supply (UPS), Multi-Functional Devices (MFDs) must be in place.

The National Information Technology Agency (NITA), the government agency responsible for providing IT infrastructure for use by government agencies has as part of its mandate to provide a national backbone infrastructure to all districts in the country, provide a national data centre and a secondary data centre facility for disaster recovery capability, connect all public institutions, MDAs and MMDAs to a single shared communications and computing infrastructure to facilitate effective delivery of government services to citizens, businesses and others. NITA has achieved a lot as per its mandate.

According to NITA an Interim Data and Disaster Recovery centers are available for use for all eGhana applications (e-GP included) since December, 2011, however the substantial National Data and Disaster Recovery centers will be available by December, 2013. In addition NITA has designed an E-Government Infrastructure Network to reach 1050 sites around the country, based on Fibre Optic, VSAT and terrestrial networks, using wireless and other means for last mile connectivity access. NITA is also deploying 8000 LAN ports in addition to existing 6500 LAN ports in the offices of various MDAs and MMDAs. This deployment which will cover 120 MDAs and MMDAs is expected to be completed in June 2013.

Another requirement of the IT Infrastructure is the provision of a Public Key Infrastructure (PKI). A PKI is a computerised form of message encryption using two keys (small files); one is public and used by the sender to encrypt the message, the other is private and used by the recipient to decrypt the message. This will ensure that the tender submission and opening process on the eGP system are secured and transparent. NITA and the Ministry of Communication is implementing a national PKI project which will cover the establishment of a Registration Authority and a Certificate Authority. Feasibility studies on this project Kick-off meeting was held on the 6th of August 2013, and full implementation is expected by the beginning of 2014.

Legal Framework

A comprehensive legal framework is required for the establishment of e-GP. This has largely been taken care of by the Electronic Transactions Act, 2008 Act 772. More so the Public Procurement Act, 2003 Act 663, is also being amended to include electronic tendering which was previously not taken care of by the Act. The amended Act is currently with the Minister of Finance for onward submission to Parliament.

Capacity Development

Service providers (Suppliers, Contractors, Consultants) and Procurement Officers are critical stakeholders in the whole

e-GP process, hence as part of the process to enhance Ghana's readiness, capacity building programmes have been planned for the service providers to ensure that they are ready to prepare and respond to tenders which will be launched on the e-GP platform.

Report on E-Government Procurement establishment Study Tour

As part of the process for the Systematic development of E-Government procurement in Ghana, a study tour was planned to India and Portugal to see how those countries had managed their E-Government Procurement project implementation and the benefits that had accrued to their respective countries. The tour was also to learn at first hand pitfalls to avoid and to learn positive lessons for our smooth implementation of the project.

In India, 2 sites were visited, namely Bangalore and Hyderabad. In Portugal, 2 institutions were visited. At all the sites, important and useful lessons were learnt.

Lessons Learnt

All the lessons learnt on the 10-day Study Tour cannot be captured here, however a few important ones are highlighted below;

1. Government buy-in and political will is important for successful implementation of e-GP system
2. Entire procurement process from preparation of procurement plans and estimates through tender publication to award of contract and payment can be handled in an integrated manner on an e-GP system
3. Volumes of tenders in Ghana is not high enough for implementation through a Private Public Partnership
4. Implementation of e-GP must always be backed by legal framework
5. There is an increased tender participation by Service Providers
6. Due to transparency and competition, tender prices tend to decrease with time.

A complete report for the March-April 2013 edition is available at <http://www.ppghana.org/news/Ebulletin.asp>

Conclusion

Benefits of e-GP are in line with the objectives of internationally recognised public procurement systems that are; enhanced transparency & compliance, increased performance & equity and economic development. Adopting e-GP in Ghana, which will have the above objectives and traits, can be used as an effective tool for Good Governance.

Mrs. Emelia Nortey

Director, MIS

PPA



Ensuring Compliance Through Assessment

Introduction

The May – June 2013 edition of the e-bulletin focused on Monitoring and Evaluation activities of PPA. Monitoring and evaluation enables PPA monitor compliance to Act 663, by public entities. These activities had informed and continue to inform PPA in the development of new policies and guidelines to assist public entities improve on their performance in procurement and its related activities based on Act, 663. This article reviews May – June 2013 edition and focuses on areas highlighted.

Assessment Results

Yearly assessments are conducted by PPA across all public entities. These assessments are conducted based on determined Key Performance Indicators (KPIs) which is used to measure an entity's performance in relation to procurement activities carried out within a given period. Scores obtained by entities are graded to determine the maturity of entities based on the Public Procurement Maturity Model. In addition, scores obtained by all entities are also collated and summarized to arrive at national cumulative averages.

In an article on this subject, the writer explained the use of the assessment results by PPA. Reports detailing the results and performance of each entity are sent to respective entities. Based on these reports, entities are able to improve their performance based on findings and recommendations in the report. While the results challenges entities to improve their performance, at the national level it has informs PPA to develop new policies. Notable among these are the Low Value Procurement Procedure, primarily for use at the Second Cycle Schools, and the development of Records Management Manual, which sets out guidelines on procurement records keeping.

A case in point is the pooling of human resources, especially in remote areas and also among the second cycle schools. It has been observed that not all entities especially in the second cycle institutions have qualified procurement officers. It will therefore be beneficial for such entities to use a qualified procurement officer to serve a number of institutions. An example of such arrangement was observed during the 2011 assessment exercise in the East Akim area. In this situation, the Procurement Officer of Akim Akroso



Senior High Schools assists in the preparation and publication of procurement plans, tender documents as well as preparation of evaluation reports for the cluster of schools in his area.

Self Assessment

Considering the amount of man hours and the logistics involved in conducting the yearly assessments, and leveraging on technology to improve the evaluation and monitoring process, PPA will soon introduce an online self-assessment system known as the Public Procurement Model of Excellence (PPME) Tool. This web based system will offer the opportunity for public entities to submit results based on performance indicators directly to PPA. This system will offer a lot benefits to both PPA and public entities, which are detailed in an article on this subject, in the May – June edition.

Conclusion

Compliance with Act 663 is the key that will lead to good procurement practices by public entities, and this can be achieved through constant monitoring and evaluation of performance by these entities as far as Act 663 is concerned.

This short review has briefly exposed the contents of the May – June 2013 edition. For most of you who were not able to read it is hoped this will inspire you to read the full edition available at <http://www.ppaghana.org/news/EBulletin.asp>.

Thomas K. Bondzi

Principal IT Specialist

PPA



ACT 663 – ANTIDOTE TO CORRUPTION IN THE PUBLIC SECTOR

Corruption has become a house-hold name when it comes to discourse on Public Procurement. While the general public, civil society and other Stakeholders will often go every length to prove corruption in the public sector, public officers have with little success tried to explain themselves out of such criticisms and allegations. As to whether the charge of corruption is a perception or reality, we may leave the discussion for a later date..

The July August Edition of the Public Procurement Bulletin attempted to define corruption, identify possible areas that corruption could occur in the public procurement process and also discussed the remedies provided in Act 663 for addressing this cancer which seems to have eaten so much into the fiber of our society; public or private notwithstanding. As a matter of fact, the Public Procurement Act 2003 (Act 663) seeks to promote the opening up the public procurement system to ensure that the perception or the occurrence of corruption is removed or minimized considerably

The Articles in the July-August Edition of the Bulletin confirmed that the provisions in the Act guiding procurement management sought to promote transparency and accountability which are major principles necessary for any system that seeks to nib corruption in the bud. The following provisions in the Act which are intended to offer antidotes to corruption were discussed:

1. The establishment of an independent Regulatory Body (PPA)
2. Prescribed Procurement Structures which require that procurements are carried out in a corporate manner;
3. Provision of clearly defined rules governing public procurement;
4. Clearly prescribed procurement methods which largely promote competition and;
5. The establishment of an administrative Review Process

Two very interesting Article, titled “Fighting Corruption with the Public Procurement Act from a Practitioner’s Point of View” from the perspective of two practitioners, discussed the procurement process from the planning, selection of methods, open and transparent evaluations, through to the review of evaluation reports by an identified Approving Authority and publication of contracts awarded. The outlined

process if effectively followed as prescribed by Act 663 is a perfect remedy for guaranteeing transparency. The writers of these Articles re-echoed the need for the processes and structure to be allowed to effectively function to enable the public sector derive the needed benefit from the provisions of the Act that seeks to secure of best value for the limited public resources.

The use of Electronic Government Procurement processes as a means of reducing the Human Interface (between buyers and sellers) which is often susceptible to manipulation and provides an avenue for corruption was also extensively discussed in this Edition. The Article noted that E-GP incorporates the Structures, Procedures, and Methods among others to ensure that a more effective antidote as prescribed in Act 663 is provided.

Speaking to the subject of “Breaking the Vicious Circle of Corruption in Ghana,” another Article in this Bulletin referred to a statement by Transparency International that “Africa lost about **\$1.4trn** in illicit financial flows between 1980 and 2009 (a figure which exceeds the inflows of revenues); a situation which is seriously undermining the development of our economies.” This gives credence to the need for a collective effort to fight corruption.

The Article noted with a diagram that corruption if unchecked could occur throughout the procurement process on the side the buyer or the Contracting Agency and the Service Provider both before and after contracts are awarded. It is important to note that, accounting for about 70% of Public Expenditure after Personnel Emoluments, Public procurement has several loopholes that need to be plugged to significantly save the public purse.

The entire July-August 2013 Edition of the Public Procurement E-Bulletin is therefore a must-read to acquire knowledge, change attitudes and build a concerted effort at arresting this canker using the Provisions in the Public Procurement Act, 2003 (Act663). This is accessible from <http://www.ppaghana.org/news/EBulletin.asp>.

Yvonne Vanderpuye

Head HRE&A -PPA



INTERVENTIONS TO ADDRESS IMPLEMENTATION CHALLENGES OF ACT 663

Introduction

Implementing a law, project, or any program is often faced with challenges. Implementation of the Public Procurement Act, 2003 (663), has not been an exception. The PPAs assessments and feedback from entities and service providers has necessitated the need for interventions to address identified challenges in public procurement management.

The September – October 2014 edition of the E-Bulletin highlighted some interventions that PPA has introduced to address these challenges. This piece previews all three articles featured in this edition.

Records Keeping

Section 28 (i) of the Public Procurement Act, 2003 (663) requires all procurement entities to maintain a record of all procurement proceedings. The period assessment of entities, the Authority has realized lack of adherence to this section of Act, 663, making retrieval of procurement information difficult, and in some cases information on procurement activities are not available.

The growth of electronic communications and data from databases to e-mails presents new challenges, but can be managed by the same records management principles that are applied to paper documents. This is needed to determine compliance with the procurement, legal and institutional framework.

PPA has therefore developed a Records Keeping Manual for all entities. The manual guide entities in keeping separate files on individual procurement which will tell the whole story of the procurement from intent, launch of tenders through evaluation, award, execution and eventual .. and contract close outs.

All these documents in one file, will tell the complete story of how for example Goods were procured from initiation through to evaluation, selection, contract negotiation and award up to contract close out.

Framework Agreement and Contracting

Another intervention introduced by PPA is Framework Agreement and Contracting. This is currently being piloted with second cycle schools in the country.

To enable entities buy in bulk and take advantage of the benefits of economies of scale, FWA will allow individual or groups of entities to buy in bulk and take delivery of specific quantities as when required.

This intervention is expected to avoid bulk breaking as stipulated in Section 21 (5) of Act 663.

Framework agreement is one that establishes the general terms governing framework contracts to be awarded during a given period, particularly with regard to price and, where appropriate, the quantity envisaged.

A number of factors influence the use of Framework Agreements such as high administrative cost of procurement, rationalizing a public procurement system that is characterized by fragmentation of purchase actions and where entity lack the capacity to undertake procurement independently.

FWA will allow entities save time and cost in tendering, promote uniformity of prices among several entities (especially those in a cluster) economies of scale are among some of the benefits to be derived from Framework Agreements.

Contract Management

Again the assessment of entities over the years has shown that there is a significant lack of capacity for contract management. This has informed the development of its contract management manuals for Goods, Works and Services. These manuals will soon be finalized and rolled out with training programs for over 3000 public procurement officials and contract managers. An article in this edition of the e-bulletin profiled the contract management process, indicating the various stages and contents of what is managed at each stage of the process.

Conclusion

As a growing institution, PPA is continuously assessing its performance to meet the expectation of procuring entities and service providers. In this direction, it will continue to roll out policies and procedures that will lead to improved performance of entities and the general compliance to the provisions of Act 663.

We welcome your comments and suggestions on these interventions as you read the full bulletin from <http://www.ppaghana.org/news/EBulletin.asp>

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Tendering and contract Information for periods indicated

[Tendering Opportunities for Nov - Dec 2013](#)

[Contracts Awarded for Jan - Dec 2013](#)

[Restricted Tender Awards Jan - Dec 2013](#)

[Expression of Interest Requests Nov - Dec 2013](#)

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



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