



Professionalization and Capacity Building in Public Procurement in Zambia

APPN PRESENTATION BY:

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PRESENTATION OUTLINE

- ▶ 1. Legislation that Governs professionalization and capacity building in Public Procurement in Zambia.
- 2. Organizations responsible for Professionalization and capacity building in Zambia.
- 3. Established structures at the Zambia Public Procurement Authority responsible for promoting professionalization & Capacity building interventions in the Public Sector & other stakeholders.
- 4. Background to Professionalization and Capacity Building from 1996 to date 2021.
- 5. Knowledge and lessons learnt from 1996 to date on Professionalization Capacity building & Future Out-look.

1. Legislation that Governs Professionalization & Capacity Building in Public Procurement

- ▶ Zambia Institute of Purchasing and Supply (ZIPS) Act No. 15 of 2003.
- ▶ Public Procurement Act (PPA) No. 12 of 2008 [repealed].
- ▶ Public Procurement Act (PPA) No. 8 of 2020.

1. cont'd.....

A. ZAMBIA INSTITUTE OF PURCHASING & SUPPLY ACT NO. 15 OF 2003

- Section 8: practitioners in both the **private** and **public** sectors are required to be qualified in procurement and supply chain management recognized by ZIPS.
- Section 22: It is an offense for an officer to practice procurement without registration with the Institute.

***Practice license is mandatory.**

B. PUBLIC PROCUREMENT ACT NO. 8 OF 2020

section 6[2][k]: the Authority to coordinate and promote capacity building and professional development in the Public procurement system.

section 6[2][m]: the Authority to research on the public procurement system and any developments arising from the system.

Section 25[2]: procurement and stores management shall be carried out by a person who is a member of the ZIPS.

1. cont'd....

▶ B. PPA- NO. 8 OF 2020 - CONT'D

- ZPPA-Circular no. 1 of 2019- provided further advice on the requirement for qualified procurement specialists to possess the following qualifications:

- i. First Degree in Procurement & Supply Chain Management;
- ii. Or Graduate Diploma, level 6, Chartered Institute of Purchasing & Supply, UK, Corporate Member; or
- iii. ZIPS- Professional Stage, Graduate Diploma[when launched-WIP]

1. Cont'd...

- ▶ To date the Country [Zambia] has approximately over 3,000 fully qualified procurement specialists.
- ▶ Over 2,100no.[70%] of the **fully qualified procurement specialists** are employed in the Public Procurement Sector.
- ▶ 620no. Procuring entities are currently operational country-wide and managed by qualified procurement specialists.



2. Organizations responsible for professionalization & capacity building

- ▶ The Zambia Institute of Purchasing and Supply, Act No. 15 of 2003; **all practitioners**
- ▶ Zambia Public Procurement Authority, Act No. 8 of 2020; **all public officers**
- ▶ Chartered Institute of Procurement and Supply [CIPS], UK; **all international/global practitioners.**
- ▶ Local Universities like Copperbelt, University of Zambia, University of Lusaka, etc.; **undergraduate students.**
- Local colleges affiliated to ZIPS and CIPS professional programmes; **school leavers and in-service learners.**
- Individual consultants affiliated to CIPS & ZIPS; **all practitioners.**

3. Established functional areas responsible for promoting professionalization & capacity building at ZPPA SECRETARIAT

▶ 3.1. Department of Research & Capacity Development:

- conducts interventions relating to workshops, seminars, on-job-training, virtual trainings, webinars, e-learning, infomercials, etc. for PEs and other stakeholders.
- the Authority has also entered into MOUs with four [4] training providers to supplement its efforts [ZAMIM, UNILUS, NIPA, INSTI-NRDC] in capacity building.
- conducts research and provides advisory services in Public Procurement Policy implementation, review and amendment.

▶ 3.2. Department of Compliance Monitoring:

- capacity assessments of procuring entities,
- compliance monitoring,
- procurement Audits,
- advisory services and follows- up on assessments or procurement audit,
- liaising with Research and Capacity Development for gaps noticed in adherence to the PPA and PPRs; training interventions designed and executed.

▶ 3.3. Electronic Government Procurement [eGP] Unit:

- conducts e-procurement assessments of PEs, suppliers and other stakeholders,
- eGP Unit trainings for PEs, suppliers and other stakeholders.

3.3. e-GP System - A Solution to Our Challenges

Embracing information technology in public procurement will greatly help in facing the challenges.

❑ What is e-GP System?

Electronic Government Procurement (e-GP) System is an internet-based platform that allows public institutions to involve suppliers in the acquisition of goods, works, consulting and non-consulting services required by the public sector.

❑ ZPPA will not assume the role of buying on behalf of PEs

3.3. Training Focus



Legal Framework

ZPPA has been undertaking training for e-GP System users which include suppliers and procuring entities.

- ▶ Training for suppliers is mainly focused on e-Registration and how to create and submit a bid on the e-GP System.
- ▶ For procuring entities, training is focused on the end to end system modules.

Registration of PEs, Bidders & other users

All bidders must be registered to participate in bidding opportunities

e-Tendering

Manages the tendering lifecycle from advertisement of the notice to issuing of an award of contract.

e-Notification

Publication of contract notices, awards, procurement plans, tenders, etc. by PE

e-Evaluation/ Awarding

Automatic evaluation process and Notification of Awards

e-Contract Management

Establishes, manages and monitors contracts, collates bid history, monitors performance against agreed SLAs and KPIs and alerts buyers

Auditor General

An option to audit the tendering process from bid submission through to contract execution stage

Attorney General

An option to approve contracts via the e-GP system

3.3. Target Implementation Period

- ▶ Rollout of eGP System to pilot sites was done in July, 2016.
- ▶ Phased approach roll out is on-going and our statistics are that we have 283no. procuring entities on the eGP system against a total of 620no.PEs. 147no.were trained and added for full usage for their procurement transactions, out of which only 60no. are active users. 136no. procuring entities were added for e-Annual Procurement Planning and e-Notification Modules.
- ▶ It is anticipated that all PEs will be trained and shall be using the e-GP System by 2024.

3.3. Training challenges for e-GP

- ▶ ZPPA has to re-train some procuring entities several times before they can confidently use the eGP system.
- ▶ From the 147 trained procuring entities and added to the e-GP System for full their procurement transactions, only 60 are active users. This entails that 87 require additional training.

4. Background to Professionalization & Capacity building in Zambia from 1996- 2021

- ▶ Over a period of twenty[25] years, there been Public Procurement Reforms supported by Co-operating partners or Development partners under the following programmes/projects:

4.1. Financial and legal Upgrading Management Project [FILMUP];

1996 - 2001;

- funded training of 100no. Graduates from universities to be qualified in the CIPS Graduate Diploma, on an accelerated basis within 18months.
- Equipping PEs with basic operating resources like computers, copiers, operating manuals for procurement etc.

4.2. PSCAP - 2001- 2006:

- training of procurement specialists in various procurement programmes, like World Bank Procurement Procedures.
- procurement of operational motor vehicles for PEs' Pus
- funding reforms in Public Procurement legislation.

4.cont'd....

▶ 4.3. PEMFAR- 2006 - 2012:

- Funding public sector reforms in financial management and procurement.
- funding for procurement of equipment for PEs, like motor vehicles, computers, copiers, etc.
- funding for review and amendments of the Public Procurement legislations, standard bidding documents, equipping PEs with computers and other resources.
- sponsorship of various training programmes for public officers.

4. cont'd.....

▶ 4.4. PMFRP- 2013 - 2018

- Funding of public procurement legislative reforms.
- training of public officers in various programs in public procurement and business administration- Masters degree programs at CBU.
- Funding for establishment of Electronic Government Procurement [eGP].
- support for review and amendment of legislation in public procurement.
- support for purchase of equipment for PEs

5. Knowledge and lessons learned from Professionalization & capacity building/future out-look

- ▶ Professionalization and capacity building is a continuous process that requires long term investment in both human capital and non-human resources for public procurement to realize optimal operating environment for all players in the procurement and supply chain management system.
- ▶ The support from Co-operating partners/Development partners has helped the Country to upgrade Public Procurement System as procurement standards have been benchmarked against best international practices of the World bank, United Nations, COMESA, EU, AfDB, GIZ, etc. The ZPPA has continued to approach co-operating partners to sponsor reforms in public procurement to attain the best and conducive procurement environment in the Country.
- ▶ Introduction of e-procurement system [eGP] in Zambia is a radical change from Manual procurement system. There is an appreciation of the eGP system by suppliers and other stakeholders as it is promoting transparency, competition, fairness, integrity and value for money in public procurement transactions. The eGP system up-take and utilization by procuring entities is rather slow and requires rejuvenation and other interventions, such as recognition of full users and commending them, to scale-up its full usage by Public Procuring entities.
- ▶ There is big gap between the need for professionalization and capacity building and the resource envelope availed for sustaining it. This requires executive attention, support from Development partners and peer networking under the APPN.

THANK YOU FOR LISTENING



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