

Report on
Level of Automation in Government Procurement at Upazila Parishad

Submitted By

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An internship report submitted to the Department of BRAC Institute of Governance and Development in partial fulfillment of the requirements for the degree of Masters in Procurement and Supply Management

BRAC Institute of Governance and Development
BRAC University
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Declaration

It is hereby declare that

1. The report submitted is my own original work while completing degree at Brac University.
2. The report does not contain material previously published or written by a third party, except where this is appropriately cited through full and accurate referencing.
3. The report does not contain material which has been accepted, or submitted, for any other degree or diploma at a university or other institution.
4. I have acknowledged all main sources of help.

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Dear Sir,

I am grateful to submit herewith my report on “**Level of automation in Government Procurement at Upazila Parishad**” as a partial requirement for achieving the degree of Masters in Procurement and Supply Management. It is a great opportunity for me to work under your active supervision, care and guidance.

I have collected data from CPTU and different Upazila level offices of four different District for preparing the report. I am thankful to you for providing me this opportunity to work on this topic and I will be trying to answer all the questions that you have about the paper. I have tried my label best to complete this research paper meaningfully and correctly, as much as possible. I am submitting the report with the hope that it lives up to your satisfaction. However I would be glad to provide you with any clarification regarding this report.

Sincerely yours,

Mafruha Mahzabin

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Abstract

Aim of public procurement is to earn the best value for public fund. In Bangladesh, this aim of public procurement is often overlooked by collusive practice and corruption. Bangladesh Government has introduced online procurement; e-GP system to minimize these loss and have accuracy of government spending. At the Upazila Parishad level, e-GP system is practiced only by LGED in all its procurement. LGED is doing most of its procurement in e-GP system. It has found that the other departments at Upazila Parishad level are not fully operating e-GP system. In most of the cases the percentage is zero. Upazila Health of a few Upazila has started online tender. It has also found that there is severe lack of motivation among the officers at the Upazila Parishad level to learn e-GP and operate this. They do not have sufficient knowledge about PPR and e-GP. The tenderers find e-GP system a little critical because of English. There is a new group of professional people who help tenderers to do all the e-GP related works. They are happy with e-GP because this system has minimize bureaucracy and tenderers with no external influence can take part in the procurement process.

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List of Acronyms

ADP	Annual Development Programme
BIGD	BRAC Institute of Governance and Development
CPTU	Central Procurement Technical Unit
CMS	Contract Management System
DoFP	Delegation of Financial Powers
DG Health	Directorate General of Health Service
e-GP	Electronic Government Procurement
EED	Education Engineering Department
GOB	Government of Bangladesh
ITT	Instruction to Tenderers
LGED	Local Government Engineering Department
NOA	Notification of Award
PPR	Public Procurement Regulations
PE	Procuring Entity
STD	Standard Tender Document
TER	Tender Evaluation Report
UE	Upazila Engineer
UNO	Upazila Nirbahi Officer

1.0 Introduction

As Bangladesh is growing economically with heavy force, procurement is in every sector. Starting from the daily necessities of households to national decision making for strategic products, procurement is everywhere. However, “public procurement” has direct contribution on the development of the country. It influences the largest number of citizens starting from tax payers to users/consumers of the product.

Governments in all countries of the world rely on the suppliers to procure goods and services. The process through which governments purchase works, goods and services from suppliers, which they have selected for this purpose, is often referred to as ‘public procurement’.

Public spending enables governments to produce and purchase goods and services, in order to fulfil their objectives – such as value for money for the public fund or the redistribution of the countries available resources.

The World Bank is among the first development partners to support Bangladesh following its independence. Bangladesh currently has one of the largest IDA programs totaling over \$13 billion. Since independence, the World Bank has committed more than \$33 billion in grants, interest-free, and concessional credits to the country. Since 2002, the World Bank has been supporting the government to improve public procurement. In 2012, with the World Bank’s help, the government rolled out e-GP in four procuring entities.

In FY20, US\$17.5 billion worth of procurement contracts representing about 62 per cent of public procurement expenditure in the country were processed through the e-GP system. During the pandemic, e-GP enabled over 1300 public organizations to process all procurement activities online following national competitive procurement methods. In 48 upazilas, citizen groups are now monitoring contract implementation, which will be scaled up under the new financing.¹

An e-procurement system can minimize malpractices and promote more honest competition from both local and national bidders. By opening up the procurement process to anyone who has access to internet connection, the e-procurement process may avoid the local political capture that defines the traditional

¹“World Bank okays \$40m for Bangladesh to expand e-GP coverage”. (February 07, 2021 17:14:04). The Financial Express.

process and increase competition for bids. The overall effect is that the increased competition for contracts will result in value for public fund for the government.

1.1 Objectives:

1.1.1 Primary Objective

- ✓ To find out level of atomization in public procurement at Upazila Parishad level.

1.1.2 Secondary Objectives

- Identifying the offices at Upazila Parishad level which are using e-GP system for their procurement.
- Identifying the percentage of procurement done in e-GP system at Upazila Parishad level offices.
- To understand the level of expertise and motivation among officers for using e-GP system for their procurement.
- To get a general idea about advantages or disadvantages of e-GP system evolving for other stakeholders of procurement.

1.2 Rationale

Rationale behind choosing these four Upazila Parishad is; the stakeholders of these Upazila Parishad supportive to provide required information to the researcher. These Upazila Parishad's stakeholders willingly provided answers of the questionnaire and responded over telephone and email. There were other Upazila parishad stakeholders selected by researcher; however they were not ready to provide required information for the research.

There are 17 different departments in an Upazila Parishad. Upazila LGED office and Upazila education office do the largest amount of procurement among all the departments. LGED is pioneer in e-GP system whereas Upazila education office is doing offline tenders till now. Upazila Health Complex has a separate infrastructure for their operation and they do large amount of procurement. Health engineering is responsible for the procurement civil works and UN&FPO for the procurement of medicines and other related services. Information about Upazila complex has given a broader picture to this research within the boundary the sample Upazila's.

1.3 Limitations

The pandemic of Covid-19 situation is the biggest limitation of this report. To collect the data for the report, the main way was electronic. All the questionnaire were sent over e-mail to the respondents. It was the will of the respondents if they were response to the e-mails or not. There were no way to ask remind them or ask for reply several times. It took months to have a reply from the respondents as a result, time limit was challenged sometime. In most of the cases tenderers do not bother to read the questionnaire and answer

them by themselves. The researcher had to explain them the questions and translate their answers for the report. So, there is a risk of misrepresentation of their expressions. If face-to-face interviews could be arranged, the analysis of the report could be more qualitative. The scope and the sample sizes of the research paper are another drawback. With the small sample and scope it is really tough to reach to a “concrete “conclusion.

1.4 Ethical Considerations

Most of the stakeholders are not comfortable to talk about demerits of e-GP system. Researcher had to explain the reason behind the report to the respondents to have an answer. The respondents are Government employees so, they are not ready to disclose about future plan of their respective departments about e-GP system and training information. They are not also ready to admit their limitations to work on e-GP system. Researcher had to work with the high officials to have the answers of the questionnaire.

1.5 Methodology

To reach the answers of the research questions for the paper, both primary and secondary data were used. Because of the Covid-19 situation, both primary and secondary were collected using telecommunication methods including email, postal mail and telephone interview.

As the **sample** of this research work, four (4) different Upazila Parishad were selected. These are:

- Badalgachi Upazila Parishad, Naogaon.
- Kaptai Upazila Parishad, Rangamati.
- Monohordi Upazila Porishod, Narshingdi.
- Bhandaria Upazila Parishod, Pirojpur.

1.5.1 Primary data are collected through telephone interview and responds over email. The respondents of primary data were:

- ✓ Upazila Chairman of Palash Upazila Parishad and Badalgachi Upazila Parishad.
- ✓ Procuring Entity of 4 Upazila Parishad (Upazila Engineer)
- ✓ Upazila Education Officer of the four Upazila Parishad
- ✓ Upazila Health and Family Planning Officer (UH&FPO) of the four Upazila
- ✓ 2 Tenderers of the each 4 Upazila Parishad.

1.5.2 Secondary data are collected mainly from:

- ✓ Website: www.eprocure.gov.bd
- ✓ Related articles
- ✓ Journals
- ✓ Previous related research works

For expert interview, procuring entity of Savar Upazila Parishad of Dhaka district, was asked open ended questions over telephone interview. The questions were in the light of the findings of the samples.

The **methods** used to collect data are:

1. Questionnaire
2. E-mail responds
3. Telephone interview
4. Website analysis

1.5.3 Data collection method and size of the sample are:

Data Collection Method	Sample Size
Questionnaire	18
e-mail	2
Telephone interview	2
Expert Interview	1
Total Sample Size	23

2.0 Literature Review

*Benefits and Costs of Introducing E-Procurement in Bangladesh –
by Dr. Wahid Abdallah under Bangladesh Priorities Project*

The electronic public procurement is a new concept around the world. Four government agencies, who are relatively larger in terms of procurement activities, are already implementing it at their fullest capacity. There are other agencies who are taking initiatives as well. This study shows that there is a significant benefit of implementing this despite its potential cost. Hence, the project should be scaled up to all agencies in Bangladesh. It is also important to note that the estimates provided are very conservative and it is likely that the actual benefit to cost ratio should be higher. For example, anecdotal evidence suggests that the quality of the procured works items have improved which we could not estimate. Second, using e-GP should be time saving for the public officials and hence, there will be savings in those accounts too. Third, it is assumed that other agencies will start implementing e-GP after two years whereas it has already been started by other agencies and therefore, the benefits of e-GP procured items over 2016 and 2017 were not taken into account. Fourth, utilization of e-GP on goods should generate similar benefits. However, goods procurement was not included in the analysis, inclusion of which would have increased benefits further.

2.1 Findings from the Paper

In this project, the researcher, Wahid Abdallah, evaluated the actual effects of the introduction of an e-GP system in one public agency in Bangladesh – the Local Government Engineering Department (LGED). The variation in timing of adoption of the e-GP system at various offices of the department around the country provided a quasi-experimental design that helps identify the effects of e-GP. Based on the data collected in the Bangladesh Priorities project, Wahid Abdallah conducted a formal cost-benefit analysis of scaling-up e-procurement to include more government agencies in Bangladesh. As theorized, e-procurement's effect on contract prices for LGED was significant. It turns out that adoption of e-GP reduces the price to cost ratio of contracts by at least 10.25%, and in the most robust estimate, by 11.85% in 2013. Estimates suggest that for every taka spent on the e-GP transition, 663 takas would be saved, making it one of the most cost-efficient investments that the Bangladeshi government could carry out.

3.0 History of Procurement

3.1 The Pyramid Era

The first traces of procurement can be seen throughout ancient history, including the Egyptians in 3,000 BC. Though there was no designated procurement function, materials management aided in the building of the pyramids. The Egyptians used scribes to manage the supply for these massive projects. Scribes played a clerical role, recording the amounts of materials and workers needed on papyrus rolls. These scribes would track orders through fulfillment and were one of the first known in history to be in the procurement profession.

3.2 Evolution of Procurement

Procurement's organizational role was not truly recognized until the 1800s. One of the earliest acknowledgements of the procurement function can be found in Charles Babbage's 1832 book, *On the Economy of Machinery and Manufactures*. He points to the need for a 'materials man' in the mining sector who selects, purchases and tracks goods and services required. Essentially, Babbage called for a centralized procurement officer.

During the Industrial Revolution, procurement solidified its importance. Marshall Kirkman's 1887 book *The Handling of Railway Supplies - Their Purchase and Disposition*, detailed procurement's strategic contributions to the railroad industry, specifically in acquiring goods from developed parts of the country and bringing them south and west. In 1886, the Pennsylvania Railroad gave departmental status to the procurement function, referring to it as the 'Supplying Department.'

3.3 Effect of War on Procurement

Unfortunately, the World Wars forced procurement initiatives to shift back away from a strategic role to strictly clerical. Due to the scarcity of materials during war, procurement revolved heavily around order placement. During wartime and the depression, the objective was to obtain enough raw materials, services, and supplies to simply keep the economy running. In the early-industrialized countries, there are four broad periods.² In the first period, until the First World War, spending was generally low. These low levels of

² Brittany Whitmore. A Brief History of Procurement: Key Points from Past and Present. Retrieved from <https://blog.procurify.com>

public spending were just enough for governments to be concerned with basic functions, such as maintaining order and enforcing property rights.

In the second period, 1915-1945, public spending was generally volatile, particularly for countries that were more heavily involved in the First and Second World Wars. Government expenditures as a share of national output went sharply up and down in these countries, mainly because of changes in defense spending and national incomes.

In the third period, 1945-1980, public spending grew particularly fast. This was the result of growth in social spending; and was largely made possible by historical increases in government revenues over the same period.

It was not until the mid-1960s that procurement once again took on managerial role, on a wide-scale. The concept of material management became the focus during this period. Procurement professionals emphasized competitive bidding, with price becoming the determining factor for most contracts. An increase in trained professionals during this time period helped procurement on its way to regaining departmental status.

The 1980s saw a significant increase in supplier competition. This gave organizations the luxury of putting more focus on supplier quality and dependability. Supplier management became an important factor in procurement and remains so today. By the late 1990s, the role of procurement had begun its transition into strategic sourcing. Procurement officials looked at supplier as partners and long-term contracts were encouraged. This was the beginning of procurement's modern day evolution.

Today, procurement professionals are instrumental to the success of organizations. They're responsible for an umbrella of initiatives from the development of a solicitation to the evaluation of and working with qualified suppliers, and everything in between. Ultimately, procurement is having a significant impact on an organization's bottom line – solidifying its spot at the management roundtable. New technologies continue to evolve procurement. E-procurement solutions, like e-GP system, are creating a more efficient approach to strategic sourcing. With the shift towards strategic sourcing, e-procurement bid and vendor management software save the organization time so that it can focus on organization initiatives and supplier relationships.

4.0 Public Procurement Bangladesh Case

The reform (began in 2002 with the World Bank Country Procurement Assessment Report) process required not only technical but also substantial political and behavioral interventions. A few integrated elements, for example, were critical for success. These elements included: managing the political economy, developing innovative technology, such an electronic government procurement system, e-GP, building capacity of public officials and tendering community, involving citizens in the monitoring of public procurement contracts, and measuring procurement performance through data analytics across dozens of indicators. These sustained efforts provided with the opportunities for deeper and longer engagement with relevant stakeholders while allowing for thoughtful design and careful sequencing of reform phases. More importantly, these efforts have helped ensure political buy-in leading to a comprehensive and sustainable transformation in the system.

According to The Country Procurement Assessment Report (CPAR), prepared by The World Bank in collaboration with Bangladesh Government, there are eight (8) deficiencies in public procurement system of Bangladesh. Highlighting those, the challenges of supply chain management concerning public procurement in most of the developing countries are:

Transportation is a big challenge for any developing countries. In most of these countries, road, water and air transport are not that much developed. In case of supply of raw materials or perishable goods, transportation is a huge challenge in public procurement. For example, to procure sufficient amount of books for the primary school children, every year the Government of Bangladesh have to suffer a lot to make the books available on right time, on right quantity. However, there are other sources of problems in this procurement process.

Limited practical practice of e-procurement is the challenge that lag behind the whole procurement process in the developing countries. Countries like Bangladesh which have a well-developed e-procurement system, this is practiced less in the field level. At the start, there were four targeted public organizations, were there was a plan to start 100% e-procurement system. However, keeping the amount of procurement in mind a total of 32 numbers of Selected Public Sector Organizations (SPSO) s are in the list.

Payment delays is another problem of public procurement. It directly hampers the supply chain management. In developing countries, bureaucracy plays its role in full form in most of cases. The suppliers have to deal with complicated procedures to receive their payments. It hampers and delays the whole supply chain management. For example, if there is no or limited fund available for any construction

project of RHD, the supplier has to wait until the fund is available in required amount or invest themselves. Which delays the work and hampers the quality and also a great risk for the suppliers.

4.1 SWOT analysis

(The case of Bangladesh)

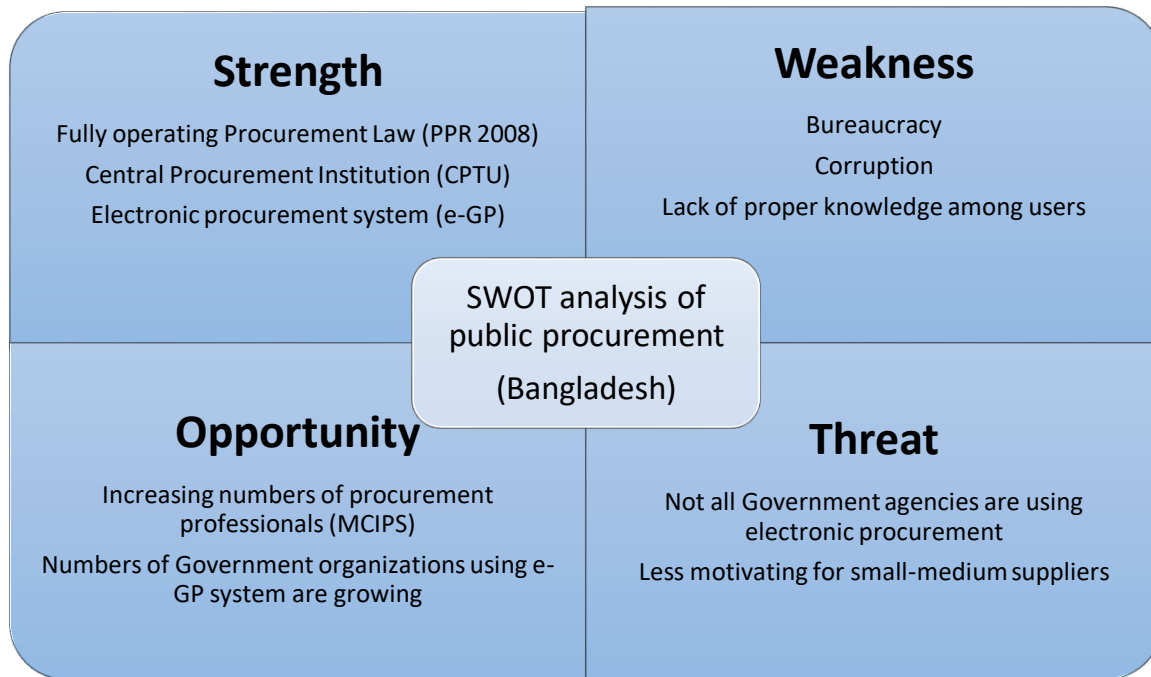


Figure 1: SWOT Analysis of Public Procurement - Bangladesh Case

5.0 e-GP System

The e-GP system is an information and communications technology based system which must encompass the total procurement lifecycle and records all the procurement activities. The purpose of this system is to maintain complete and up-to-date public procurement system activities of all public agencies as well as provide tender opportunities to all potential tenderers from Bangladesh and abroad.

e-GP means that all procurement is conducted from beginning to end through a single web portal. That is, from advertising through evaluation and contract award to completion and final payment, all are done online. Bidders submit tender applications and track progress online. Processing time has decreased substantially. With greater transparency and increased competition among bidders, the cost of doing business and the risk of collusive practices has gone down significantly. Moreover, the e-GP system is becoming self-sustainable with the revenues it generates; its exponential growth is embraced by all stakeholders from the business community to civil society. All activities of Government Procurement

Process Cycle (GPPC) for the acquisition of goods, works, and consultancy services are enhanced efficiency by using e-GP system.

The vision of the e-GP is to enhance the efficiency and transparency in public procurement through the implementation of a comprehensive e-GP solution to be used by all government organizations in the country. Initially, on pilot basis, this will apply to a few Procuring Entities (PEs) of four target agencies namely Bangladesh Water Development Board (BWDB), Rural Electrification Board (REB), Roads and Highways Department (RHD) and Local Government Engineering Department (LGED), in Bangladesh. The System, later on, will be rolled-out across all the procuring entities in a phased manner. Central Procurement Technical Unit (CPTU), IMED, Ministry of Planning has developed the e-GP System using the cutting edge technology and global expertise complying with the Public Procurement Act 2006 and Public Procurement Rules 2008.³

e-GP guideline as required by PPA 2006 [section 65(2)] and PPR 2008 [rule 128(1)] has prepared by CPTU. In case of any conflict with PPR, e-GP guideline will get preference at the time of any electronic procurement.

³ www.cptu.gov.bd/e-GP

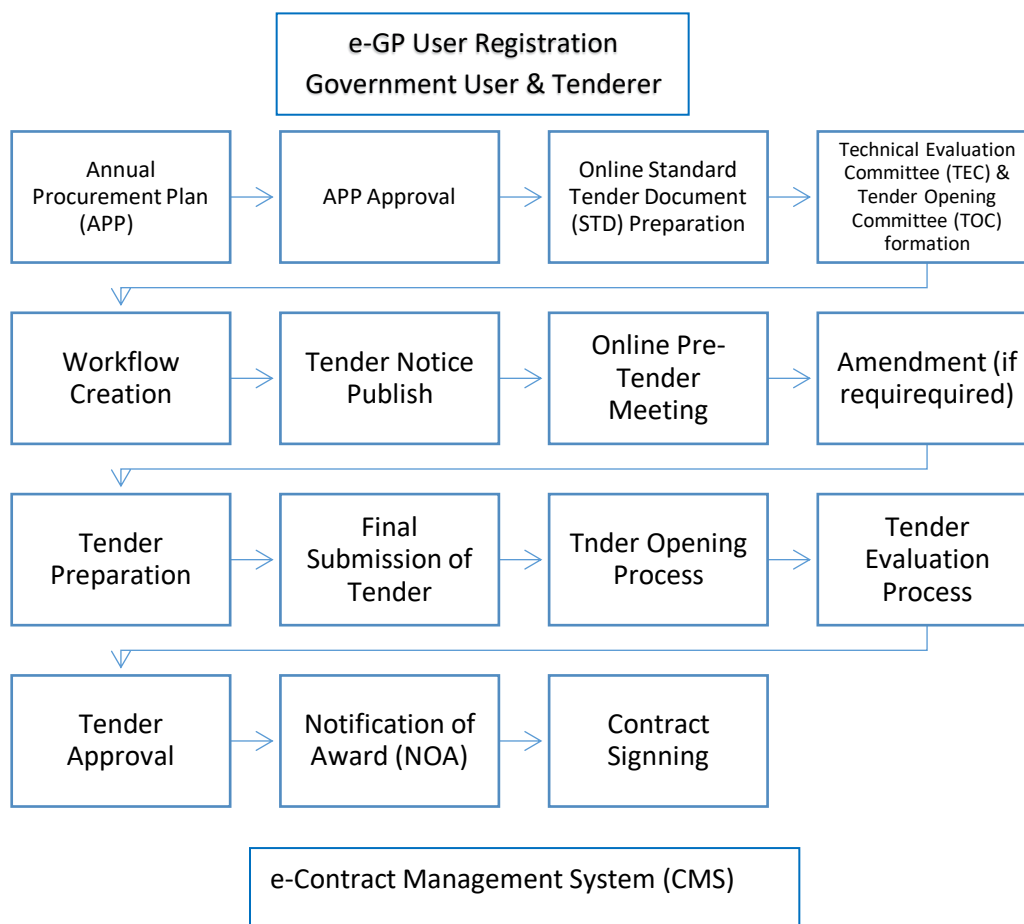


Figure 2: Major steps in e-GP tendering (source: e-GP system user manual LGED)

In all the four (4) sample Upazila Parishad, only LGED does their procurement through e-GP. A simple e-GP process is described below-

e-GP user registration (Government user and tenderer)

This is the introductory stage of e-GP system. Both the Government user and tenderer need to register into the e-GP system by creating a unique user ID and password. The PE, TEC and TOC members have separate user IDs and passwords for each of them. This user ID and password are confidential to the members and considered to be a punishable act if handled with authenticity.⁴

⁴ e-GP guideline 2011[Clause 3.1.2.3]

The PE of every department are registered through their respective departments.⁵ The steps of new user registration for tenderer⁶ is shown below:

- Stage 1: User email ID verification
- Stage 2: Registration fee payment at the bank
- Stage 3: Document upload and profile completion
- Stage 4: Profile verification and approval/rejection

Annual Procurement Plan (APP) and Approval

At the start of every year, the PE sends their annual procurement plan for approval to the approval authority according to PPR 2008 [clause 16(7)]. The APP should be prepared and publish in the e-GP system to carry out any procurement activity by procurement agencies/procuring entities through e-GP system. The approval authority for LGED at different level are shown in Appendix 2.

Online Standard Tender Document (e-STD) Preparation

After APP approval from the authority, PE starts to prepare the e-STD through eprocure.gov.bd website. There are standard tendered documents which the PE have to fulfill according to requirements of the tender. There are different clauses of different headings under which, there are sub-clauses. When a PE of LGED (Upazila Engineer) prepares their e-STD, in most of the cases they use e-PW3-D. Reason behind this is in most of the OTM method, under PEDP-4 project, Donor agencies like JICA, EU, The World Bank and others make LGED to use e-PW3-D. In this method encourages the tenderers to bid minimum rate. There is no restriction or bar for quoted value.

Tender Evaluation Committee (TEC) and Tender Opening Committee (TOC) formation

According to the general tendering steps, Tender opening is followed by tender evaluation. In e-GP system, the process is in the same direction. However, in terms of creating these committees, TEC have to create first. Because one member of TEC should be the member of TOC.⁷

⁵ e-GP guideline 2011[Clause 3.2.3]

⁶ e-GP guideline 2011[Clause 3.2.2]

⁷ e-GP guideline 2011[Clause 3.2.6.1 (Appendix 2)]

Workflow Creation

Who will approve the workflow is determined by Delegation of Financial Power (DOFP).

Tender Notice Publish

After customization of STD the tender have to publish the tender notice on e-GP website (www.eprocure.gov.bd) by PE⁸. At the same time PE will also publish the tender notice on newspaper according to PPR and e-GP guideline 2011⁹.

- For Open Tendering Method (OTM) – PPR 2008 [clause 61(4)]
- For Limited Tendering Method (LTM) – PPR 2008 [clause 64(5)]
- When Official Estimate Cost (OEC) is more than 50 lakh Taka - PPR 2008 [clause 90(2)(ga)]

Online pre-tender meeting

In the tender notice, it is mentioned that pre-tender meeting will be there to answer any queries about the tender in specific time period. Within this time, PE will answer any queries related with the tender¹⁰.

Amendment (if required)

If there is any change or correction in the tender, amendment can be done before opening of the tender.¹¹

Tender Preparation

Tenderers interested to take part in the tender process fil up the tender document.

Final Submission of Tender

After preparation of the tender process, tenderers submit the tender on e-GP system. The system will be locked if the tender is not submitted within the time limit given on the tender notice. This is an advantage of online tendering process or e-GP system. Earlier, in the offline tendering process, tenderers with muscle power, tried to submit tender after time limit. Sometimes they used to show undue influence to submit tender.

⁸ e-GP guideline 2011[Clause 3.5.2]; PPR 2008 [clause 94(3)]

⁹ e-GP guideline 2011[Clause 3.5.1.3]

¹⁰ e-GP guideline 2011[Clause 3.5.3]

¹¹ PPR 2008 [clause 95(1)]

Tender Opening Process

Opening process is the biggest advantage of e-GP system. When there was offline tendering process in most of cases the situation was so worst that the PE have to call the law enforcement agencies to ensure the security of opening event. Now, there is no hassle of tender opening process. The two members of the opening committee opens the tender through e-GP system using their unique user ID and password, from their own computer. There is no security issue on the tender opening process in e-GP system.

Tender Evaluation Process

All the members of the TEC committee electronically sign the below documents to do the evaluation.

- ✓ TER 1
- ✓ TER 2
- ✓ TER 3
- ✓ TER 4

Evaluation process can be done in two ways in e-GP system. These are

- Individual - In the individual evaluation process, all the three members of the TEC does the evaluation individually.
- Team - In team, two members of the TEC does the evaluation as a team and the third member gives his/her consent about that.

In all the four sample LGED office, they print the tender evaluation report and sign in written by all the TEC members and upload on e-GP system and sends to the tender approval authority. However, this process is not mandatory in e-GP.

Tender Approval

The approving authority according to the Delegation of Financial Power (DFP) approves the tender. They checks the tender documents and gives approval or resend the tender if there is any queries to PE.

Notification of Award (NOA)

After approval of tender Notification of Award (NOA) is issued by PE.

- ✓ NOA should be issued within 7 days after approval of tender.
- ✓ NOA should be accepted by responsive tenderers within 7 days of NOA issue.
- ✓ Tenderers must deposit tender security within 21 days.

5 Reasons of Cancelling Tender

1. If the responsive tender does not accept the NOA within 7 days.
2. If the tenderer does not deposit Performance within 14 days of acceptance.
3. If the tenderer does not sign the contract within 28 days NOA issue
4. If the tenderer withdraws the tender after Opening the tender
5. If the tender does not accept arithmetic error

Contract Signing

The contract should be signed within 28 days of issue of NOA. In all the four sample LGED office, contract document is signed in a 300 Taka Stamp Paper. However, there is no declaration of this on PPR. It is a normal practice in every LGED office. The accountants of LGED does not have the basic training and they deny to do any change from this practice. Even the audit team does not accept if the contract is signed in a plain paper.

e-Contract Management System (CMS)

Contract management is done offline till now. There is two pilot project going on. One in LGED and another in Roads and Highway Department to start e-CMS. If these projects goes well, the process may be start in all over Bangladesh. If it is done the public sector procurement will be 100% automated if they use e-GP system for their respective department.

6.0 Findings

6.1 Findings of Upazila LGED office of four sample Upazila Parishad

e-GP Journey

Three among four Upazila has started e-GP from 2015/2016. Monohordi Upazila Parishad Narshingdi has been working e-GP since 2014. 100% of LGED's procurement are done by e-GP system. OTM is most commonly used tendering method in all these Upazila parishad.

Training

Upazila Engineer; the PE of the Upazila parishad has received PPR and e-GP training. Among other officers of LGED, the sub-assistant engineer has some training on e-GP and PPR however, others do not have required knowledge of e-GP and PPR. Accountant of the office has long experience in procurement but, he lacks the proper knowledge and training in both e-GP and PPR. Because if this, procurement process, including newspaper advertisement, documentation, processing of the file face bureaucratic problems. As a result all the stakeholders including PE and tenderers are negatively affected.

Complicacy

Upazila Chairman of any of these four Upazila's do not have training on PPR and e-GP. They do not have clear idea about the e-GP process So when PE implement the required process and follow e-GP guideline 2011, the situation becomes complicated for both PE and Upazila Chairman and working relation among them hampers.

Motivation for e-GP Training

Upazila Nirbahi Officer (UNO) is the member of both opening and evaluation committee. They have received basic training on PPR by CPTU. However they do not have the training on e-GP. UNO of all the four Upazila Parishad are looking forward to receive training on e-GP which will help them to do their works by themselves.

Unwillingness to Automation

Upazila education officer had worked all over their service carrier as assistant Upazila education officer. This is a junior position from Upazila education officer. They are now promoted as Upazila education officer. They are elderly persons. They just left 4 to 5 years till their retirement. Upazila education officer do not need to use computer for their own job. They even do not know how to operate computer. At this age they are not motivated to learn the sophisticated e-GP system.

Upazila sub-assistant engineer is always busy with site visit and preparing bill. They have to do both site visit and desk job. They are always busy to preparing bill and supervise construction related works. They do not have enough motivation to learn e-GP operating system. They received training on PPR and e-GP. They know the basics but are not motivated to learn and implement e-GP works.

The members (except LGED) of the opening and evaluation committee, TEC, PEC members did not have e-GP training and lacks basics about PPR. Their reason behind this is; e-GP is difficult, it is out of their capacity to understand it. As a result Upazila Engineer (PE) have to do all the steps on behalf of them. The PE has to take the user ID and password from other members of these committee (e.g. Upazila education officer) and give the consent by himself which is violation of e-GP guideline 2011.¹²

6.2 Findings from Upazila Health Complex of four sample Upazila's:

Automation Status

In the sample Upazila there is no practice of e-GP system. The PE of the Health complex; UH&FPO, do the procurement related works offline. When taking interview of UH&FPO, he told that at the national level, the office of DG Health has started working on e-GP system. However, at the Upazila level, still the practice is to do offline tender.

There are some Upazila Health complex those are using e-GP system for example- Palash Upazila Health Complex, Narshingdi. But among the sample Upazila's none of the PE are doing online procurement. The PE of the Upazila Health complex are given training on PPR and they have the basic knowledge about e-GP system. They are ready for the e-GP just waiting for starting at the Upazila system.

Future Plan for Automation

As a result, there is no scope of this research to analyze the findings. The number of the Upazila Health complex working in e-GP system are very limited in number. But they are planning to do their full procurement on e-GP system and implementation of this decision has already taken place in some Upazila Parishad.

¹² e-GP guideline 2011[Clause 3.1.2.3]

6.3 Findings of Upazila Education Office of four sample Upazila Parishad:

Automation Status

No Upazila Education office of Bangladesh is doing their procurement online. While taking the data for the research, the Upazila Education officers of all the four Upazila Parishad said that they have no training on PPR and e-GP. Neither have they known about the plan of their department to do e-procurement in the future.

Lack of Motivation

Upazila education officers of all the four Upazila are not comfortable with computer as they do not need this skill for their daily office works. They are not at all motivated to learn e-GP system in future. Offline procurement is more comfortable for them.

Future Challenge

In future, if e-GP system is introduced at the Upazila education office, it will be a challenge to run with the current knowledge of manpower.

6.4 Findings from Upazila Chairman's

Opinions

Upazila Chairman's have different opinions about e-GP system. In most of cases they hesitate to use e-GP system. The main reason behind this is because they do not get basic training on PPR or e-GP. They have no clear idea about the process. In most of the cases they feel suspicious about the PE in this system. Upazila Chairman's in most of cases thinks that PE can do anything with the contract in e-GP system. However there are some Upazila Chairman's who have positive opinion about e-GP. They want to learn them and have the advantage of the system. As they are limited in number, the general idea about Upazila Chairman's is they do not like e-GP system.

6.5 Findings from Tenderers

Language Problem

The biggest problem with tenderers is language of tender document is English. Most of the cases tenderers do not have good command of English. The clauses of ITT and tender are difficult to understand.

In most of the cases, tenderers give their ID and password to a person who understands English, requirements of tender document and can submit tender document. This creates a middle man in the tendering process.

Lack of Trust

Tenders have the misunderstanding that PE can give the contract whoever he wants in e-GP system. They feel uncomfortable about the whole process. The tenderers feel suspicious about LTM tender. It is very common among them to have lack of trust on lottery process. They think that PE has something to do with the lottery process.

Lack of Computer Skills

Tenderers do not have sufficient knowledge to run the e-GP System which leads them to seek help from outsiders.

6.6 Findings from analysis

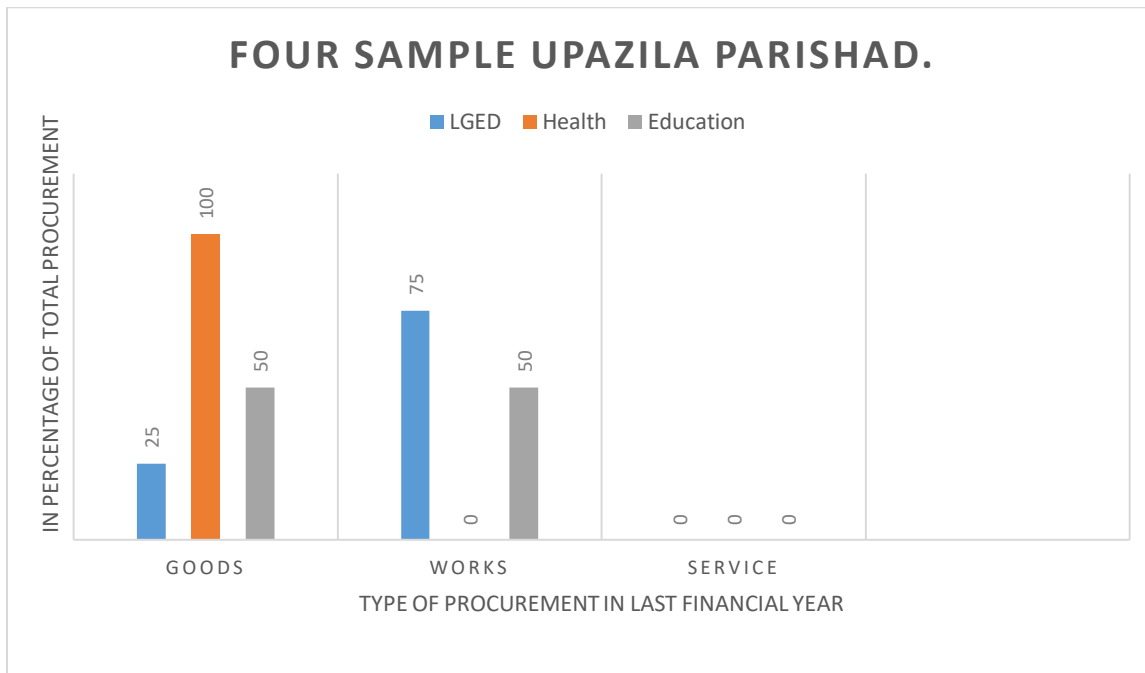


Figure 3: (The question was “what are the percentages of procurement (all for G+W+S?) you did mostly in last year?”)

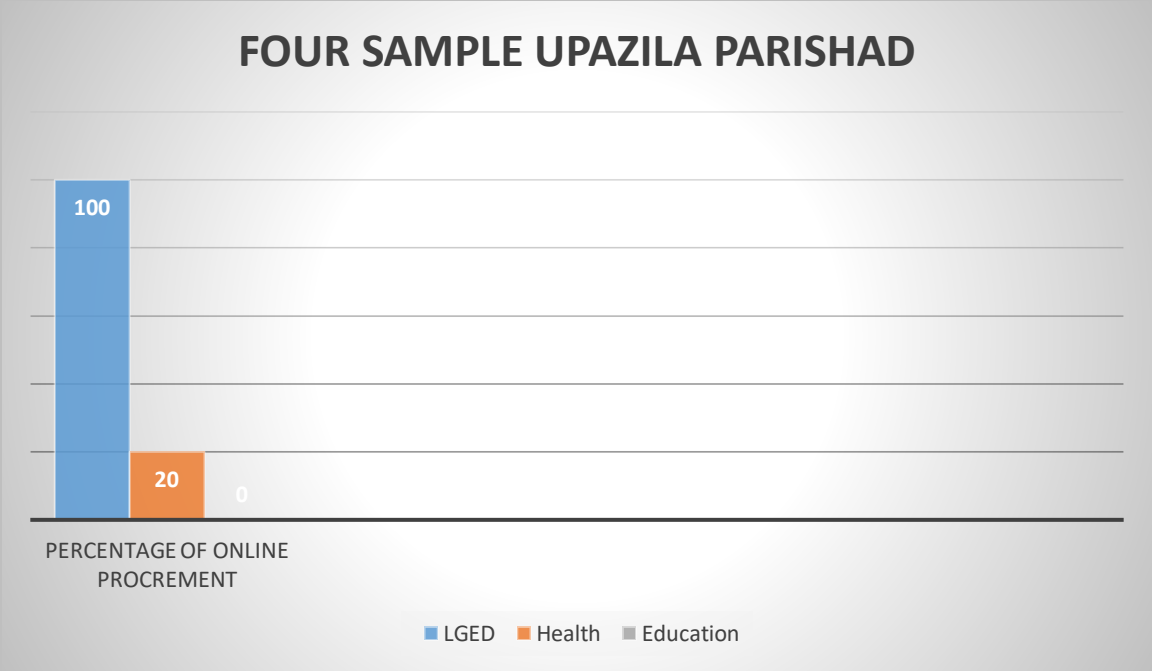


Figure 4: (question 6): (The question was “what percentage of your procurement was in the online system?”)

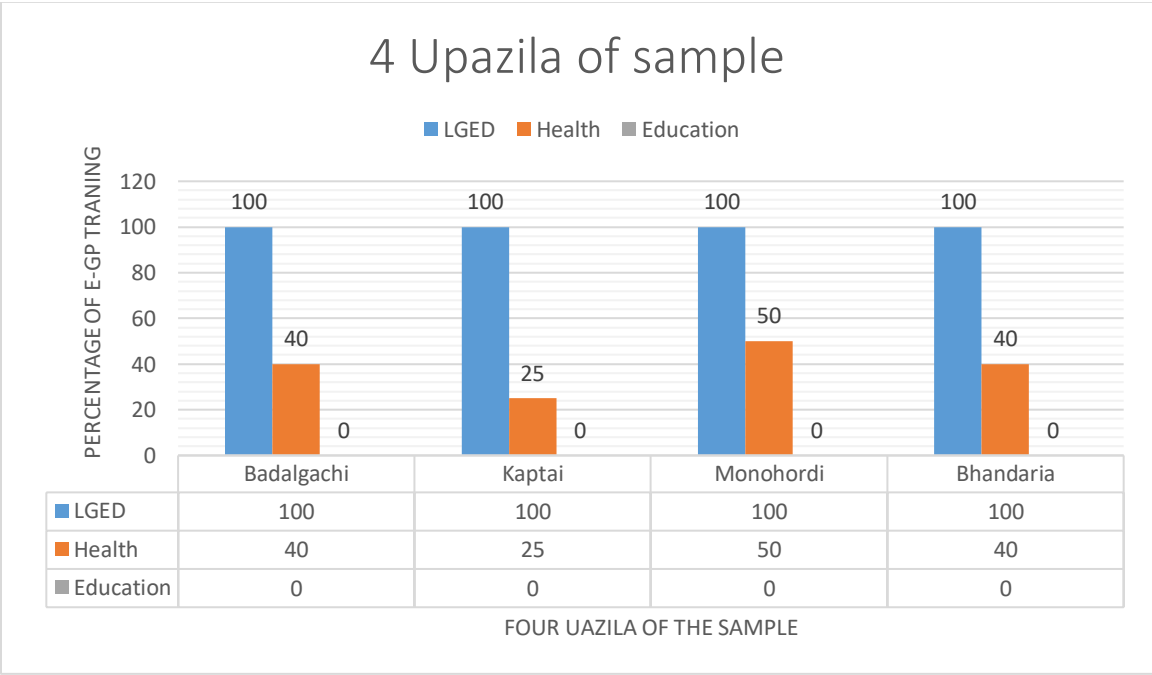


Figure 5: Level of e-GP training among the PE of four (4) sample Upazila's

7.0 Recommendations

- ✓ Automation of tender process at Upazila level is significantly low and to increase the participation level it required to provide training on e-GP system and also the advantages of doing tender online.
- ✓ STD is written in English which is the main obstacles for tenderers. If the STD could be in Bangla, more tenderers will be interested to take part in the bidding process.
- ✓ Upazila Chairman's are not motivated to work on e-GP system. The advantages of e-GP system is not clear to them. It should be solved.
- ✓ Officers of most of the departments at Upazila Parishad do not have proper training on e-GP. They need to give trainings at a large scale.
- ✓ Exchange visit among officers of Upazila Parishad, can be done to learn about how some offices are successfully doing procurement on e-GP system.
- ✓ Training should be provide on e-GP to the motivated tenderes so that they can run the tender process on line.

8.0 Conclusion

Public procurement comprises many different forms of procurement. Public procurement includes, for example, procurement process to build large bridge. However, public procurement goes beyond infrastructure. It also includes, for example, purchases of medical supplies for Government Hospitals. Bangladesh Government began e-procurement system in a number of public sectors in 2011. Earlier in the traditional procurement system, required bidders to visit government offices to submit a bid and go through the other tendering process. Collusive and corrupt practices was a common thing from the stakeholders of Government tendering process. Bidders who have mussel power used this for winning any contract. They used to stop non-political bidders to take part in the bidding process. e-GP system has changed these challenges. Now PE and tenderers can do their tendering process sitting at home, without any harassments. There are other advantages of e-GP system identified by the stakeholders of public procurement. At the Upazila level, only two offices are using e-GP. Training and motivation is the main obstacle in the way of implementing e-GP system at Upazila level. If these obstacles can be identified and minimized, implementing e-GP system 100% at the Upazila level will be easy and best value for public can be achieved.

Appendix - A
Questionnaire for PE

Survey Questionnaire for Research

Title of Dissertation: Level of automation in Government procurement in Upazila Parishad.

INFORMATION REGARDING RESPONDENT

Name, Current position and experience

1. Name:
2. Designation:
- Address:
- Email:
- Mobile:
3. Length of time in current position (Year):
4. Total length of service in the public sector (Year):
5. Length of service linked to public procurement (Year):

Dear Sir,

This is a survey questionnaire for conducting a research on “Preferred method of procurement chosen by the different Government Procuring Entity (PE)”. It is a requirement for the fulfillment of the degree ‘Masters in Procurement & Supply Management (MPSM)’ at the BRAC Institute of Governance and Development (BIGD) of BRAC University that I am pursuing. Your sincere reply is precious for the researcher. The researcher does assure that the information given by you will be kept off the record and will be only for the academic purpose.]

(Can you kindly go through the questions and kindly send back the answers)

Thank you

Level of automation in Government procurement in Upazila Parishad

Questionnaire for PE

1. What are the types of procurement you did mostly in last year? (please put a tick mark)

- Goods
- Works
- Services

2. How much was the approximate total contract value in the last financial year (2019-20)?
(all for G+W+S?) in 000)

Ans:

3. Which system did you use for procurement? (please put a tick mark)

- Offline.
- Online.
- Both

4. If offline,

What percentage of your total procurement was in the offline system?

Ans:

5. What was the reason of not doing tender in online system?

Ans:

6. If online:

What percentage of your procurement was in the online system? (state multiple reasons if applicable)

Ans:

7. Do you have any training on e-GP? If yes, from whom?

Ans:

8. If not, do you wish to have training on e-GP?

Ans:

9. Do you have any plan to do your procurement online in the future?

Ans:

10. Do you know any of your colleagues doing e-GP?

Ans:

11. If yes, are you ready to ask questions to him/her regarding e-GP to enhance your knowledge?

Ans:

12. Do you have any kind of external pressure to do procurement off line?

Ans”

13. Do you know, online tendering is mandatory or not so according to the act or rules?

Ans:

14. According to you which tender opening process is convenient to you? (please put a tick mark)

- Online.
- Offline

15. What do you think which system is more accountable?

Ans:

16. Do you think if you are given training/support, you will be able to do procurement on e-GP?

Ans:

17. If you are already doing e-GP, is there any room for improvement or refreshment?

Ans:

18. In your opinion is there any demerits of e-GP system? If any please mention.

Ans:

19. Please state a few merits and demerits of existing e-GP system

Ans:

20. Please suggest how to improve the existing e-GP system

Appendix – B

Questionnaire for Tenderers

1. In which platform you are more comfortable for doing the tendering process? (please put a tick mark)
 - Online
 - Offline
2. Do you prepare and submit your tender documents by yourself or you give it to some expert in e-GP system?
Ans:
3. If yes, what is the reason of not preparing or submitting the tender documents by yourself?
Ans:
4. Do you have any formal training in e-GP system? If yes, from whom?
Ans:
5. If no, do you wish to have training on e-GP system to know more about it?
Ans:
6. Which tendering method do you prefer? (Please put a tick mark)
 - OTM
 - OSTEM
 - LTM
7. Do you have any confusion about the lottery system on e-GP? If yes please elaborate.
Ans:
8. Do you find it difficult to fill up the tender documents? If yes please elaborate.
Ans:
9. If the tender documents were in Bengali would it be easy for you to fill up the tender documents?
Ans:
10. Do you need any favor from PE or any other authorized officer to get the tender?
Ans:
11. Did you face any kind of technical problem to get the tender? If yes please elaborate.
Ans:
12. Do you have any suggestion which will make the e-GP system more tenderer friendly?
Ans: