SOUTH ASIA REGIONAL PUBLIC PROCUREMENT - SRILANKA

COUNTRY PRESENTATION

NEPAL

BINOD K.C
SECRETARY,
PUBLIC PROCUREMENT MONITORING OFFICE (PPMO)

21-23 FEBRUARY, 2017
# Nepal at a Glance

<table>
<thead>
<tr>
<th>Type of Information</th>
<th>Fact and Figure</th>
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<tbody>
<tr>
<td>Area</td>
<td>147,181 sq. km.</td>
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<tr>
<td>Capital City</td>
<td>Kathmandu</td>
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<tr>
<td>Languages</td>
<td>Nepali and more than 120 regional and indigenous languages.</td>
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<tr>
<td>GDP (2015/016)</td>
<td>$22.48 billion</td>
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<td>GDP Growth (2015/016)</td>
<td>0.77%</td>
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<td>Government Expenditure (F/Y 2015/16 A.D)</td>
<td>US $8.19 billion</td>
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<td>Revenue (2015/16)</td>
<td>US $5.87 billion</td>
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<tr>
<td>Govt. spending % of GDP</td>
<td>36.44%</td>
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<td>Per capita GNP (2015)</td>
<td>$752</td>
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<td>Inflation (2015)</td>
<td>7.2%</td>
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Public Procurement Monitoring Office (PPMO)

- In 2007, Public Procurement Monitoring Office (PPMO) was established as a leader, regulator and promoter to reinforce good governance in public procurement management.

- PPMO is directly placed under the Office of the Prime Minister and Council of Ministers (OPMCM).

- The overriding objective of the PPMO is to implement PPA and PPR provisions effectively.
Key Functions of Public Procurement Monitoring Office (PPMO)

- Prepare public procurement policy and recommend measures of implementation to the government
- Monitor the public procurement law implementation
- Develop the indicators for the continuous monitoring of the public procurement proceedings
- Advise on public procurement matters
- Establish and maintain public procurement management system (e-GP)
- Develop and Issue Standard Bidding Documents, manuals, directives, instructions, technical notes for facilitating the procurement proceeding
- Develop human resource and professionalism development plan for public procurement
Public Procurement Reform Initiative in Nepal

- **Country Procurement Assessment**

  - Country Procurement Assessment
  - Enactment of PPA & PPR
  - Establishment of PPMO and PPRC
  - e-GP readiness assessment and roadmap

  **2002**

- **2007-2008**
  - Preparation of SBDs for Civil works, goods & consultancy service
  - Towards Instituting an e-Procurement System
  - Formulated NPPSF Phase I

- **2009-2010**
  - Started Development of national e-GP Phase I
  - Public Procurement Assessment – OECD/DAC
  - Rollout of e-GP phase I
  - Formulated NPPSF Phase II

- **2011-2013**
  - Development of Full-fledge national e-GP System
  - MoU signed with central bank & all commercial bank for e-GP
  - Rolled out of National e-GP
  - Amendment in PPA and PPR

- **2013-2017**

**Key Acronyms**
- **PPMO** Public Procurement Monitoring Office
- **PPA** Public Procurement Act, 2007
- **PPR** Public Procurement Regulation, 2008
- **NPPSF** Nepal Public Procurement Strategic Framework
Current Initiatives

Legislation, Regulation & Policy change with modernize procurement tools and best practices i.e catalog shopping, framework agreement, two envelop procedure

Implementation of National e-GP System up to local level

MoU Signed with Central Bank and 29 all commercial Bank for issuance and verification of securities and guarantees through e-GP

Open Contracting - Public Procurement Transparency
Strategy adopted for Implementation National e-GP System

- **Government & Institutional Leadership**
- **Infrastructure**
- **Capacity Development** (Continuously carried out)
- **Legislation, Regulation & Policy change** (in Place)

**National e-GP System Implementation**
Functional Coverage of National e-GP system

Public Procurement Management Information (PPMIS) System

- e-Contracting
- Contract Awarding
- Online evaluation
- e-Bid Opening
- e-Submission
- e-Catalogue
- Complaint Management
- Notification
- User Registration
- Online MPP/APP Management
- e-Bid Publishing
- Banking Interface for Securities/Guarantee Verification
- Integration with Other Systems
Challenges

Public Procurement Management

- Contract Administration, Quality of Works and Timeliness
- Adaption of New procurement Tools
- Harmonization of Public Procurement Act and Regulation in case of federal government
- Inadequate skilled professionals and frequent turn-over of key officials

Implementation of e-GP System

- Sustainability, Reliability, Security
- Technical support in the initial phase

Capacity Development & Resource Mobilization

- Inadequate Procurement Management Training including e-GP to stakeholders (Civil Society, Mass Media, Private Sector, Oversight Agencies, Public Entities)
- Human Resources (Retention, Career Development)
### Way Forward

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<tr>
<th>Massive Procurement Management Training up to local level including e-GP</th>
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<tr>
<td>Strengthen Monitoring Capacity of PPMO with additional experts</td>
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<td>Preparation of Procurement Guideline, SBDs for new Procurement method &amp; procedures</td>
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<td>Mainstreaming of all sectors towards the use of national e-GP System</td>
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<td>Support, Enhancement and Upgrading of Infrastructure of e-GP based on the uses</td>
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<td>Integration of e-GP system with oversight agencies and Sectoral Agencies</td>
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<td>e-Payment</td>
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<td>Accreditation of Procurement Professional</td>
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Thank You