

# STATUS OF ELECTRONIC GOVERNMENT PROCUREMENT IN KENYA

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# Content

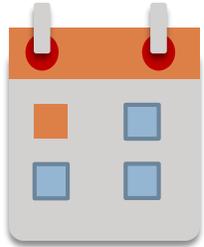
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# Background

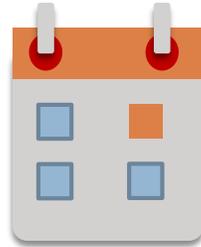
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2003



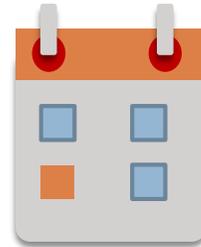
Launch of Integrated Financial Management Information System by Ministry of Finance. Covered only accounting module

2005



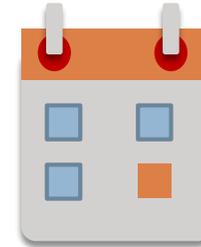
Public Procurement and Disposal Act was enacted

2011



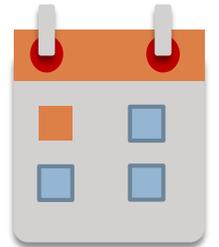
IFMIS Re-engineering Strategy; One of the component - Procure to Pay

2015



Public Procurement Asset Disposal Act, 2015

2020



Public Procurement and Asset Disposal Regulations, 2020  
e-GP Implementation Strategy

# Legal Framework

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- Article 227 of the constitution state organ or any other public entity contracts for goods or services, it shall do so in accordance with a system that is fair, equitable, transparent, competitive and cost- effective.
- Section 7 (c) and (f) of the PPAD Act,2015 has mandated The National Treasury to design and prescribe an efficient procurement management system for the National and County governments to ensure transparent procurement and asset disposal as contemplated by Article 227 of the Constitution.
- Section 64(2) of the PPAD Act,2015 states that ICT may be used in procurement and asset disposal proceedings as prescribed by the Regulations.

# Legal Framework

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- Section 9 (k) of the PPAD Act,2015 has mandated the Public Procurement and Regulatory Authority to develop and manage the State Procurement Portal that will be interfaced with the e-GP system to publish data generated from the public procurement process ;procurement planning, registration of suppliers, publication of notices, submission and opening of tenders, tender evaluation, dissemination of laws, publication of contract awards among.
- Public Procurement and Asset Disposal Regulations 49 to 64 provide general principles on the use of e-procurement system while undertaking procurement and disposal activities

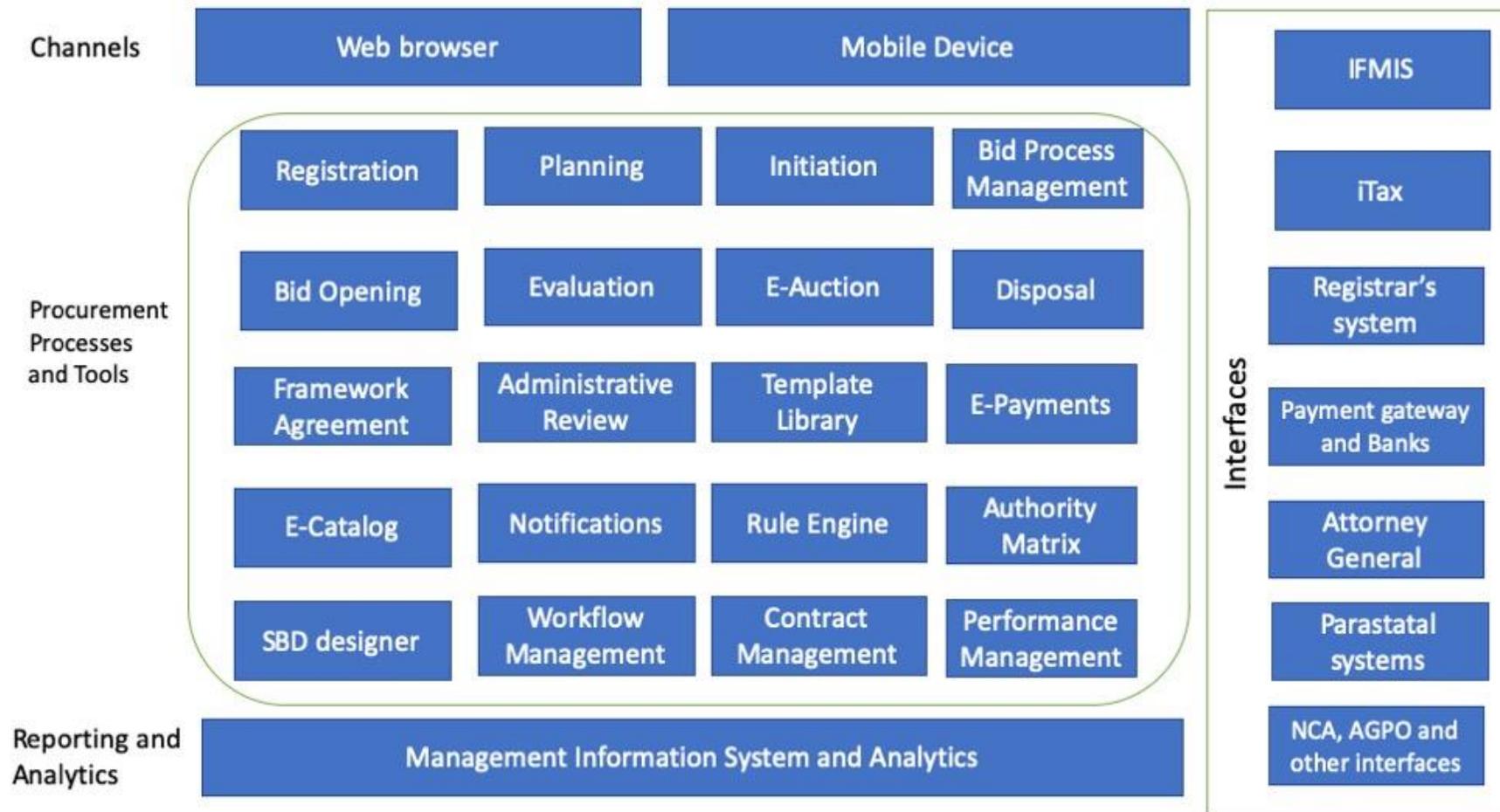
# E- GP Implementation Strategy

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- E-Procurement readiness assessment was carried with the assistance from the World Bank.
- E- GP System Implementation Strategy was approved by the Cabinet Secretary in September 2020.
- The Strategy provides for four(4) years implementation road map, functional requirements, the system architecture and organization structure of the project implementation Unit.

# E- GP Implementation Strategy

## □ Functional overview



# E- GP Implementation Strategy

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## □ System users

- The National Treasury/e-GP System Administrator
- e-GP PE System Administrator
- e-GP User Department/e-GP Procurement Unit
- Accounting Officer
- Bid Opening Committee
- Evaluation Committee
- Public Procurement Regulatory Authority (PPRA)
- Administrative Review Board (ARB)
- IFMIS system
- Business Registrar's Office
- Procurement Agencies
- Attorney General
- Local and International Bidders/ Providers
- Visitor/ Public
- Oversight and Investigative agencies
- Internal Auditor General
- Office of the Auditor General
- Development Partner

# E- GP Implementation Strategy

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## □ Piloting and full roll-out

<b>FY 2021/2022</b>	Pilot to ten (10) MDAs (comprising of at least 5 high spending ministry /state department and 2 commissions) and select county governments.
<b>FY 2022/2023</b>	Roll-out to all MDAs and county governments.

# E- GP Implementation Strategy

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## □ Phased Incremental approach for e-GP functions Implementation

**Phase 1:** Registration & e-Bidding; e-Registration; Procurement and Disposal Plans; e-Notification and e-information, e-clarification, e-Submission, e-Evaluation, online preparation of professional opinion, e-Awarding, e-complaints; e-appeals, e-Ordering, e-Purchasing, e-Invoicing, e-Payments, e-contract management; e-publication of data in compliance to the Open Contract Data Standard (OCDS)

**Phase 2:** e-Auctions, e-Catalogues; E-appraisal of Bidders; Contractor/bidders e-rating of procuring entities.

**Phase 3:** e-Reverse Auction

# Success factors

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- Government leadership and management of the Implementation Plan.
- Public entities and Supplier awareness, training and change management.
- Lessons learnt from implementation of IFMIS, Procure to Pay module
- E-GP operational guidelines
- Integration with the existing system

# e-GP System Opportunities

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- Realize cost saving on total public procurement expenditure
- Gain visibility on public procurement demand and supplies
- Take advantage of modern technologies big data and AI to get insights on social economic activities or identify corrupt practices
- Establish a fair and competitive marketplace
- Use the existing ICT infrastructure, databases and capacity building structures

# Implementation Challenges

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- Power and technological outages especially in remote areas
- High implementation and maintenance cost
- Seamless integration with other existing system

*ASANTE*

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