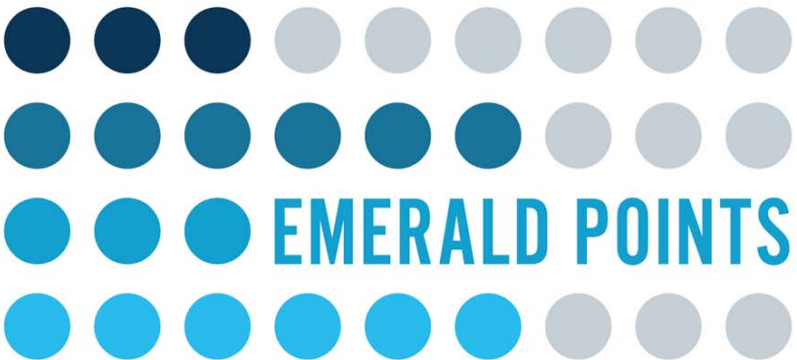


# PUBLIC PROCUREMENT FUNDAMENTALS

Lessons from and for the Field

Naushad Khan



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(INCLUDES A SIMPLE  
STEP-BY-STEP GENERIC  
PROCUREMENT MANUAL)

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PROCUREMENT MANUAL)

BY

**NAUSHAD KHAN**



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## ABOUT THE AUTHOR

The author served as a lead procurement specialist at the World Bank (WB) at its headquarters in Washington, DC before his retirement in late 2011. His last assignment at the WB was to support public procurement reform and capacity building in the South Asia Region. He has a long experience of public procurement reform and capacity building and the procurement under the WB-financed development projects in 35 countries in Eastern and Central Europe, Balkans, Caucuses, Central Asia, and South Asia. Of his 30 years at the WB, he spent approximately 10 years of these in the client countries working directly with the client, i.e., staff of government implementing agencies. He was present in Eastern European countries (Czechoslovakia — later Czech and Slovak Republics; Hungary, Poland, Yugoslavia, etc.) during their transition to market economy, and played a key role as a WB staff member in supporting these countries' efforts in introducing public procurement laws and regulations suitable for the free market system. He conducted assessments of public procurement systems in many countries, including Albania, Armenia, Bhutan, Croatia, Hungary, Kazakhstan, Kyrgyzstan, Poland, Slovakia, Sri Lanka, Tajikistan, Turkey, and Ukraine. These assessments included recommended action plans which led to further public procurement reform and capacity building. The author managed several WB grant-funded projects in different countries in support of public procurement reform and capacity building. In order to foster

regional cooperation in public procurement, he initiated regional public procurement forums in Central Asia and South Asia. In addition to making significant contributions to the preparation of Standard Bidding Documents, such as for procurement of works, he also designed procurement under emergency projects in Bosnia, Kosovo, Poland, and Turkey. Currently, the author is an international procurement consultant.

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# FOREWORD

Public procurement concerns and affects us all regardless of who we are, where we live, and what we do. Economic, social, and environmental benefits of public programs and projects to a country and its citizens depend very much on how public procurement is managed, conducted, and controlled. These benefits are supposed to be large as countries spend from 15 to 20 percent of their gross domestic product on acquisition of goods, works, and services for public programs and projects. This indicates the importance of the alignment of public procurement strategies and actions to national economic, social, and environmental strategies and actions. Furthermore, public procurement can also serve as a useful tool for promoting international and regional cooperation through trade and commerce.

Public procurement systems across countries are all based in most part on the same basic principles of economy, efficiency, transparency, and fairness. These principles have evolved and now include value for money, fit for purpose, and integrity. Therefore, the premise of this book is the commonalities of public procurement systems all over the world.

Public procurement is a complex subject. It is multidisciplinary and cuts across all sectors of economy and society. It has a multitude of stakeholders with differing interests in and influence over procurement. Government itself is the rule maker, the buyer, and the overseer; private sector, the producer and the manufacturer and provider of goods, works, and services; civil society, the watch dog to ensure that the

benefits of a public project reach the people; and the people, the ultimate beneficiaries of government programs and projects supported by public procurement system.

There exists a large amount of literature on public procurement that deals with different aspects of public procurement, including, among others, commercial, environmental (sustainable procurement), legal, and technical aspects. This book, however, is introductory and attempts to bring together these different and complex aspects of public procurement in a clear and succinct, simplified, and understandable manner. These aspects relate to public procurement legislative and regulatory environment; the institutional framework and management capacity; procurement operations and market; and transparency.

It is expected that this book will enable the reader to grasp quickly and easily the fundamental principles and mechanics of public procurement; and that this increased awareness will result in improved performance of public procurement systems. In addition, it is hoped that this book and its accompanying generic procurement manual will be of particular help to public procurement officials who more often than not have to undertake procurement of goods, works, and services with little or no training in the subject. This book is also intended for use by private sector officials who are an integral part of public procurement.

A word of caution for the readers: this book includes universally accepted practices and procedures. Although public procurement legislative and/or regulatory framework in most countries are based more or less on the same procurement principles, there may be variations and departures from these principles. Therefore, before applying the procedures and practices contained in this book, it is imperative for the reader to ascertain that these are compatible with the national procurement laws and regulations.

# LIST OF ABBREVIATIONS

ADB	Asian Development Bank
CDD	Community-driven Development
CBP	Community-based Procurement
e-GP	Electronic Government Procurement
EU	European Commission
FIDIC	International Federation of Consulting Engineers
GAC	Governance and Anti-corruption
GPA	Government Procurement Agreement
IT	Information Technology
MDB	Multilateral Development Banks
M&E	Monitoring and Evaluation
MTD/SBD	Model Tender Documents/Standard Bidding Documents
MOF	Ministry of Finance
OECD	Organization for Economic Cooperation and Development
OSCE	Organization for Security and Cooperation in Europe
PPA	Public Procurement Agency
PC	Procurement Committee



PE	Procuring Entity
PP	Procurement Plan
PPL/A	Public Procurement Law/Act
PPR	Public Procurement Regulation
PPP	Public–Private Partnership
PQ	Pre-qualification
RFP	Request for Proposal
TEC	Tender (Bid) Evaluation Committee
UNCITRAL	United Nations Commission on International Trade Law
UNCAC	United Nations Convention against Corruption
WB	World Bank

# CHAPTER 1

## WHAT IS PUBLIC PROCUREMENT: INTRODUCTION

Public procurement is an important government system for spending public money on acquisition of goods, works, and services needed for public programs and projects. Procurement comprises: (i) preparation of annual budget when government agencies have to estimate their needs, (ii) procurement planning following budgetary allocation, and (iii) execution of procurement plans. Procurement plans are implemented using a procurement cycle that includes tendering or bidding, contract award, and contract management. The main objective of these activities is delivery of quality and timely services to citizens through public programs and projects, implementation of which is supported by public procurement.

The procurement activity of the government begins with the identification of inputs needed for implementing public programs and projects; categorization of these inputs into goods, works, and services; estimation of their costs; selection of suppliers; award of contract; contract management;

delivery and receipt of goods, works, and services; their efficient and effective utilization; and proper maintenance.

During the past two decades, public procurement has evolved from being considered as just the simple purchasing of goods, works, and services to be handled by store clerks and purchasing officers to a complex government activity, inclusive of multiple stakeholders, to be conducted, managed, and supervised by qualified and competent public procurement professionals.

The main objective of public programs and projects is to improve the living standards of citizens. It helps convert limited resources into timely, cost-efficient, and effective services. Public procurement is critical for accountability of public expenditure and supports good governance, and it assists with economic and social development and public trust in government. Good procurement is essential for ensuring timely delivery of goods, works, and services intended for citizens; it also promotes competitiveness, trade (within and among countries), and investment.

The volume of procurement of goods, works, and services in every country is increasing rapidly, resulting from and in parallel with growth in economic activities. Access to information today has made citizens more aware of their rights of access to benefits from public programs and projects; they are now in a better position to challenge and scrutinize the outcome of public procurements. They know that poor procurement practices can prevent them from receiving public benefits.

Citizens now exert more and more pressure on their governments for timely, quality, and cost-efficient delivery of services. This increasing pressure compels governments to focus more sharply on improvements in procurement legislative and regulatory framework, procedures and practices, risk management, enhancement of oversight and accountability,

anti-corruption mechanisms, and the use of innovative tools/approaches, including e-procurement, public–private partnership, third-party oversight, etc.

The pace of the implementation of public procurement reform, however, is largely dependent on how a government organizes itself and addresses the capacity-building needs of government agencies and public officials to manage, conduct, and control procurement. The goal of successful implementation of procurement reform is to have a significant impact on the country's economy and subsequent development of the private sector. However, in developing countries, very little attention is paid to government organization and capacity building and development of the private sector for and through public procurement.

## PILLARS OF PUBLIC PROCUREMENT

Legislative/regulatory framework, including standard procurement documents: the public procurement regulatory framework comprises the implementation regulations and standard procurement documents. The implementation regulations discuss in more detail the provisions in the public procurement law or act (PPL/A) so as to facilitate public officials' adherence to them. Also, in order to facilitate the implementation task of public officials, and with a view to standardizing the procedures and practices of the conduct of procurement, the PPL/As also stipulate the preparation of standard prequalification/bidding documents as a minimum for goods, works, and services, as well as procurement manuals and standard/model specifications for the procurement of off-the-shelf goods.

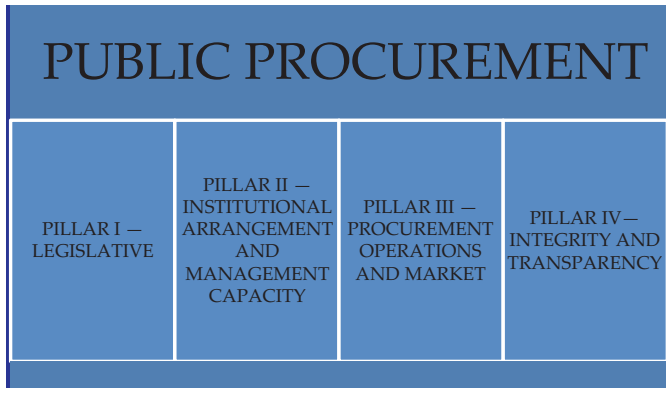
Institutional and management capacity is required to ensure that the public procurement system in a country is

functioning as part of the institutions and management systems that operate to ensure public sector governance in the country, including budget preparation, its execution and reporting; procurement regulatory body, its funding and staffing; existence of institutional development capacity; and procedures for collecting and monitoring national procurement data.

Procurement operations and market practices: this pillar considers whether public procurement is effectively and efficiently functioning at the level of procuring entities. Given the importance of the private sector to procurement, it also looks at whether the private sector is strong and capable of providing competition; whether the private sector has any trust in public officials conducting and managing procurement; whether it has easy access to credit to be able to participate in tendering, etc. It also ensures that the necessary procedures are in place that do not only keep the private sector informed about the legal and procedural requirements of public procurement but also create an environment of trust by all parties in the public procurement system.

Integrity and transparency of the public procurement system: this pillar ensures that the public procurement system functions with integrity, that suitable controls supporting the system exist, and that appropriate anti-corruption measures are in place to avoid any improprieties in public procurement. Therefore, this pillar considers effective control and audit systems, efficiency of appeals mechanism, access to procurement information, and ethics and anti-corruption measures.

**Figure 1.1** shows the four pillars of public procurement discussed above.

**Figure 1.1. Pillars of Public Procurement.**

### UNIVERSAL PRINCIPLES OF PROCUREMENT

The public procurement system in most countries is based on the following seven globally accepted principles: value for money, economy, integrity, fit for purpose, efficiency, transparency, and fairness. The World Bank Policy on “Procurement in IPF (Investment Project Financing) and Other Operational Procurement Matters” issued on June 28, 2016 ([www.worldbank.org/procure](http://www.worldbank.org/procure)), defines these principles as shown in the following:

1. “... Value for money means effective, efficient, and economic use of resources, which requires an evaluation of relevant costs and benefits, along with an assessment of risks, and non-price attributes and/or life cycle costs, as appropriate. Price alone may not necessarily represent value for money.
2. ... Economy takes into consideration factors such as sustainability, quality, and non-price attributes and/or life cycle cost as appropriate that support value for money.

It permits integrating into the Procurement Process economic, environmental, and social considerations ...

3. Integrity ... refers to the use of funds, resources, assets, and authority according to the intended purposes and in a manner that is well informed, aligned with the public interest and aligned with broader principles of governance ... all parties involved in the Procurement Process ... observe the highest standard of ethics ... and refrain from fraud and corruption.
4. Fit for Purpose ... applies both to the intended outcomes and the procurement arrangements in determining the most appropriate approach to meet the project development objectives and outcomes, taking into account the context and the risk, value, and complexity of the procurement.
5. Efficiency ... requires that procurement processes be proportional to the value and risks of the underlying project activities. Procurement arrangements are generally time-sensitive and strive to avoid delays.
6. Transparency ... requires (i) that relevant procurement information be made publicly available to all interested parties, consistently and in a timely manner, through readily accessible and widely available sources at reasonable or no cost; (ii) appropriate reporting of procurement activities; and (iii) the use of confidentiality provisions in contracts only where justified.
7. Fairness ... refers to (i) equal opportunity and treatment for bidders and consultants; (ii) equitable distribution of rights and obligations between ...; and (iii) credible mechanisms for addressing procurement-related complaints and providing recourse ....”

If the above-mentioned principles of procurement are adhered to, contracts would be awarded impartially and on the basis of the merit of the bids. This would help achieve the objective of a program or project.

While all the above-mentioned principles must always be safeguarded and followed, it is sometimes difficult to achieve economy and efficiency in procurement at the same time. For example, if items of goods, works, or services are needed immediately — e.g., in emergency situations, man-made or natural disasters — the government has to pay a higher price for obtaining the required item urgently. That means economy has to be compromised for efficiency and vice versa.

Procurement is generally divided in three categories: goods, works, and services. All manufactured items, including equipment, furniture, etc., are defined as goods while works relate to construction, repair, and rehabilitation of infrastructures, including buildings, roads, highways, etc. Services are further divided in two subcategories: (i) advisory and intellectual (consultant) services and (ii) technical services that are labor and/or equipment intensive, such as cleaning, surveying, and mapping.

### Goods

Manufactured goods, equipment, furniture, computers, material, and supplies are defined as goods.

### Works

Construction, reconstruction, and rehabilitation of infrastructure, including all kinds of buildings, ports, highways, roads, and bridges are known as works.



### Consultant services

Intellectual and advisory services are called consultancy services. Examples include project management, advice on privatization, design and delivery of training, etc.

### Technical services

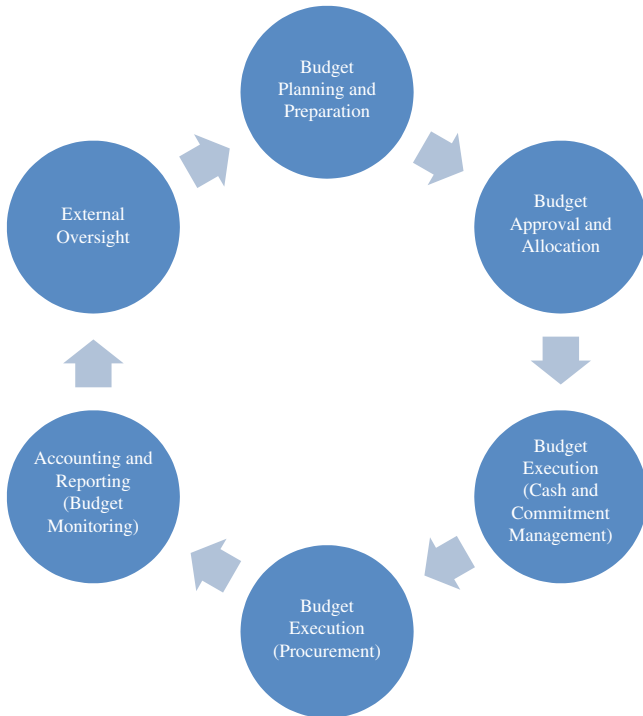
Non-intellectual services are technical services in which the element of manual or machine inputs is substantial. Some examples are: building maintenance, surveys, mapping, data collection and inputting, etc.

## PROCUREMENT AND PUBLIC FINANCE MANAGEMENT (PFM)

The need that countries have for program and projects to improve their citizens' living standards is always higher than funds they have available at any time. This means that governments are always faced with the difficult task of prioritizing their programs and projects on the basis of competing strategic, policy, urgency, and other criteria. The PFM has an important role to play in this process.

PFM relates to collection of resources and their efficient and effective allocation for government programs (also called budget formulation); it includes efficient utilization of these scarce resources, including economic and efficient conduct of procurement, and a system of controls to ensure that budget entities use budget funds with care. Public procurement is a key element of the resource management process within any PFM system (see [Figure 1.2](#)). Procurement is often seen as a separate subject from PFM. However, procurement is more than a process for executing transactions; it constitutes an integral part of the mechanism through which budget entities

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**Figure 1.2. PFM Cycle.**

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use public money. Procurement links directly to service delivery and government policy aims (since budgets get translated into services aimed at by a government policy in large part through the operation of the procurement system).

#### PFM CYCLE

Budget is formulated on the basis of budget entities' estimates of expenditures on government programs and projects. These

estimates are usually based on end users' submissions to the Ministry of Finance (MOF). Once parliament or similar approving authority has approved the budget, budget entities become responsible and accountable for spending the allocated funds on approved government programs and projects. They are responsible for, among others, preparing realistic procurement plans for conducting procurement of goods, works, and services according to the public procurement legislative and regulatory framework.

External and internal audit have the responsibility of ensuring that budget entities are spending budgetary funds in accordance with prevailing applicable procedures. They play an important role in procurement through enhancing accountability of public officials, risk management process, and governance.

In practice, however, effectiveness of a PFM system varies from country to country. Obviously, strong PFM systems yield strong results in terms of public procurement. The weaknesses of the PFM system relate to poor procurement planning; ineffective conduct of public procurement which results in government paying higher prices for goods, works, and services; and weak external and internal controls. This is usually the result of lack of appropriate regulations and capacity to implement them.

## PROCUREMENT AT NATIONAL AND SUB-NATIONAL LEVELS

Until recently, in most countries, public procurement was centralized and was therefore a function of the central government. However, with increasing decentralization of government authority to provincial, state, or local authorities,

procurement now usually takes place at national, sub-national (province/state), and local levels.

The decentralization of government authority to sub-national levels has to be accompanied by the necessary institutional framework, management capacity for public procurement, and accountability to be an effective public function. In some countries, while public procurement laws and regulations change at the central level, the changes take quite a long time in reaching the sub-national levels. As a result, public officials responsible for public procurement continue applying outdated procurement laws/acts and regulations impacting adversely on government reputation. This shows the need of better interaction and communication between national and sub-national procurement agencies.

### CENTRALIZED, DECENTRALIZED, OR HYBRID

Most public procurement systems provide for a large degree of decentralization of the procurement function. In a decentralized system, government agencies serve as procuring entities which fulfill their needs in goods, works, and services, in accordance with the country's legislative and/or regulatory requirements. A decentralized procurement approach, which has been necessitated by the decentralization of government authority, contrasts with the centralized approach.

In a centralized public procurement system, a single government entity is designated as a procurement entity to conduct procurement for all government entities. However, there is an increasing realization that neither full centralization nor full decentralization offers an optimal solution. A hybrid model (combination of decentralized and centralized procurement) seems to offer a better solution, especially for procurement of commonly and frequently used items.

In a hybrid model, a government agency is charged with aggregating of commonly used and non-complex items and conduct procurement of these items centrally. The General Services Administration (GSA) in the United States, Hansel in Finland, BBG in Austria, Consip in Italy, the Office of Government Commerce (OGC) in the United Kingdom, SKI in Denmark, Armenia (framework contracts), and Hungary (procurement through designation of one of the procuring entities for procurement of commonly used items) are some examples of hybrid procurement systems with different degrees of centralized procurement.

There is no standard model for the institutional and organizational setup of a centralized procurement system. The choice of the optimal degree of centralization must be determined on the basis of advantages for each commodity and organizational structure. Usually, the determination of the practical benefits in terms of improved value for money would guide the choice between a single centralized agency and one or more agencies specialized in the provision of certain goods or services (e.g., medical equipment or pharmaceuticals).

From a review of worldwide experiences in public procurement systems, there is significant agreement on the advantages that may result from the use of a hybrid system of procurement.

### Economies of scale

Carefully designed centralized procurement strategies are able to reduce the total cost of public purchases, both by achieving lower purchasing prices and by streamlining the acquisition processes, so reducing transaction cost. Financial benefits may accrue when larger orders are placed for the same goods or services because suppliers are likely to offer lower prices when faced with bulk procurement, particularly for standard

products, usually consumables such as stationery, office equipment, fuel, medicines, or food products.

The influence of lower prices and higher demand is not, however, simply the result of bulk purchase. Although marginal costs of production and the risk to the supplier can both be reduced with a contract for a large quantity of goods and/or services, there are other economic benefits. The increased purchasing power of the agency allows the supply base to be streamlined and overhead costs to be reduced. It also allows the proactive purchaser to seek changes in the supplier's organization and more efficient production methods, further reducing costs.

#### Increased efficiency

Partly as a response to the consolidation of supplies, but also more generally, it is possible that a centralized coordination of procurement — notably in the more formal aspects of document preparation, advertisement, and bid opening and evaluation procedures — could result in greater consistency, reliability, and efficiency in the procurement process, thus considerably reducing the risk of litigation at any stage of the procurement cycle. Such results would benefit both procuring entities and bidders by creating greater certainty and confidence as compared to a system operated by any number of inexperienced procurement officers, which risks becoming fragmented and inconsistent.

#### Product standardization

Centralized efforts are often justified by the need to establish technical standards for information technology systems and

computer software applications within the government sector and to set environmental standards for the inclusion in technical specifications and contracts with suppliers. It is less easy to achieve these objectives if the government's purchasing system is highly fragmented, particularly in the absence of a public procurement office.

Consolidation of procurement capacity, particularly for specialized bulk procurement of pharmaceuticals or Information Technology (IT) equipment, where there are benefits in building up and retaining procurement knowledge, experience, and capacity. The task of doing so on a country-wide scale characteristic of a decentralized system is often daunting and requires an expensive training program. Building and retaining capacity in a more clearly defined central unit has certain short-term benefits which may be exploited more fully in the long term.

**Strategic procurement:** Centralization may yield more efficiency to public procurement in strategic sectors such as defense and health. A centralized procurement used for large, fixed-quantity purchases of pharmaceuticals and nutritional supplements, vaccines, etc., leads to economy and efficiency. Medical equipment are also recommended to be procured centrally in part to take advantage of multiple unit purchases, but primarily because the expertise to procure specialized capital medical equipment is unlikely to be available or easy to maintain in a cost-effective way at lower administrative levels of the health system. Central purchasing also enables creation of networks for better and cost-effective, after-sales services as the quantities are large.

Conversely, centralized procurement may pose significant risks with respect to the principles of efficiency as it may lead to purchases of unsuitable goods and services when the specific, detailed requirements of all end-user government agencies cannot be taken into account. Lack of ownership of

centrally procured items by decentralized agencies, which largely implement the government program, is also a disadvantage. Another disadvantage is lesser agility in meeting urgent needs for goods, works, and services in emergency situations.

The mistakes made by centralized procurement in selecting unsuitable goods and services may in fact affect a large volume of purchases and result in substantial waste and overspending. Centralized procurement can also be perceived as encouraging corruption as it can involve large-scale favoritism. Repeated interaction (most purchases don't take place only once in a life time) may favor the emergence of a "personal acquaintance" between buyers and sellers and thus some forms of favoritism (through lobbying, not necessarily corruption). Finally, large volumes may, however, discriminate against small and medium enterprises which do not have economic capacities to offer the best value for money.

## Stakeholders

A stakeholder is an individual, community, or an organization with interest in a public or private activity. Procurement has many, many stakeholders who can affect one another's interests in and influence over a public procurement decision. Public procurement stakeholders include, among others, the following:

- people, the intended beneficiaries of public programs and projects;
- parliament;
- politicians;



- Government;
- procurement agency;
- procuring entities;
- private sector, including contractors, consulting firms, and suppliers;
- Government oversight bodies;
- civil society; and
- media.

Therefore, it is important that any procurement decision is informed by a stakeholder analysis.

## POLITICAL ECONOMY OF PROCUREMENT

In the context of public procurement, political economy refers to study of interaction among different institutions and stakeholders in public procurement. Public procurement has many stakeholders and institutions that must work with one another to optimize the benefits of procurement. A study of political economy shows their positive and negative roles in this interaction and how these roles impact the outcomes of public procurement.

## ECONOMIC AND SOCIAL BENEFITS OF PUBLIC PROCUREMENT

Public procurement is serving more and more as a tool for the government to achieve its goal of improving the lives and economic prosperity of the people. Many countries already grant domestic preference for domestic suppliers of goods,

works, and services. Others reserve certain procurement contracts for minority businesses and for socially disadvantaged groups, including products manufactured by prisoners.

## INTERNATIONAL AND BILATERAL SUPPORT TO PUBLIC PROCUREMENT

### International

International development institutions attach high importance to well-functioning country procurement systems and give high priority to their continuing development. Such support is either embedded in the development projects financed by them or it is provided in the form of grants or direct technical assistance.

The World Bank (WB) is a major supporter of public procurement reform and capacity building in all its client countries. It maintains a regular dialogue on, among others, public procurement reform and capacity building. In keeping with the international development aid effectiveness agenda, the WB has been making efforts to increase the use of country procurement systems in the projects financed by it and to gradually move away from the application of its procurement and consultant guidelines and use the country procurement system.

Recently, the WB has introduced a new lending instrument called “Program for Results,” which relies solely on the country procurement systems but disburses funds against the achievement of agreed program outcomes. Such programs also include procurement capacity-building activities. The WB has also launched a program of review of its procurement policy and procedures through consultation with all its stakeholders. The outcome of this policy review is expected

to be a major movement toward the use of country procurement systems rather than its own guidelines.

The Asian Development Bank (ADB) and African Development Bank (AfDB) also support their client countries in their efforts to improve public procurement systems.

The Government Procurement Agreement (GPA) of the World Trade Organization (WTO) has been instrumental in introducing some order in public procurement systems in the signatory countries. The GPA is a plurilateral agreement. That means not all members of the WTO subscribe to it. The GPA, among others, promotes transparency, fair and effective competition, and non-discrimination.

In 1994, the United Nations Commission on International Trade and Law (UNCITRAL) made a significant contribution to public procurement by introducing its model public procurement law. This model law has undergone several revisions — the last one being the Model Law of 2011. The public procurement laws of many countries, especially those of the former Soviet bloc, are based on this model, which has since been revised. Similarly, the European Union Directives on Procurement have influenced public procurement legislation, regulations, and practices in many countries.

### Bilateral

Several countries, individually or through providing trust funds to international development institutions, such as the WB, provide support to government efforts in their client countries to improve their public procurement systems. The U.K. Department for International Development (DfID) and the USAID are some of the agencies which also provide support to their client countries for public procurement.

## BASIS OF PUBLIC PROCUREMENT

Public procurement in most countries is governed by a public procurement act or law. In many countries, such acts are either based on the UNCITRAL model law or EU procurement directives. Some countries do not have procurement acts and laws; they regulate public procurement through general financial rules or guidelines.

Public procurement acts or laws vary from country to country not only because of the legal system (civil or common) but also because such laws have to be linked to a country's legal and commercial context. These laws usually embody the principles of procurement, roles and responsibilities, documents to be used, procedures, etc. Typical contents of a public procurement act, law, or guidelines, among others, include:

- General provisions relating to scope of application, definitions, procurement regulations, information on possible forthcoming procurement; communications in procurement; conditions for participation by suppliers or contractors; qualification of suppliers and contractors; evaluation criteria and procedures; preparation of cost estimates; language of documents; preparation and submission of prequalification applications; clarification and modifications of bidding documents; bid or tender securities; prequalification procedures; cancellation of procurement; bribes and conflict of interest; contract award and signature; contract performance; confidentiality; procurement record.
- Methods of procurement and conditions for their use; selection of a procurement method.
- Publication of tender notices in open tendering, two-stage tendering and in electronic procurement; solicitation in

restricted tendering, request for quotations (shopping) and single source procurement; request for proposals for consultant contracts.

- Open tendering as a default method of procurement; procedures for obtaining bids; contents of bidding documents; submission of bids; bid-effectiveness period; modification and withdrawal of bids; opening of bids; examination and evaluation of bids; no negotiations with selected bidder; procedures for two-stage bidding; procedures for restricted bidding; shopping and direct contracting.
- Bid complaint resolution mechanism; right to appeal; procedures for lodging a complaint; bid complaint review body, confidentiality; etc.

Public procurement acts or laws usually do not discuss the details of a procedure or method. Such legal instruments include provisions relating to the preparation of implementing regulations and standard procurement documents.