

PROCUREMENT MONITORING IN THE TANZANIAN PUBLIC SECTOR

By R.S. Mlinga,
CEO of Public Procurement Regulatory Authority

Abstract

Monitoring of public procurement is a continuous process of ensuring that: a procurement system in use in the country is properly implemented to meet the intended objectives; obstacles towards achieving intended objectives are identified and mitigated; and feedback is provided to all those involved in the system for further improvement.

This paper discusses what is being done by the PPRA to monitor public procurement activities in Tanzania. It introduces the Internationally proposed method of measurement and monitoring the performance of procurement system in the countries developed by the OECD and how the method has been used to assess the country procurement system. The paper finally discusses the System for Checking and Monitoring Procurement Activities developed by the PPRA and how the use of the system is going to be simplified by the use of web-based technologies through the use of the Procurement Management information system, also developed by PPRA.

1.0 Introduction

Public procurement is an important function of any government. The magnitude of procurement outlays has a great impact on the economy and needs to be well managed. It has been estimated that financial activities of government procurement in all countries in the world are of the order of 10% – 30 % of GNP (Calendar & Mathews, 2000). Public Procurement devotes significant resources and time, to ensure the processes and the procedures are sound, transparent, shared and followed. Therefore efficient handling of procurement outlays is always a challenge to many countries, especially the developing countries with many developmental agendas yet to be executed.

In the context of this paper procurement is defined as the activity of assessing, buying and receiving goods, works and services. It is Public whenever this process is performed by public organisations or whenever it is performed on their behalf or again funded by public organisations. The process of procuring starts with the definition of what is to be procured (goods, services and/or works, quality), then is followed by how it should be etc...), then proceeds to perform the act of procuring that is finalised by a contract or an order, followed by a delivery and the subsequent payment of the supplier.

The above definition of procurement justifies the mandate given to the PPRA of monitoring procurement activities in Tanzania through:

- a) Conducting periodic inspections of the records and proceedings of the PEs to ensure full and correct application of this Act;
- b) Monitoring the award and implementation of public contracts with a view to ensuring that:
 - such contracts are awarded impartially and on merit;
 - the circumstances in which each contract is awarded or as the case may be, terminated, do not involve impropriety or irregularity;
 - without prejudice to the functions of any public body in relation to any contract, the implementation of each such contract conforms to the terms thereof.;
- c) instituting:
 - procurement audits during the tender preparatory process;
 - contract audits in the course of the execution of an awarded tender; and
 - performance audit after the completion of the contract in respect of any procurement as may be required;

This paper discusses in detail efforts made by the PPRA towards fulfilling its mandate of monitoring procurement activities in the country. The paper shall discuss the System of Checking and Monitoring Procurement (SCMP) activities of the Procuring Entities and the Procurement Management Information System (PMIS) that has been recently introduced by the PPRA. It shall further discuss the results of the Assessment and procurement audits carried by the PPRA

2.0 Internationally Proposed Methodology for Assessment of National Procurement Systems

2.1 An Overview

Monitoring of public procurement is a continuous process of ensuring that: a procurement system in use in the country is properly implemented to meet the intended objectives; obstacles towards achieving intended objectives are identified and mitigated; and feedback is provided to all those involved in the system for further improvement.

Before we discuss SCMP developed by PPRA it is worthwhile to discuss the Methodology for Assessment of National Procurement System (MANPS) developed under the coordination of the Working Party on Aid Effectiveness of the OECD/DAC, the Joint Venture for Procurement. The PPRA has adopted the Compliance and Performance Indicators in its SCMP.

2.2 The Methodology

Under the auspices of the joint World Bank and OECD Development Assistance Committee (DAC) Procurement Round Table initiative, developing countries and bilateral and multilateral donors worked together to develop a set of tools and standards that provide guidance for improvements in procurement systems and the results they produce. The Round Table initiative culminated with the December 2004 adoption of the "Johannesburg Declaration" including a commitment for the adoption of the Baseline Indicators Tool as the agreed international standards for assessment of national procurement systems. Following the conclusion of the Round Table initiative, under the coordination of the Working Party on Aid Effectiveness of the OECD/DAC, the Joint Venture for Procurement was created and has further advanced the development of the methodology for application of the baseline indicators and associated compliance and performance indicators.

The indicators are intended to provide harmonized tools for use in the assessment of procurement systems. Although the indicators are designed for use in the assessment of the central government or national procurement system in a country, they can be adapted for use in sub national or agency level assessments. The methodology for application of the indicators has been designed to enable a country to conduct a self-assessment of its procurement system to determine strengths and weaknesses, or to help development agencies carry out joint or external assessment of a country's procurement system. The information resulting from an assessment supports the design of harmonized capacity development and reform initiatives intended to address weaknesses associated with the procurement system. The assessment provides the country with information it can use to monitor the performance of its system and the success of the reform initiatives in improving performance.

The Working Group developed two types of indicators¹, the Base-Line Indicators (BLIs)- See Annex 1 and the Compliance/Performance Indicators (CPIs)- See Annex 2. The BLIs present a "snapshot" comparison of the actual system against the international standards that the BLIs represent. They address four pillars:

- a) the existing legal framework that regulates procurement in the country;
- b) the institutional architecture of the system;
- c) the operation of the system and competitiveness of the national market; and
- d) the integrity of the procurement system. Each pillar has a number of indicators and sub-indicators to be assessed.

The CPIs deal with how the system actually operates. They are more closely related to the application of the regulations and to the prevailing procurement practices in the country. Therefore while the BLIs are more like a snapshot of the system design at a given time, the CPIs look at what is happening on the ground by examining a sample of procurements transactions and other relevant information that is deemed representative of the performance of the system.

¹ OECD (2007), Methodology for Assessment of National Procurement Systems available at

The application of the BLIs is based on a review of the existing regulatory framework and the institutional and operational arrangements, while the application of the CPIs relies on data obtained from a representative sample of contracts and information obtained through interviews or surveys with stakeholders in the procurement system. Interviews or surveys are required in matters for which hard statistical or factual information cannot be obtained or in cases where perceptions on how the system operates are critical to its competitiveness and transparency.

2.3 Assessment of Tanzania Procurement System using the Methodology

The Tanzanian Procurement System has been assessed using the Methodology twice. First in the Country Procurement Assessment Review (CPAR) carried out in year 2006 and in pilot assessment of the country procurement system carried out by PPRA in year 2007.

Overall it has been observed that there is improvement in the country procurement system. The results of the review in 2007 shows that there is improvement in all four pillars compared to results that were observed in the CPAR 2006. Figure 1 and Figure 2 shows the comparison of scores obtained under CPAR 2006 and the current assessment for each pillar and indicator respectively.

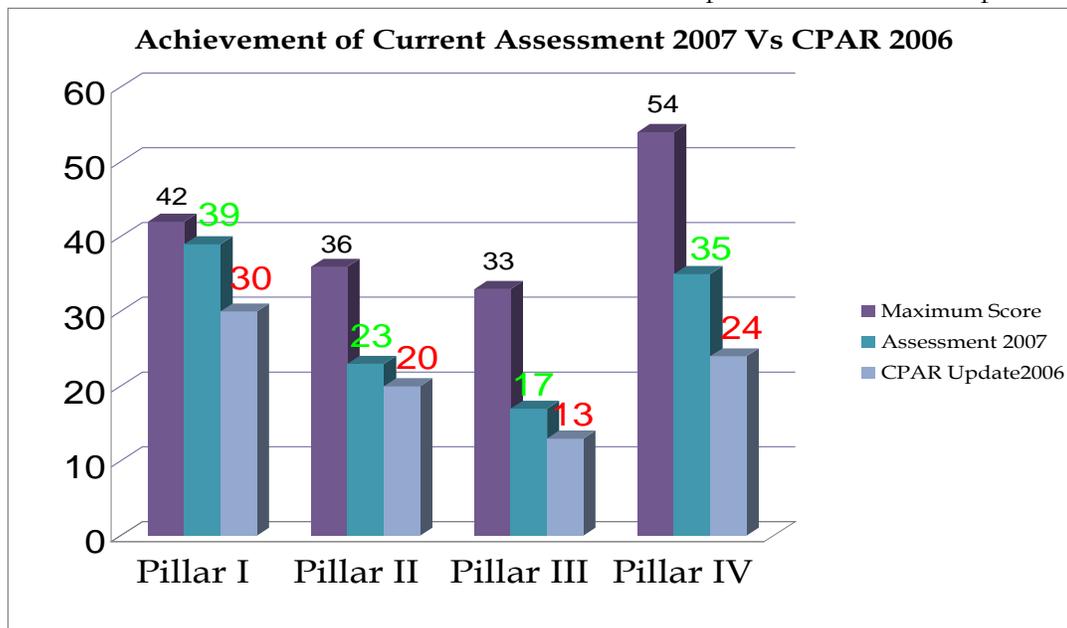


Figure 1: Comparison between 2007 assessment and CPAR 2006

However, despite of the achievements made from year 2006 to 2007, much need to be done in order to attain maximum achievable scores. Generally it may be concluded that a lot has been achieved under Pillar I: Legislative and Regulatory Framework, however a significant work need to be done to record improvement in other pillars which are important to ensure that the existing legislative and regulatory framework is indeed achieving results.

Achievement of Current Assessment 2007 Vs CPAR Update 2006

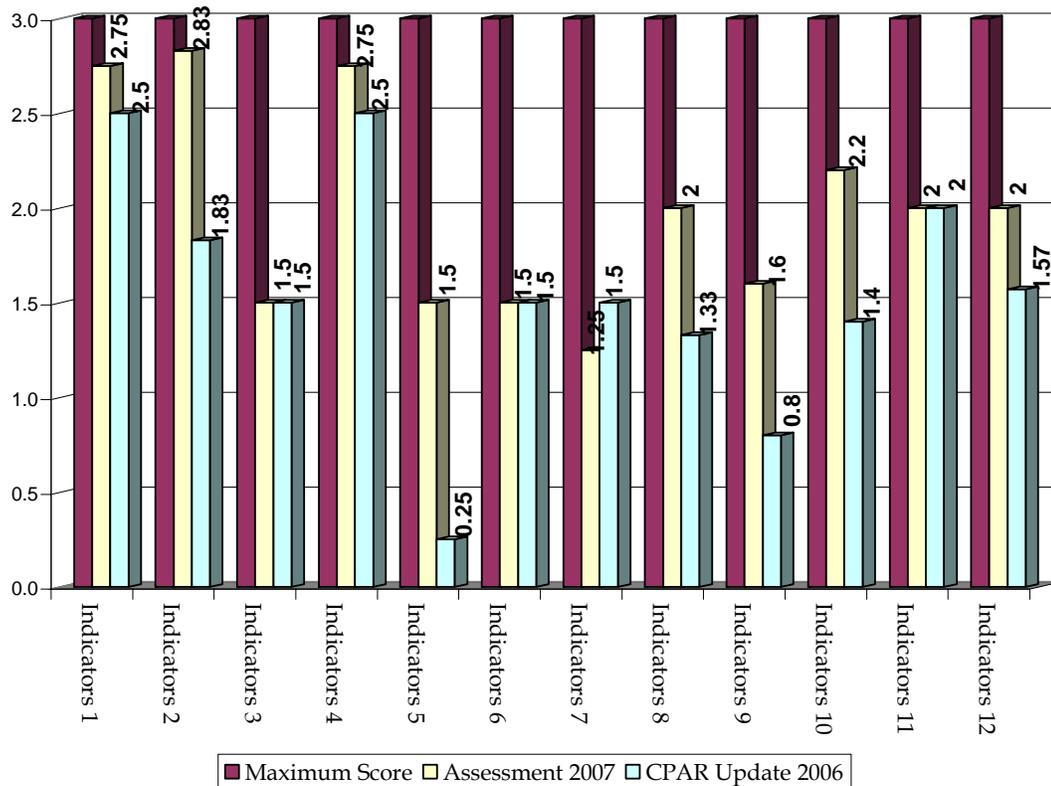


Figure 2: Comparisons of Indicators scores

3.0 The Procedure for Checking and Monitoring Public Procurement

As previously discussed PPRA is mandated by the Act to monitor procurement activities carried out by the PEs. In order to monitor the public procurement proceedings, PPRA has prepared a system which will be used to monitor the compliance of PEs to PPA 2004. Under this procedure, the following will be done:-

- Each PE entity is required to prepare an Annual Procurement Plan (APP) which will guide them in their procurement undertakings during that financial year.
- A copy of the APP shall be submitted to PPRA which will enable the Authority to have the aggregate procurement statistics on that financial year so as to simplify monitoring of the procurement activities. The statistics will be posted on the Authority’s website to enable stakeholders to access necessary information and hence prepare themselves to trade with different PEs.

- PEs will be required to submit monthly progress reports for ongoing procurements showing clearly tenders in process and those which have been awarded. A comprehensive report will be required for all awarded tenders showing clearly the whole process from advertisement, award and contract implementation stages.
- The Authority will verify the submitted information through procurement audits concurrently with collection of opinions from participated bidders regarding the whole tendering process for selected tenders.

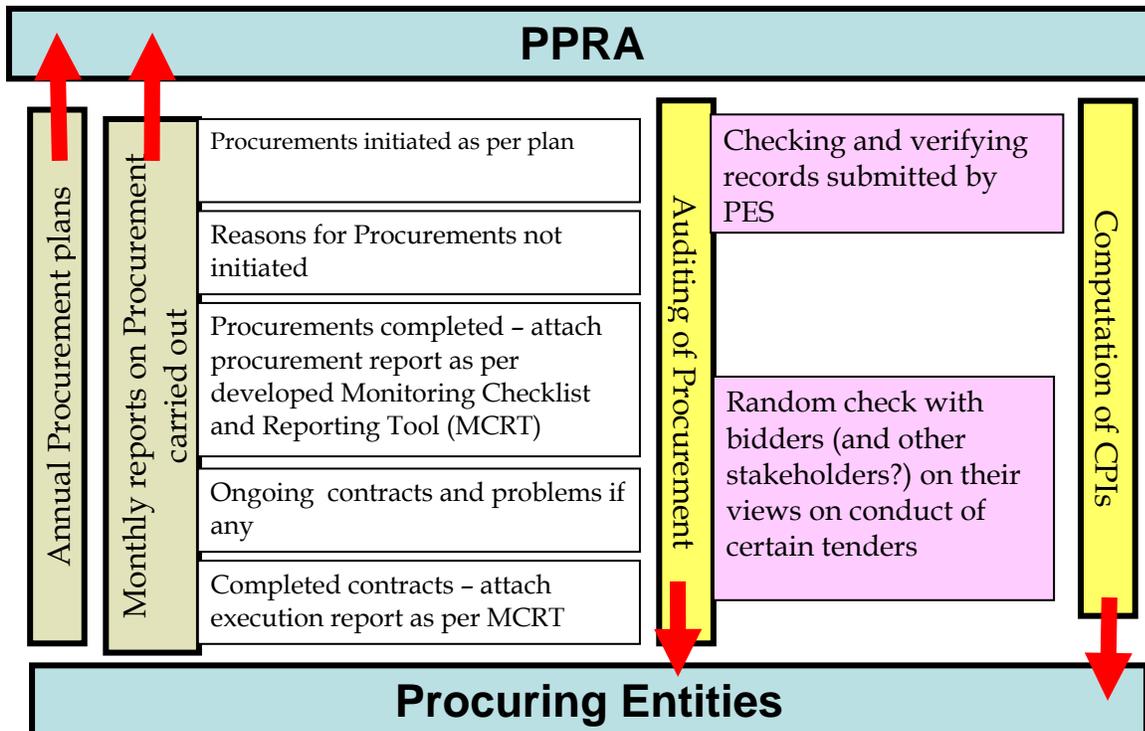


Figure 3: System of Checking and Monitoring Procurement

Having received the information, and after obtaining opinions from bidders, the Authority will assess the performance of PEs by using CPIs discussed above. The audit report will be discussed with the PEs and based on the findings of the audits PPRA shall recommend appropriate interventions to be taken in order to improve procurement for that particular PE and for the whole public procurement regime.

The SCMP is now in use in 148 PEs since July 2007. Training has been provided to two procurement experts from PMUs and one internal auditor for all participating PEs on the system.

However, while all future procurement audits will be based on the model presented by SCMP, last financial year PPRA carried out procurement audits of 20 PEs and assessed their compliance with the Act using the CPIs. The audits revealed poor performance by the PEs in complying with the Act and the Regulations. The audited PEs performed better in the use of STDs, use of appropriate

procurement methods, advertisement of bid opportunities and establishment of Tender Boards and Procurement Management Units as shown in Figure 4.

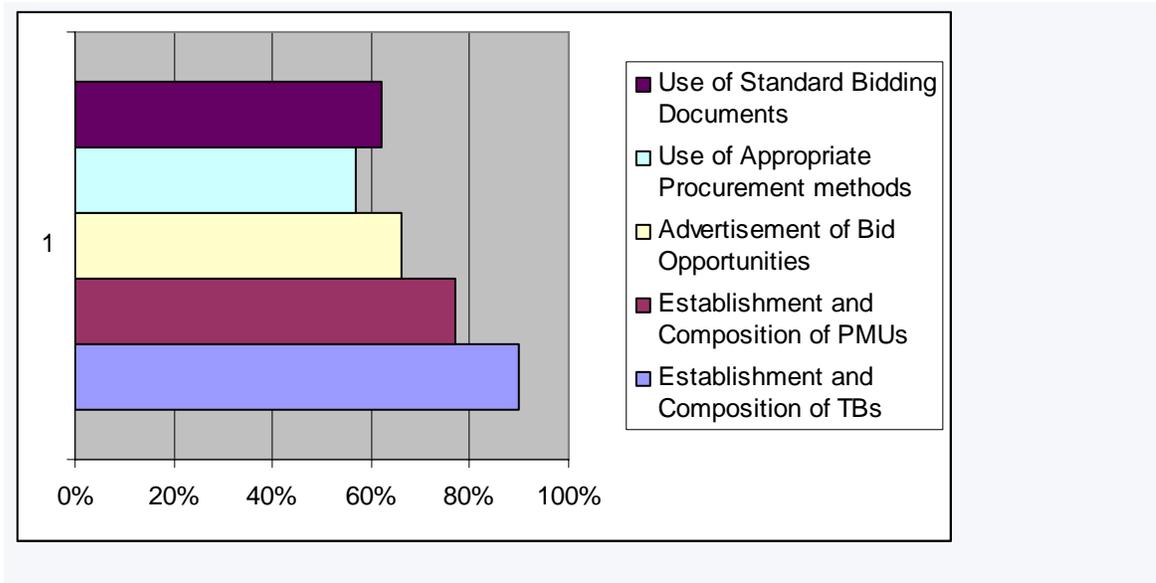


Figure 4 Observed areas of good performance as revealed by the procurement Audits

However, there were weaknesses in contract administration, record keeping, lack of annual procurement plans, etc. These are summarized in **Figure 5**. The performance of each PE is shown in **Figure 6**.

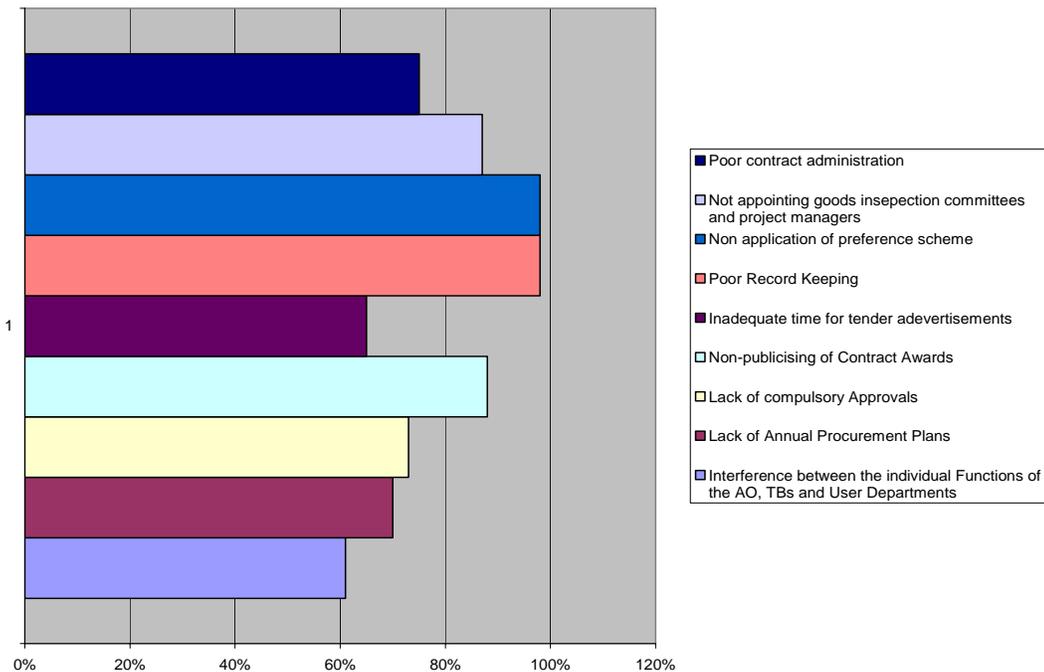


Figure 5 Observed areas of poor performance as revealed by the procurement Audits

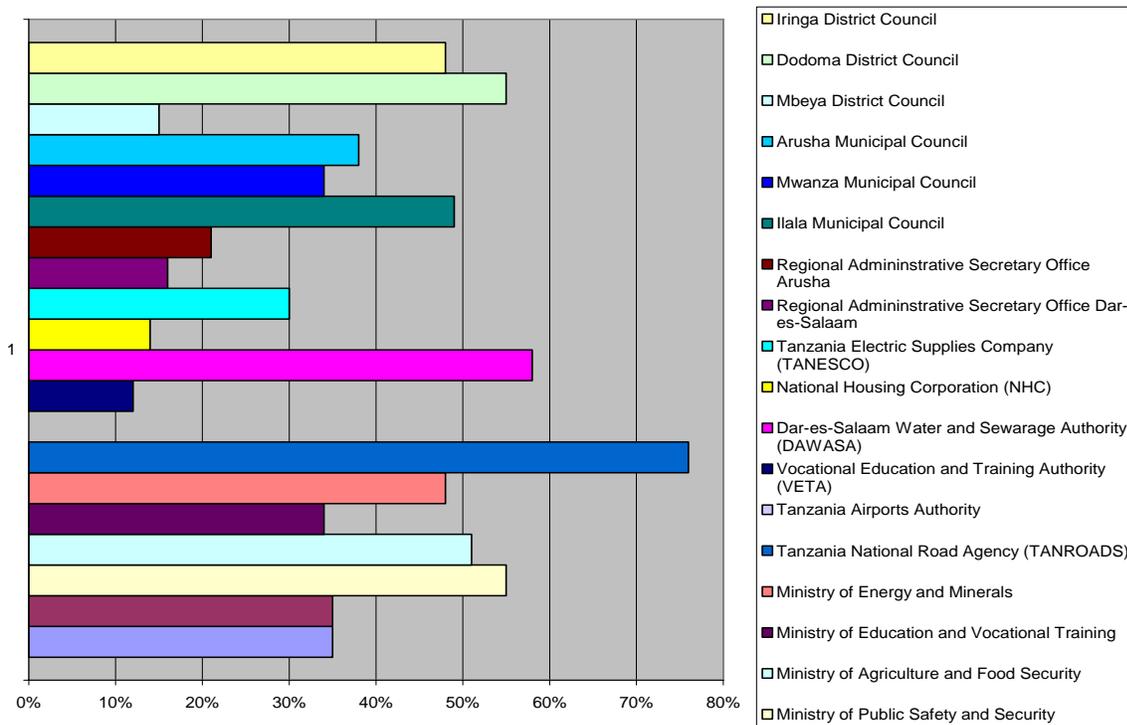


Figure 6 Performance of the Audited PEs

4.0 A System for Collecting, Storing and Sharing Procurement Information

4.1 The system

The PPRA has developed a Procurement Management Information System (PMIS), which will be used in collecting, storing and sharing of Procurement information between the Authority and all Stakeholders of Public procurement. The basic configuration of the PMIS is shown in Figure 7.

4.2 Collection of Procurement Information

Under the proposed PMIS, collection of public information will be simplified using web technologies. For example, under the SCMP established by PPRA, PEs will be able to electronically submit procurement information to the Authority such as:-

- Annual Procurement Plans
- Progresses in the tendering processes from Tender advertising through Tender awards; and
- Progress of Implementation of various awarded contracts.

In addition, the Authority will put in place a system whereby Stakeholders will be able to submit through Authority’s website, their opinions on various issues relating to Public Procurement in Tanzania.

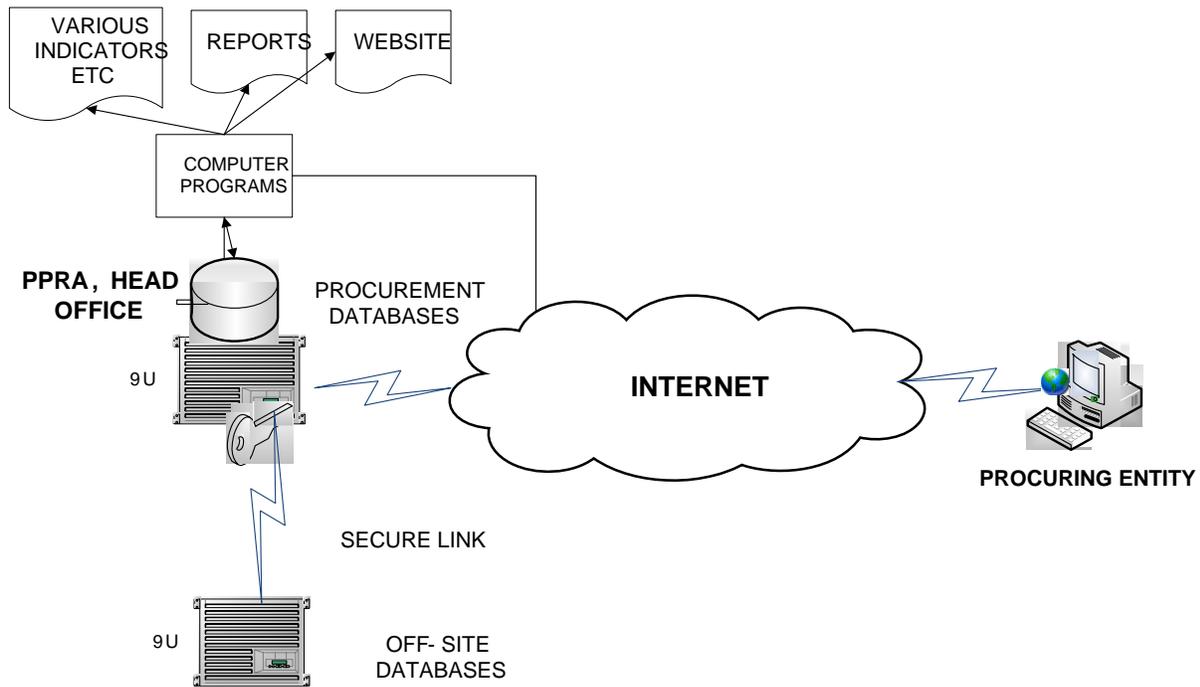


Figure 7: Proposed PMIS

4.3 Storage and Utilization of Data

All data collected under the PMIS will be securely stored in databases for multiple uses. For example, the Authority will be able to derive from the databases, various CPIs of PEs and hence measure the level of compliance to the PPA 2004 by individual PE, a certain category of PEs and the Public Sector as a whole.

4.4 Sharing of Information

The Authority will improve the System of sharing information with all stakeholders using the Authority's website. Some of the information that will be made public in the Authority's website include:-

- Annual procurement plans of all PEs
- Tenders notices from PEs
- Contracts awarded with respect to procurement of all PEs
- Blacklisted firms
- Tender-related documents such as STD, Guidelines for Preparing Responsive Bids, and Guidelines for Evaluating of Tenders etc.

5.0 Conclusion

This paper has provided an overview of the PPRA's efforts towards monitoring procurement activities in the Country. It has discussed the adaptation by the PPRA of the Methodology for Assessment of National Procurement Systems, the developed and the application of SCMP and PMIS.

Constant monitoring should not be seen as a policing exercise, but rather as a deliberate effort of assessing performance through which areas for further improvement may be identified and implemented to strengthen the procurement regime in Tanzania.

Annex 1: OECD-DAC Baseline Indicators

Pillar I – Legislative and Regulatory Framework
Indicator 1: Public procurement legislative and regulatory framework achieves the agreed standards and complies with applicable obligations.
Sub-indicator 1(a): Scope of application and coverage of the legislative and regulatory framework.
Sub-indicator 1(b) - Procurement Methods.
Sub-indicator 1(c) - Advertising rules and time limits.
Sub-indicator 1(d) – Rules on participation
Sub-indicator 1(e) - Tender documentation and technical specifications.
Sub-indicator 1(f) - Tender evaluation and award criteria.
Sub-indicator 1(g) - Submission, receipt and opening of tenders.
Sub-indicator 1(h) – Complaints.
Indicator 2. Existence of Implementing Regulations and Documentation.
Sub-indicator 2(a) - Implementing regulation that provides defined processes and procedures not included in higher-level legislation
Sub-indicator 2(b) - Model tender documents for goods, works, and services.
Sub-indicator 2(c) - Procedures for pre-qualification
Sub-indicator 2(d) – Procedures suitable for contracting of services or other requirements in which technical capacity is a key criterion.
Sub-indicator 2(e) - User's guide or manual for contracting entities.
Sub-indicator 2(f) - General Conditions of Contracts (GCC) for public sector contracts covering goods, works and services consistent with national requirements and, when applicable, international requirements.
Pillar II – Institutional Framework and Management Capacity
Indicator 3: The public procurement system is mainstreamed and well integrated into the public sector governance system.
Sub-indicator 3(a)- Procurement planning and associated expenditures are part of the budget formulation process and contribute to multiyear planning
Sub-indicator 3(b) - Budget law and financial procedures support timely procurement, contract execution, and payment.

Sub-indicator 3(c) - No initiation of procurement actions without existing budget appropriations.
Sub-indicator 3(d) – Systematic completion reports are prepared for certification of budget execution and for reconciliation of delivery with budget programming.
Indicator 4. The country has a functional normative/regulatory body.
Sub-indicator 4(a) - The status and basis for the normative/regulatory body is covered in the legislative and regulatory framework.
Sub-indicator 4(b) - The body has a defined set of responsibilities that include but are not limited to the following: <ul style="list-style-type: none"> - providing advice to contracting entities; - drafting amendments to the legislative and regulatory framework and implementing regulations; - monitoring public procurement; - providing procurement information; - managing statistical databases; - reporting on procurement to other parts of government; - developing and supporting implementation of initiatives for improvements of the public procurement system; and - Providing implementing tools and documents to support training and capacity development of implementing staff.
Sub-indicator 4(c) - The body’s organization, funding, staffing, and level of independence and authority (formal power) to exercise its duties should be sufficient and consistent with the responsibilities.
Sub-indicator 4(d) - The responsibilities should also provide for separation and clarity so as to avoid conflict of interest and direct involvement in the execution of procurement transactions.
Indicator 5. Existence of institutional development capacity.
Sub indicator 5(a) - The country has a system for collecting and disseminating procurement information, including tender invitations, requests for proposals, and contract award information.
Sub-indicator 5(b) – The country has systems and procedures for collecting and monitoring national procurement statistics.
Sub-indicator 5 (c) – A sustainable strategy and training capacity exists to provide training, advice and assistance to develop the capacity of government and private sector participants to understand the rules and regulations and how they should be implemented.
Sub-indicator 5(d) - Quality control standards are disseminated and used to evaluate staff performance and address capacity development issues.
Pillar III – Procurement Operations and Market Practices
Indicator 6. The country’s procurement operations and practices are efficient.
Sub-indicator 6(a) - The level of procurement competence among government officials within the entity is consistent with their procurement responsibilities.
Sub-indicator 6(b) - The procurement training and information programs for government officials and for private sector participants are consistent with demand.

Sub-indicator 6(c) – There are established norms for the safekeeping of records and documents related to transactions and contract management
Sub-indicator 6(d) – There are provisions for delegating authority to others who have the capacity to exercise responsibilities.

Indicator 7. Functionality of the public procurement market.

Sub-indicator 7(a) - There are effective mechanisms for partnerships between the public and private sector.
Sub-indicator 7(b) - Private sector institutions are well organized and able to facilitate access to the market.
Sub-indicator 7(c) - There are no major systemic constraints (e.g. inadequate access to credit, contracting practices, etc.) inhibiting the private sector's capacity to access the procurement market.
Sub-indicator 7 (d) – There are clear and transparent rules for determining whether to engage international or national markets, based on a sound development and business logic.

Indicator 8. Existence of contract administration and dispute resolution provisions.

Sub-indicator 8a) - Procedures are clearly defined for undertaking contract administration responsibilities that include inspection and acceptance procedures, quality control procedures, and methods to review and issue contract amendments in a timely manner.
Sub-indicator 8(b) - Contracts include dispute resolution procedures that provide for an efficient and fair process to resolve disputes arising during the performance of the contract.
Sub-indicator 8(c) - Procedures exist to enforce the outcome of the dispute resolution process.

Pillar IV – Integrity and Transparency of the Public Procurement System

Indicator 9. The country has effective control and audit systems

Sub-indicator 9a) - A legal framework, organization, policy, and procedures for internal and external control and audit of public procurement operations are in place to provide a functioning control framework.
Sub-indicator 9b) - Enforcement and follow-up on findings and recommendations of the control framework provide an environment that fosters compliance.
Sub-indicator 9(c) - The internal control system provides timely information on compliance to enable management action.
Sub-indicator 9(d) - The internal control systems are sufficiently defined to allow performance audits to be conducted.
Sub-indicator 9(e) - Auditors are sufficiently informed about procurement requirements and control systems to conduct quality audits that contribute to compliance.

Indicator 10. Efficiency of appeals mechanism
Sub-indicator 10(a) – Decisions are deliberated on the basis of available information, and the final decision can be reviewed and ruled upon by a body (or authority) with enforcement capacity under the law.
Sub-indicator 10(b) – The complaint review system has the capacity to handle complaints efficiently and a means to enforce the remedy imposed.
Sub-indicator 10 (c) – The system operates in a fair manner, with outcomes of decisions balanced and justified on the basis of available information.
Sub-indicator 10(d) – Decisions are published and made available to all interested parties and to the public
Sub-indicator 10(e) – The system ensures that the complaint review body has full authority and independence for resolution of complaints.
Indicator 11. Degree of access to information.
Sub-indicator 11a) - Information is published and distributed through available media with support from information technology when feasible.
Indicator 12. The country has ethics and anticorruption measures in place.
Sub-indicator 12(a) - The legal and regulatory framework for procurement, including tender and contract documents, includes provisions addressing corruption, fraud, conflict of interest, and unethical behaviour and sets out (either directly or by reference to other laws) the actions that can be taken with regard to such behaviour.
Sub-indicator 12(b) - The legal system defines responsibilities, accountabilities, and penalties for individuals and firms found to have engaged in fraudulent or corrupt practices.
Sub-indicator 12(c) - Evidence of enforcement of rulings and penalties exists.
Sub-indicator 12(d) - Special measures exist to prevent and detect fraud and corruption in public procurement.
Sub-indicator 12(e) - Stakeholders (private sector, civil society, and ultimate beneficiaries of procurement/end-users) support the creation of a procurement market known for its integrity and ethical behaviours.
Sub-indicator 12(f) - The country should have in place a secure mechanism for reporting fraudulent, corrupt, or unethical behaviour.
Sub-indicator 12(f) - Existence of Codes of Conduct/Codes of Ethics for participant that are involved in aspects of the public financial management systems that also provide for disclosure for those in decision making positions.

Annex 2: CPIs together with their corresponding BLIs

Compliance or Performance Indicator	Related Baseline Indicator/Sub indicator	Suggested Source of Information	Considerations for Assessment
	1) The public procurement legislative and regulatory framework.		
Percentage of procurement subject to the legislative framework being assessed (in volume and in number of contracts) carried out through open tendering.	1b) - Procurement methods.	Aggregate statistics on procurement.	The degree to which open tendering is used as the default method of procurement is represented by the volume of procurement carried out under this method. Open tendering might not be an efficient method for smaller contracts. One would expect that a large volume of procurement in value is grouped in a relatively low percentage of contracts. A high number of contracts procured under open tender can result in high administrative costs or it might indicate that the contracts are kept intentionally small even though grouping of requirements into larger contracts could result in wider competition (including international) and improve economies of scale. A low percentage of open tenders can indicate fractioning of procurement to avoid open tendering. The assessor should look into the prevailing contract packaging practices.
(a) - Percentage of invitations for open tenders publicly advertised. (b) – Average number of days between tender advertisement and tender opening	1c) - Advertising rules and time limits.	Sample of procurement cases.	The percentage of open tender that are actually advertised should be high. If the percentage of tenders not publicly advertised is above 5%, there is reason for concern. The average time provided between advertisement and submission of tenders should be reasonable to allow for adequate preparation of tenders for the prevalent type of procurement under this method. Averages of four weeks or longer are desirable.
Percentage of open tender documents that include provisions limiting participating for reasons other than qualifications or acceptable exclusions.	1d) - Rules on participation and qualitative selection	Sample of procurement cases. Surveys with trade and professional associations.	In practice it is difficult to know how many potential tenderers were discouraged by the existence of barriers to entry. An indirect way of measuring the extent to which this occurs is through the review of a representative sample of tendering documents to see the percentage that contain exclusions of the kind described.

Percentage of tenders rejected in each process.	1e) – Tender documentation and technical specifications.	Sample of procurement cases	A low percentage of responsive bids may be an indication of restrictive specifications, insufficient information in the tendering documents, an overly legalistic application of the tender requirements or inability by the market to respond to the requirements. In case of high levels of rejection (e.g. over 40%), the assessor should find out the key reasons. Special attention should be paid to patterns for rejections (e.g. restrictive specifications, lack of information in the bidding documents, compliance with formalities required by the documents)
(a) Percentage of tenders including non quantifiable or subjective evaluation	1f) - Tender evaluation and award criteria	Sample of procurement cases	High use of subjective or non-quantifiable criteria can be an indication of abuse in the evaluation of tenders.
(b) Public perception of confidentiality of tender evaluation process.		Survey of or interviews with participants in the procurement processes	Confidentiality cannot be measured quantitatively but a survey or interviews with tenderers and other civil society actors can give a good indication on this matter
Percentage of tenders opened publicly and recorded.	1g) – Submission, receipt and opening of tenders	Sample of procurement cases	A lack of records for public opening or failure to open tenders that should have been publicly opened might be an indication of inappropriate controls.
Percentage of cases resolved within the terms established in the legal framework.	1h) – Complaints system structure and sequence	Statistics on complaint resolution.	Sampling of cases will give some indication of timeliness of complaints resolution.
	2) Implementing Regulations and Documentation		
Percentage of tenders that use model tender documents or clauses.	2b) – Model tender documents for goods, works, and services.	Sample of procurement cases	When model or standard documents or a set of mandatory clauses exist, reviewing a sample of tenders will show the extent to which they are used in actuality. The results should be analyzed further to determine reasons for poor usage.
a) Percentage of cases where prequalification was used appropriately as prescribed in the legal framework.	2c) – Procedures for pre-qualification	Sample of procurement cases subject to prequalification	The performance assessment for this indicator should verify: a) whether prequalification is generally used according to the established criteria and b) whether the criteria used are of the objective type and relevant to the procurement under consideration

b) Percentage of cases that used objective pass/fail prequalification criteria as opposed to subjective qualitative ones.			
Percentage of tenders that use the GCC, standard clauses or templates as applicable.	2f) – Existence and coverage of General Conditions of Contracts (GCC) for public sector contracts.	Sample of procurement cases	A high level of usage should be expected. Further analysis should be done to determine basis for low percentage of use.
	3) Integration and maintriming of the public procurement system into the public sector governance system.		
Percentage of payments made late (e.g. exceeding the contractually specified payment schedule).	3b) – Budget law and financial procedures support timely	Sample of procurement cases	Reason for high percentage of late payment needs to be determined procurement, contract execution, and payment.
(a) Percentage of major contracts without completion reports. (b) Average time after contract completion for completion reports to be prepared.	3f) – Systematic completion reports are prepared for certification of budget execution and for reconciliation of delivery with budget programming.	Sample of procurement cases. National budget office information.	Determine reasons for long average time (over six months).
	4) Normative and regulatory functions.		
Percentage of those surveyed that perceive procurement as being performed competently and independently.	4c) – Adequacy of organization, funding, staffing, and level of independence and authority (formal power) to exercise the duties under (b).	Survey or interviews with participants in the procurement processes	The regulatory function needs to be adequately staffed and financed and have sufficient formal power to do the job. As it may be difficult to assess the adequacy of the resources allocated to this function and its level of independence and authority, a proxy for assessing this area is through surveys or interviews as to how the level of service and independence is perceived by the stakeholders. A low level of perceived service might be indicative of a shortage of resources (quantity and quality) or independence or both

Percentage of those surveyed that perceive the regulatory function to be free of conflict.	4d) – Separation and clarity of responsibilities to avoid conflict of interest in the execution of procurement transactions.	Survey or interviews with participants in the procurement processes	
	5. Institutional development capacity.		
Age of information	5b) – Systems and procedures for collecting and monitoring national procurement statistics.	Review of posted information to determine whether it is current and accurate.	This is a proxy to assess the importance that the country attaches to the system and the currency of information and of the quality of its operation.
(a) Number of staff involved in procurement in the central government that receives formal training in the year. (b) Average waiting time to get in a formal training event.	5c) Training capacity for procurement.	Review of annual training statistics	The assessor should focus on formal training to meet the requirements of the job for those involved in the procurement process
	6. Efficiency of procurement operations and practices.		
Average number of days for procurement cycle from tender advertisement to contract award		Sample of procurement cases	This provides information on the overall agility of the decision making process and the efficiency of the system.
Percentage of contracts found with incomplete records being retained.	6c) – Norms for the safekeeping of records and documents related to transactions and contract management	Sample of procurement cases	

	7. Functionality of the public procurement market	
Opinion on effectiveness of mechanisms to engage with relevant organizations or agencies.	7a) – Effective mechanisms for partnerships between the public and private sector	Survey or interviews with participants in the procurement processes Opinions of the private sector and civil society can help determine if the mechanisms are working well.
Average number of tenders submitted in each process	7b) – Private sector institutions are well organized and able to access the market.	Sample of procurement cases Low participation rates by the private sector may be an indication of access or other issues that discourage companies from engaging in the public procurement market.
	8. Existence of contract administration and dispute resolution provisions.	
Percentage of contracts containing such provisions Evidence in contracts surveyed that contract administration is timely	8a) – Procedures are clearly defined for undertaking contract administration responsibilities	Sample of procurement cases Contracts reviewed should provide information on the responsible party for administration of the contract. Contract files should show evidence that contract administration matters are handled in a timely manner.
Percentage of contracts that include ADR provisions	8b) – Contracts include adequate dispute resolution procedures.	Sample of procurement cases Indicates the extent of use of ADR
	9. Effectiveness of control and audit systems	
Number of recommendations pending after one year.	9b) – Enforcement and follow-up on findings and recommendations	Review of Audit Reports and status of recommended actions Review of outstanding audit recommendations and timeliness of implementation will provide information as to the degree of importance the government places on enforcement of audit findings
Number of qualified opinions from external auditors due to critical internal control weaknesses and recommendations referring to internal controls that remain outstanding.	9c) – The internal control system provides timely information on compliance to enable management action	Review of Audit Reports and status of recommended actions.

Percentage of agencies reviewed with written internal control procedures.	9d) – The internal control systems are sufficiently defined to allow performance audits to be conducted.	Review of audit reports to determine use of performance auditing	
	10. Efficiency of appeals mechanism		
(a) Percentage of complaints processed within the time limits in the legal framework. (b) Percentage of decisions taken that are enforced.	10b) Capacity of the system for handling and enforcing complaints decisions.	Statistics of the complaints review system	
Percentage of favorable opinions	10c) – Fairness of the complaints system.	Survey or interviews with participants in the procurement processes	Fairness is an indicator best measured through the perception and opinions of those that use the system under review.
	12. Anticorruption Measures		
Percentage of cases that result in sanctions or penalties.	12c) Evidence of enforcement of rulings and penalties	Statistics on prosecution of corruption cases	Allegations of corruption must be taken seriously and investigated. However, care must be taken to avoid confusing an allegation with being a true indication of corruption since it is often a political tool that can be abused. Most corruption agencies seek to leverage their work by focusing on serious cases and on the enforcement of the rulings or penalties
Percentage of favorable opinions by the public on the effectiveness of the anticorruption measures.	12d) Effectiveness of the anticorruption measures on public procurement.	Survey or interviews with citizens and other stakeholders	