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"And He gives you of all that ye ask for. But if ye count the favors of Allah never will ye be able to number them: verily, man is given up to injustice and ingratitude."

~ (Al-Quran, Surah Ibrahim 34)

Managing Editor : Hafeez ur Rehman (Managing Director) mdppra@ppra.org.pk
Executive Editor : Khalid Mahmood Lodhi (Director) director@ppra.org.pk
Editor : Naeem Ahmed (Deputy Director) naeemahmed@ppra.org.pk
Coordinator : Syed Mohsin Hassan (Web Designer)

Public Procurement Regulatory Authority

Cabinet Division Islamabad

EDITOR'S NOTE: CIVIL SOCIETY ORGANIZATIONS AND REGULATORY REGIME

Regulatory environment is a requisite of free market and order of democracy. In absence of democracy free market finds itself in a narrow alley where regulatory regimes either don't exist or do not do well. In a controlled order the forces of demand and supply fail to function and monopoly rules to the heartburn of competition. Civil society is composed of the totality of voluntary social relationships, civic and social organizations, and institutions that form the basis of a functioning society, as distinct from the force-backed structures of a state and the commercial institutions of the market. Together, state, market and civil society constitute the entirety of a society, and the relations between these three components determine the character of a society and its structure.

One of the major shortfalls in contemporary democracy arises when global governance institutions fail adequately to answer to the people whose lives they affect. In particular several of the key mechanisms of democratic accountability that operate in relation to modern states are not available to citizens in respect of global regulatory bodies. In these circumstances many people have looked to civil society activities to fill the accountability gaps. Yet how far civil society interventions in practice have delivered is a subject of growing interest the world over and Pakistan in particular.

Pakistan's democracy is finding sounder roots in the proactive civil society organizations however few they may be. The credit is due to the government in power for having an opposition leader as Chairman of the Public Accounts Committee who has lent new support in the matters taken note of by the civil society organizations particularly in the area of public procurement. Although PPRA came into existence in a system now called non democratic but the support of the government in adherence to the PP Rules, disciplined compliance of defense organizations, media activity, role of the PAC, strong support of the courts aided by the civil society organizations is a perfect recipe for institution building. If allowed to function without administrative fetters and so called departmental leg up, PPRA is an epoch in the making, this phrase mind you is not homespun but is a considered outside observation. PPRA has delivered in terms of capacity building of the public and private sector, in terms of advocacy and wide awareness of PPRA rules through relentless daily hard work of its lean staff, it has also delivered in terms of financial autonomy, after commencing its own earning avenue PPRA has deposited fourteen million rupees in the federal consolidated fund for the first time ever since its creation with reluctant help from those who mattered. Same amount is still outstanding as of tender uploading fee. In short regulatory regime on procurement has arrived and is here to stay with valuable help from PAC, the civil society and improving compliance of the public and private sector.

MONITORING:

A comparison of Monitoring of tendering is shown the table below. Violations have further declined from 21% in 2009-10 to 13% in 2010-11.

	2009-10	2010-11
Tenders Uploaded	18404	20726
Violations Indicated	3883	2737
Violations (%)	21%	13%

"The first man who, having fenced in a piece of land, said "This is mine," and found people naive enough to believe him, that man was the true founder of civil society."

~ Jean-Jacques Rousseau

"What is the revolution that we need? We need to dissolve the lie that some people have a right to think of other people as their property. And we need at last to form a circle that includes us all, in which all of us are seen as equal... We do not belong to the other, but our lives are linked; we belong in a circle of others."

~ Barbara Deming

Government of Pakistan
Public Procurement Regulatory Authority
FBC Building, G-5/2, Islamabad
(www.ppra.org.pk)
Phone # 051 9202254 Fax # 051 9219149

CAPACITY BUILDING TRAINING PROGRAM: JUNE 15-16, 2011:

Capacity building on public procurement rules and procedures provides appropriate learning solutions to procuring agencies as well as the suppliers through carefully designed training programs on public procurement and related areas. With a team of experienced professionals, every effort has been made to set deliverables which can become change agents and offer a methodology and tools to continue to develop strategies and processes that transfer knowledge of Public procurement and International best practices, the existing legal frame work in the form of Public Procurement-Rules 2004, PPRA Ordinance 2002, Public Procurement Regulations 2008 and Procurement of Consultancy Services Regulations 2010 seek to instill transparency economy, value for money and efficiency for larger public good.

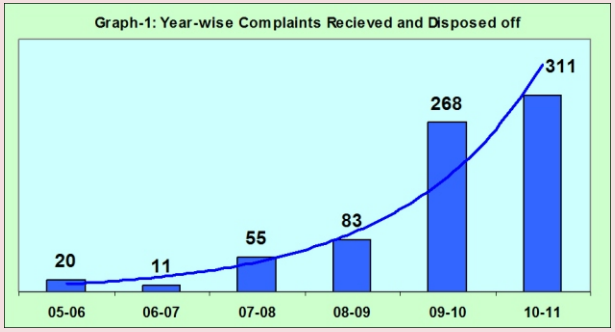
And exclusive training program for State Bank of Pakistan was held on June 15-16, 2011 at National Institute of Procurement (NIP) Islamabad wherein 20 officers representing different departments of SBP all over Pakistan participated and found the workshop highly interactive and beneficial. Mr. Sarfraz Ahmed Syed, Ex-MD PPRA and very revered Dr. Hai Baloch, a genuine people's leader from Balochistan were the Chief Guests on the occasion. Mr. Sarfraz Ahmed Syed reiterated that compliance of public procurement rules 2004 in letter and spirit is inevitable for transparent and quality public procurements. Dr. Hai Baloch told the participants that one ought to discover true self which is a hallmark of being human and a prerequisite of a civilized society. In the end the chief guests distributed certificates among participants followed by a group photo.

Respected Dr. Hai Baloch and Sarfraz Ahmed Syed giving away certificates

GRIEVANCE REDRESSAL-PERFORMANCE DURING 2010-11:

The PP Rule 48 is about grievance redressal by a procuring agency. The complainants expect from the Authority to take up their grievances with the non-compliant procuring agencies to ensure justice. The settlement of disputes in amicable way is one tool to gauge performance of the organizations. Knowing this fact the PPRA management has always given due importance to this critical area. To strengthen grievance redressal mechanism as provided under Rule 48 of Public Procurement Rules 2004, the procuring agencies were advised that the Principal Accounting Officer as a next logical step should conduct an administrative review on the findings of complaint and take action. These measures and efforts have been helpful, except in few cases, most of the procuring agencies are more compliant to PP Rules 2004 today compared a few years ago.

Data reveals that consequent to PPRA endeavors the trust of private sector in the Authority is continuously rising. The overall increase in complaints in between 2005-06 and 09-10 has been phenomenal the last two years in particular has witnessed unprecedented growth.



Settlement Rate: Over the years the success rate has also improved and large number of complaints have been settled with PPRA efforts, which is evident from the data below:

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	2009-10	2010-11	Growth (%)
Total Complaints Received	268	311	16%
Settled Cases	155	214	38%
Success Rate	58%	69%	

compared to previous FY: 09-10, 155 out of 268 were settled. About 40% growth has been witnessed in the success rate in 2010-11 compared to the last year.

EFFICIENCY IN PUBLIC EXPENDITURE MANAGEMENT (PEM) AND DEVELOPMENT: (PART-I)

It is a reality that in most of the developing and resource deficient countries, there is a great focus on revenue generation policies and giving less importance to the efficiency in PEM. The PEM is even more important in the course of growth and welfare because basically it is not the availability of hefty funds but it is their use in most economical way which creates a difference. The best example can be a household having limited resources but utilizing them in the best way, creating value for every penny in real sense. In other words it is the Rule 4 of PP Rules 2004 which is implemented in letter and spirit by a housewife. The governments allocate huge funds for current and development needs each year in annual budgets, but the outcome is not as good as it should be. For better outcome and value for money there is a need to change the mindset of public servants towards public funds. With changed mindset and complete ownership of public funds by the public servants there is no reason for not achieving economy and efficiency in public expenditure. PEM is the use of public funds in the most efficient and economical way for the best value for money. Public expenditure management is a basic means of government policy distributing and utilizing sources productively, effectively and caringly (Allen, Tommasi, 2001, p.19). Public Expenditure Management approach was put into practice in early 80s by World Bank. It is a central instrument of economic and development policy and according to ADB effective PEM is a key component in good governance. It is fundamental to realize that public expenditure management is country-specific. Thus PEM approaches and recommendations must be based on the economic, social, administrative, and implementation capacity of a specific country.

(Continued next Issue)