



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

Accounting For Efficiency & Transparency in the Public Procurement System-The Need For Functional Procurement Units

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Public Procurement in Ghana has come a very long way. From the colonial days, when procurements for all Government Departments were done by the Crown Agents through to the passage of the Ghana Supply Commission Act, 1960 which made the Commission the sole agent for government procurements and later the establishment of the Ghana National Procurement Agency (GNPA in 1976 by the Supreme Military Council Decree (SMCD) 55). Other legal instruments that have regulated public sector procurement also included the Financial Administration Regulations (FAR), 1979 (LI. 1234) which regulated the acquisition of, management and disbursement relating to supplies and equipment. Following this, the Government in the early 1990s initiated steps

through the Public Financial Management Reform Project leading to the passage of the Public Procurement Act, 2003 (Act 663) and ushered-in the current regime of public procurement.

In all these years, the need for effective capacity building among procurement practitioners has not been so high on the agenda until now. Several capacity development efforts led by the PPA have been organised and curricular and modules for training in BTech and BSc in Procurement have also been introduced among some Tertiary Institutions. In addition to this, the Authority has been at the forefront together with the Office of the Head of Civil Service (OHCS), Public Services Commission (PSC) and others to establish a Scheme of Service for the Procurement Cadre within the Civil, Public and Local Government Services.

(Continued on page 5)

Online Activities

List of entities that have submitted their 2016 Procurement Plans Online As At June 30 , 2016

- | | |
|---|---|
| 1. Abor Senior High School | 58. Fanteakwa District Assembly |
| 2. Accra Polytechnic | 59. Fisheries Commission |
| 3. Accra College of Education | 60. Foods and Drugs Board |
| 4. Adiembra Senior High School | 61. Forestry Commission |
| 5. Adisadel College | 62. Ga South Municipal Assembly |
| 6. Aduman Senior High School | 63. Ghana Aids Commission |
| 7. Afadzato South District Assembly | 64. Ghana Airports Company Limited |
| 8. Agona West Municipal Assembly | 65. Ghana Atomic Energy Commission |
| 9. Achantaman Senior High School | 66. Ghana Audit Service |
| 10. Akatsi South District Assembly | 67. Ghana Book Development Council |
| 11. Akatsi College of Education | 68. Ghana Broadcasting Corporation |
| 12. Akim Oda Government Hospital | 69. Ghana Civil Aviation Authority |
| 13. Akokoaso Day Senior High School | 70. Ghana Cocoa Board |
| 14. Akontombra Senior High School | 71. Ghana College of Physicians and Surgeons |
| 15. Akrokerri College of Education | 72. Ghana Cylinder Manufacturing Company Limited |
| 16. Akuse Government Hospital | 73. Ghana Education Service |
| 17. Akwapim South Municipal Assembly | 74. Ghana Free Zones Board |
| 18. Ankafu Psychiatric Hospital | 75. Ghana Grid Company Ltd. |
| 19. Asare Bediako Senior High School | 76. Ghana Health Service |
| 20. Asokore Mampong Municipal Assembly | 77. Ghana Highway Authority |
| 21. Asonomaso District Hospital | 78. Ghana Institute of Journalism |
| 22. Asuansi Technical Institute | 79. Ghana Institute of Management And Public Administration |
| 23. Atebubu College of Education | 80. Ghana Investment Fund For Electronic Communications |
| 24. Ayirebi Senior High School | 81. Ghana Library Board |
| 25. Bank of Ghana | 82. Ghana National Fire Service |
| 26. Benso Senior High Technical School | 83. Ghana National Gas Company |
| 27. Bodi District Assembly | 84. Ghana National Petroleum Corporation |
| 28. Bolgatanga Municipal | 85. Ghana Police Service |
| 29. Bolgatanga Polytechnic | 86. Ghana Ports And Harbours Authority |
| 30. Bremankumasi Senior High School | 87. Ghana Prisons Service |
| 31. Bulk Oil Storage and Transportation | 88. Ghana Reinsurance Company Ltd |
| 32. Cape Coast Metropolitan Assembly | 89. Ghana Revenue Authority |
| 33. Central- Regional Co-ordinating Council | 90. Ghana School of Law |
| 34. Centre for Scientific Research Into Plant Medicine | 91. Ghana Shippers Authority |
| 35. Chiana Secondary Senior High School | 92. Ghana Standards Authority |
| 36. Cocoa Marketing Company (Ghana) Limited | 93. Ghana Tourist Board |
| 37. College of Health Sciences | 94. Ghana Water Company Limited |
| 38. Controller And Accountant General Dept | 95. Ghana-India Kofi Annan Center of Excellence |
| 39. Copyright Administration | 96. Gomomo East District Assembly |
| 40. Council for Law Reporting | 97. Gomomo West District Assembly |
| 41. Council for Scientific and Industrial Research | 98. Grains And Legumes Development Board |
| 42. Council for Technical and Vocational Education and Training | 99. Half Assini Senior High School |
| 43. Council of State | 100. Ho Municipal Assembly |
| 44. Dabobase Senior High Technical School | 101. Ho Polytechnic |
| 45. Department Of Urban Roads | 102. Holy Child College of Education |
| 46. District Assembly Common fund | 103. Internal Audit Agency |
| 47. Driver and Vehicle Licensing Authority | 104. Judicial Service |
| 48. Dunkwa Senior High Technical School | 105. Ketu District Hospital |
| 49. Economic and Organised Crime Office | 106. Ketu North District Assembly |
| 50. Effutu Municipal Assembly | 107. Ketu South District Assembly |
| 51. Ekumfi District Assembly | 108. Kibi Government Hospital |
| 52. Ellembele District Assembly | 109. Koforidua General Hospital |
| 53. Enchi District Hospital | 110. Komenda/ Edina/ Eguafu /Abirem Municipal Assembly |
| 54. Energy Commission | 111. Komfo Anokye Teaching Hospital |
| 55. Environmental Protection Agency | 112. Korle Bu Teaching Hospital |
| 56. Enyan Denkyira Senior High Technical School | 113. Krachi West (Krachi) District Assembly |
| 57. Essikadu District Hospital | 114. Krachi West District Hospital |
| | 115. Kumasi High School |



116. Kumasi Polytechnic
117. Kwaebiiirem District Assembly
118. La Polyclinic
119. Lands Commission
120. Local Government Service Secretariat
121. Management Development And Productivity Institute
122. Mankesim Senior High Technical School
123. Maternal and Child Health Hospital
124. Mfantisiman Girls Senior High School
125. Minerals Commission
126. Ministry of Fisheries and Aquaculture Development
127. Ministry Of Foreign Affairs And Regional Integration
128. Ministry of Gender Children and Social Protection
129. MINISTRY OF HEALTH
130. Ministry of Lands and Natural Recourses
131. Ministry of Power
132. Ministry Of Roads And Highways
133. Ministry of Tourism Culture and Creative Arts
134. Ministry of Transport
135. Ministry Of Water Resources, Works And Housing
136. Ministry of Youth and Sports
137. Mpasatia Senior High Technical School
138. Mpohor District Assembly
139. Nanumba North (Nanumba)
140. Narcotics Control Board
141. National Accreditation Board
142. National Board for Professional And Technical Examinations
143. National Commission For Civic Education
144. National Communication Authority
145. National Council for Tertiary Education
146. National Development Planning Commission
147. National Film and Television Institute
148. National Information Technology Agency
149. National Labour Commission
150. National Lottery Authority
151. National Pensions Regulatory Authority
152. National Petroleum Authority
153. National Road Safety Commission
154. National Service Secretariat
155. National Sports College
156. National Vocational Training Institute
157. Navrongo Community Health Nurses Training College
158. New Times Corporation
159. Nkroful Agric. Senior High School
160. Non Formal Education Division
161. North Tongu District Assembly
162. Northern Electricity Distribution Company
163. Notre Dame Seminary Senior High School
164. Nsaba-Presby Senior High School
165. Nsawam Government Hospital
166. Nurses and Midwifery Training College - Sekondi
167. Nursing and Midwifery Training College - Koforidua
168. Nyakrom Day Senior High School
169. Obuasi District Hospital
170. Office of the Head of Civil Service
171. Office Of The President - Main
172. Office of the Regional Health Directorate – Ashanti Region
173. Office of the Regional Health Directorate – Central Region
174. Office of the Regional Health Directorate – Eastern Region
175. Office of the Regional Health Directorate – Northern Region
176. Office of the Regional Health Directorate – Upper West Region
177. Office of the Regional Health Directorate – Western

178. Ola College of Education
179. Opoku Ware Senior High School
180. Peki Senior High Technical School
181. Petroleum Commission
182. Pharmacy Council
183. Potsin T.I. Ahd. Senior High School
184. Prempeh College
185. Presby College of Education - Akropong
186. Presby Senior High School - Legon
187. Presby Womens College of Education- Aburi
188. Prestea District Hospital
189. Public Procurement Authority
190. Public Service Commission
191. Public Utilities Regulatory Commission
192. Registrar Generals Department
193. Savannah Accelerated Development Authority
194. School of Medicine and Dentistry
195. Sefwi Wiawso Senior High School
196. Sene District Assembly
197. SIC Life Company Limited
198. Social Security and National Insurance Trust (SSNIT)
199. Sogakope District Hospital
200. St. Augustine's College
201. St. Joseph's College of Education
202. St. Monica Training College
203. Students Loan Trust Fund
204. Suhum Government Hospital
205. Suhum Municipal Assembly
206. Sunyani Polytechnic
207. Sunyani Senior High School
208. Sunyani West District Assembly
209. T.I. Ahm. Senior High School
210. Takoradi district Hospital
211. Takoradi Polytechnic
212. Tamale Polytechnic
213. Tarkwa Nsuaem Municipal Assembly
214. Tarkwa Senior High School
215. Techiman Municipal Assembly
216. Tema Development Corporation
217. Tema Metropolitan Assembly
218. Tepa District Hospital
219. Tepa Senior High School
220. University For Development Studies
221. University Of Cape Coast (UCC)
222. University of Energy and Natural Resource
223. University Of Ghana (UG)
224. University of Health and Allied Sciences
225. University of Mines -Tarkwa
226. University of Professional Studies Accra
227. University Of Science And Technology (KNUST)
228. Upper Denkyira East Municipal Assembly
229. Uthman Bin Afan Senior High School
230. Volta River Authority
231. Wa East District Assembly
232. Wa General Hospital
233. Wa Polytechnic
234. Wesley Girls High School
235. West Akim Municipal Assembly
236. West Mamprusi District Assembly
237. Youth Employment Agency



Challenges With The Establishment Of A Functional Procurement Unit In Second Cycle Institutions – A Regulator’s Perspective



INTRODUCTION

In Ghana, public procurement accounts for 50–70% of the national budget therefore there is a need to develop an efficient Public Procurement System that will help in the achievement of the objective of the Authority which is “to harmonise the processes of public procurement in the public service to secure a judicious, economic and efficient use of state resources in public procurement and ensure that public procurement is carried out in a fair, transparent and non-discriminatory manner”. In the quest to achieve this objective, the establishment of a Procurement Unit as per Public Procurement (Amendment) Act 2016, Act 914 cannot be overlooked.

A Procurement Unit according to the Public Procurement Manual is an outfit in a Procurement Entity with the responsibility of superintending procurement. Subsequently, the Authority has defined a Functional Procurement Unit as “a unit established in accordance with the Public Procurement Act by the head of Entity responsible for all tasks and duties that are related to the acquisition of Goods, Works and Services and contract management activities of the Procurement Unit”.

FUNCTIONAL PROCUREMENT UNITS IN SECOND CYCLE INSTITUTIONS

In GES organizational structure, there is an absence of Procurement Officer in the designation of job titles. Procurement is therefore carried out mostly by heads of the schools, accountants and bursars. It is therefore difficult to establish Functional Procurement Units in second cycle institutions since there is always a friction between the functions of a Procurement Officer and unprofessional officers who are carrying out procurement functions in the schools.

Moreover, most second cycle institutions carry out less procurement activities. They usually procure mercantile, domestic and perishable items. Therefore there will be a challenge in the establishment of a Functional Procurement Unit as there will not be much work for the Unit to do. Also, officers in the unit cannot progress much in the field as the scheme of service of GES does not provide job description for Procurement Officers but rather Supplies Officers who are in charge of stores.

RECOMMENDATIONS

Considering the fact that a staffed Functional Procurement Unit in a second cycle institution will leave the Procurement Officers with less activities and not able to carry out duties they would have performed in non-school Public Entities, the following recommendations are proposed;

That the GES clusters Senior High Schools on Regional or Zonal basis and assign one or two Procurement officers to help the Senior High Schools (SHSs) with their procurement functions.

The use of the concept of 'framework agreement' will make procurement more effective in SHSs. A framework agreement is a new concept for Senior High

Schools to ensure uniformity in the purchase of common user items. The concept can operate on cluster bases where SHSs in the same community would aggregate and collate their needs to facilitate procurement on common goods at uniform prices.

In schools where there are no Procurement Officers, other Officers carrying out procurement functions should be given top up training to enable them carry out procurement functions more effectively.

LILIAN ASIEDU DWAMENA (Mrs.)

PROCUREMENT OFFICER

PPA

Accounting For Efficiency & Transparency in the Public Procurement System- The Need For Functional Procurement Units

(Continued from page 1)

To effectively drive the reform process in Ghana's procurement, the PPA through its annual procurement assessments has observed that the provision of a legal framework for public procurement such as laws and regulations alone, although highly needful, may not be enough to drive the reform agenda. Thus, there is the need to further augment our efforts at building an accountable and efficient public procurement system, by concentrating on building the necessary structures that will propel effective implementation and achievement of our ultimate goals. One such structure within the public procurement system is the establishment of Functional Procurement Unit which per Section 19 of the Public Procurement (Amendment) Act 2016, Act 914 is supposed to be set up by the head of entity and headed and staffed by qualified procurement personnel. Additionally, the Head of the Procurement Unit is expected to serve as Secretary to the Entity Tender Committee of the Procuring Entity.

Subsequently, the PPA has defined a Functional Procurement Unit as "a unit established in accordance with the Public Procurement Act by the Head of Entity responsible for all tasks and duties that are related

to the acquisition of Goods, Works and Services and contract management activities of the Procurement Entity. The Unit shall be headed and staffed by personnel with relevant professional training in procurement".

To this end, we have recently commissioned a study to assess the extent of functionality of Procurement Units among Public Procurement Entities in the country. Furthermore, the Authority with Support from the PFMR Project is commencing a Training & Skills Needs Assessments among practitioners to access the existing capacity gaps that can be addressed in the revised Training Modules soon to be developed.

Considering all these efforts being made, procurement practitioners themselves will need to take the initiative to develop themselves to take up the roles and responsibilities as enshrined in the law in order to deliver an accountable and efficient public procurement with integrity. To us, a functional procurement unit holds the key to unlock efficiency, dynamism, and innovation in public procurement management and it must not fail!

Rhoda E. Appiah (Mrs.)

Head—Public Affairs

PPA



CORRUPTION ALONG THE PUBLIC PROCUREMENT CYCLE

—Part III



Other risks in relation to tendering

Ignorance of procurement procedures: although contrary to the regulations in place, procuring entities may ignore the tendering procedures. This can be due to a lack of knowledge, but it can also be a deliberate decision to avoid due procedures and rules of fair competition. In the absence of announced procurement contracts, information about the contracts can only be obtained through audits, competitors or citizens.

Confidential bid information: Experts noted that in principle, the release of confidential information is regulated. Confidential information may for instance relate to the tendering procedure, the evaluation criteria or the oversight process. Of course, bid information or documents pertaining to transactions, business, technical or financial structures may also be secret and should thus be handled with care and not released

to competitors. It was noted that little attention is actually paid to the information that is released.

Since confidential information dealings raise bribery and corruption opportunities, experts suggested that further attention be given to where, when and how information is disclosed.

Procurement complaints mechanisms are destined to bring forward possible violations of procurement procedures. While these procedures are generally very useful, they can also be misused. For instance, companies can file unfounded complaints to delay the process or harm competitors selected for the attribution of the bid. Indeed, the submission of a complaint suspends the competition and delays the contract until the complaint has been processed and reviewed. Experts stressed, however, that corruption is far more frequent when no mechanisms to report corruption exist.



Preventive Measures

While public authorities can probably do little to directly counter greed or other personal aspirations, they may put in place mechanisms to make corruption difficult and prevent this phenomenon from flourishing. The following are some of the actions that could be taken in dealing with corruption in public procurement:

Public notice and transparency

Publicity and transparency are crucial for sound and open procurement practices. These principles also act as deterrents to corruption in public procurement. Equally, experts suggested that the lack of public notice and transparency create a haven for corruption. Publicised and transparent procedures allow a wide variety of stakeholders to scrutinise public officials' and contractors' performance and decisions. This scrutiny, in addition to other mechanisms, helps keep officials and contractors accountable.

Training of procurement personnel

Training may apply to various aspects of the procurement process. Procurement personnel may be familiarised with the *rules and regulations* applicable to public procurement as well as anti-corruption measures.

Experts noted the importance for procurement personnel to be well trained in purchasing techniques and in understanding of the importance of rules. To ensure that adequate rules are applied, training may encompass explanations of the usefulness and the reasons for the rules. Training may also sensitise purchasing authorities and their personnel to the detrimental effects of corruption and the benefits of ethics for the contracting authorities and officials. Additionally, officials may sign *ethical codes*. Prosecutors consider that although internal codes do not necessarily prevent corruption, they may be useful during investigations as they help gain time.

Good practices

Experts also highlighted the need to make procurement authorities and procurement officials familiar with *best practices*, including for instance personal asset declaration, defining standards of conduct and adopting the “four eyes” principles in the bid selection and attribution as well as the rotation of staff in key positions

In conclusion these actions are required in using procurement process for fighting corruption

Procurement administrations must increase awareness and application of adequate procurement rules and controls, and cultivate a better understanding among officials of the detrimental effects of bribery and corruption.

A network of experts with judicial and non-judicial skills should be created to improve detection and prevention of bribery and corruption, including within procurement administrations.

Clear rules and regulations must be developed, effectively applied and properly enforced with substantial penalties. This is the most effective means to combat bribery and corruption in public procurement. Further harmonisation of anti-bribery legislation as well as procurement rules and procedures is essential; the development of common anti-bribery standards and the establishment of multidisciplinary networks that co-operate internationally would significantly strengthen the ability of governments to fend off bribery and corruption in public procurement globally.

It is evidently clear that proper management of the public procurement process will go a long way to nib bribery and other corrupt activities in the bud and free lots of funds to the use of public good. Professionalism in the practice of public procurement is very prime to achieve the objectives and tenants of the public

Ebenezer Essilfie-Baiden

Chief Procurement and Supply Chain Manager, Ministry of Finance

Tendering and Contract Information for periods indicated

[Tendering Opportunities for Jul - Aug 2016](#)

[Contracts Awarded for Jan - Dec 2016](#)

[Restricted Tender Awards Jan - Dec 2016](#)

[Expression of Interest Requests Jul - Aug 2016](#)

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



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