MAPS | Methodology for Assessing Procurement Systems

ASSESSMENT OF BALOCHISTAN (A PROVINCE OF PAKISTAN) PUBLIC PROCUREMENT SYSTEM

2026

MAPS APPROVED

26 DECEMBER 2025

MAPS | Methodology for Assessing Procurement Systems

MAPS | Methodology for Assessing Procurement Systems

Balochistan (a province of Pakistan)

Assessment of the Public Procurement system
Main Report

Asian Development Bank

THE WORLD BANK

BPPRA
Government of Balochistan

Intellectual property disclaimers

Acknowledgements

The assessment team[1]wishes to thank the Government of Balochistan for its commitment to procurement reforms, for being the first province in Pakistan for requesting MAPS assessment. Heartfelt gratitude is extended to Balochistan Public Procurement Regulatory Authority (BPPRA). Th strategic stewardship of former and present Managing Directors of BPPRA (Mr. Mujeeb Ur Rehman and Mr. Afzal Khosti) is duly acknowledged. It is also acknowledged that Mr Jahanzeb Malik, Director M&E and as focal person for assessment, provided exceptional support. We would like to thank members of the Steering Committee who reviewed and concurred the assessment report. Gratitude is also extended to the significant participation and substantive inputs from the officials and practitioners in the Balochistan departments, autonomous public institutions, as well as representatives of business associations and civil society organizations. Sincere gratitude to our peer reviewers, Shanker Lal, Lead Procurement Specialist (ESARU), Tanvir Hosain, Senior Procurement Specialist (EAEP1) and Adu-Gyamfi Abunyewa, Lead Procurement Specialist (ESARU) for significantly enhancing quality of the report. This report was jointly prepared and supported by the Asian Development Bank for which we extend profound thankfulness to Ms Galiya Ismakova, Procurement Director, ADB, in charge of Pakistan, Mr. Bisma Husen (ADB Principal Procurement Specialist, Procurement, Portfolio and Financial Management Department – PPFD) and Mr. Mohsen I. Khan (Senior Procurement Officer). Sincere appreciation is due to the kind cooperation and support provided throughout the assessment by the Country Procurement Team of the World Bank in Islamabad, led by Mr. Zhentu Liu. Special thanks to Mr Ayalew Kebede for his in-depth editorial review. Thanks to CMU Pakistan; led ably by, Mr. Najy Benhassine, Country Director and Gailius J. Draugelis Operations Manager for Pakistan for supporting the assessment at various stages. We would also like to thank Mr. Tobias Akhtar Haq, Lead Country Economist and Program Leader, Ms. Qurat-ul-Ain Hadi and Mr. Aleksandar Kocevski (Senior Governance Specialists) for seeing the assessment through fruition at various challenging stages. Our sincere thankfulness to Ms. Anna L Wielogorska, Practice Manager, ESARU, for her guidance and leadership during key stages for completion of assessment. Finally, our sincere gratitude to leadership of Majed El-Bayya Practice Manager, EMAPR in critical stages of final review by MAPS Secretariat.

[1] The core assessment team comprises of Rehan Hyder, Task Team Leader; Peter Trepte; Joseph Fagan; Asif Ali; Noaman Ali; Irfan Ahmed and Umema Khan

Table of Contents

Acronyms

ADB	The Asian Development Bank
ASC	Assessment Steering Committee
AGP	Auditor General of Pakistan
BPPRA	Balochistan Public Procurement Regulatory Authority
BPPR	Balochistan Public Procurement Rules
BUITEMS	Balochistan University of Information Technology, Engineering & Management Sciences
CGA	Controller General Accounts
CIPS	Chartered Institute of Procurement & Supply
CPAR	Country Procurement Assessment report
DDO	Drawing and Disbursement Officer
DP	Development Partner
e-GP	e-government procurement system
EPADS	Electronic Procurement and Disposal System
e-PPS	Electronic Public Procurement System
GoB	Government of Balochistan
ILO	International Labour Organization
LUAWMS	Lasbela University of Agriculture, Water & Marine Sciences
MAPS	Methodology for Assessing Procurement Systems
MDB	Multilateral Development Bank
ODA	Overseas Development Assistance
OECD-DAC	Organisation of Economic Cooperation and Development– Development Assistance Committee
PA	Procuring Agency
PE	Procuring Entity
PEC	Pakistan Engineering Council
PEFA	Public Expenditure and Financial Assessment
PPP	Public Private Partnership
SDG	Sustainable Development Goals
SBD	Standard Bidding Document
SOE	State Owned Enterprise
SBKWU	Sardar Bahadur Khan Women's University
SMEDA	Small and Medium Enterprise Development Authority
SPP	Sustainable Public Procurement
UET	University of Engineering & Technology
WB	The World Bank Group

Currency Unit = (January 2025)	Pakistani Rupee (PKR) US$1= PKR 277

Executive summary

Background

Following the request from the Government of Balochistan (GoB), the Asian Development Bank (ADB) and the World Bank (WB) conducted a comprehensive MAPS assessment to evaluate the province's public procurement systems. The assessment took place between 2023 and 2025 with the data collection and analysis taking place from April to November 2024 when the findings were validated at a workshop held in Quetta in the presence of the Assessment Steering Committee, BPPRA and other stakeholders.

The primary objective of this assessment is to assist the GoB in further procurement reform efforts by establishing a modern, robust public procurement system. Such a system aims to improve procurement performance, ensuring optimal results in the use of public funds and delivery of services to citizens while maintaining high standards of integrity. This effort is part of a broader agenda to improve the investment climate in the region and promote inclusion of micro, small, and medium-sized enterprises (MSMEs) in public procurement which currently accounts for some 47% of Balochistan's provincial budget. It involves collecting and analysing data on legislation, actual implementation, and identifying strengths and weaknesses of the existing public procurement system. The goal is to provide a strategic action plan with recommendations to address gaps and improve procurement performance.

Context

Balochistan, the largest and most economically challenged province in Pakistan, spans over 347,000 km^2 and is home to a diverse landscape of deserts, mountain ranges, and a long coastline along the Arabian Sea. Historically, it has been a crossroads of civilizations, with a rich cultural heritage maintained by the Baloch people. The 2023 Population and Housing Census estimated Balochistan's population at approximately 14.894 million, with a significant majority living in rural areas.

Administratively, the 18th Amendment to the Constitution of Pakistan, passed in 2010, aimed to enhance provincial autonomy by devolving powers from the federal government to the provinces. Balochistan is divided into thirty-six (36) districts, each governed by a district administration responsible for implementing government policies and providing basic services. However, the province faces challenges such as limited resources, inadequate infrastructure, and security concerns.

Economically, Balochistan relies heavily on agriculture, with significant opportunities in fruit production and processing. The province is rich in natural resources, including coal, copper, gold, and natural gas. Despite its potential, Balochistan struggles with a lack of infrastructure and basic services, low literacy rates, and high poverty levels. Climate change further exacerbates these challenges, impacting agriculture and increasing the frequency of natural disasters.

Procurement

The legal and regulatory framework of Balochistan's public procurement system underwent significant changes since the establishment of the Balochistan Public Procurement Regulatory Authority (BPPRA) in 2014, leading to a relatively robust set of public procurement rules which have significantly improved the situation in the province. The BPPRA has adopted a comprehensive set of procurement rules and documents, which were significantly amended in 2019. Another important step forward was made with the transition to an electronic Public Procurement System (e-PPS) in 2022. Despite these positive advancements, the assessment identifies substantial gaps in the procurement system as a whole.

The Balochistan Comprehensive Development and Growth Strategy (2021-2026) outlines several policy objectives and sustainable development goals to promote balanced development and improve living standards. These include eradicating poverty, providing quality education, ensuring access to clean water and sanitation, promoting gender equality, and acting against climate change. This is not, however, reflected in the procurement rules so that sustainable public procurement (SPP) is not guaranteed.

The assessment

The assessment team faced challenges in collecting and analysing some of the data. As the largest province in Pakistan, Balochistan is prone to communication and access challenges and, with the devolution of procurement responsibility to district level, all paper-based data is maintained in those locations with no online access to their databases. Procurement process, contract management and payment data are all held in different locations. Given the security challenges of Balochistan, the assessors and data collection consultants were unable to travel to these district offices to have sight of and review sample transactions identified. Further, too few of the 150 or so sample contracts identified at the outset had enough data available to be able to provide a statistically significant analysis of contract management data. Record keeping was wholly insufficient. A further limitation was linking contracts with payment information since the e-PPS and the CGAs payment system are not integrated and do not use the same transaction or contract references, so it was not possible to cross reference payment data with contract management. This has had a significant impact on the extent and quality of the data obtained and on the consolidation of the results.

Notwithstanding the accomplishments to date, the assessment team identified several significant weaknesses in the current procurement system.

Pillar I

In terms of the legal and regulatory framework, perhaps the strongest element of the procurement system in Balochistan, the BPPRA rules provide a robust and largely acceptable foundation for public procurement in the province. However, the legal framework is incomplete, and several implementing regulations foreseen in the Act are missing and there is no specific implementation in the Rules of sustainability criteria or of international obligations. Responsibility for establishing standard bidding documents is not assigned, leading to a conflict in competences between BPPRA and PEC and there is a limited suite of SBDs or guidance in the form of a Manual. The provisions on qualification are somewhat unclear and there are some *de facto* restrictions on the participation of foreign bidders. Whilst permitted, there is no elaborated domestic preference policy. There are some transition issues with e-PPS, e.g. data not recorded, and efficiency gains hard to measure, and some weaknesses in security and confidentiality. There is a lack of transparency in record keeping and this posed a significant challenge for the assessment team. The legal framework contains few provisions on contract management and though there is a complaints mechanism in place, there is questionable independence of the second-tier review mechanism which is in any event not currently operational.

Pillar II

The institutional framework presents challenges, although there is in place a strong and credible regulatory body in the form of BPPRA. It is not established in the way foreseen in the Act which may affect its independence, and the functions assigned to it are incomplete. It is not fully staffed, with several key posts vacant. A significant issue is the potential conflict between its advisory and review functions. The advisory role is not well defined but any initiative to increase that role by providing additional assistance to procuring agencies is likely to bring it into conflict with its role on the second-tier review body and raises the question of the independence of that body. Assistance to procuring agencies may be needed because there has been no clear assignment of procurement functions within those agencies. This is a serious problem in all procuring agencies and affects the effectiveness of procurement and contract management as well as of planning. Procurement and budget planning are not well integrated with procurement plans being prepared after budgets are agreed as a form of expenditure planning. There is often a shortfall in funds leading to frequent late payment.

The introduction of the e-PPS has facilitated electronic procurement activities, offering users access to extensive information. However, whilst the e-PPS system offers promising features, its implementation and data accessibility require improvement. The system imposes some access controls, particularly location-based filters limiting access to Pakistan-based users. E-PPS has demonstrated functionality and efficiency, yet its utilisation remains limited. Only 10% of procurement procedures apply e-submission features (representing some 55% in terms of value), as e-bidding is only mandated by GoB for high-value procurements above thresholds. Award data publication is incomplete, with just 23% compliance. Only 12% of contract awards resulting from e-bidding are publicly accessible, and most procurement processes are still carried out manually where access to data is limited. Data reporting and accessibility remain constrained, as current electronic tools do not facilitate the extraction of detailed data or reports, limiting the potential for external analytics and insights. Data collected manually is also unreliable as many procurement records are incomplete or missing, undermining efforts to establish a robust procurement framework. Electronic system security and management have yet to undergo an independent third-party security audit, raising concerns about potential vulnerabilities, although this has, at the time of writing, been initiated.

Pillar III

BPPRA has conducted extensive training on the Rules and the ePPS but this training is largely a question of familiarising stakeholders with the Rules. It is compliance-based training and does not contribute directly to improving the competence of staff allowing them to demonstrate sufficient performance for promotion. Procurement is not regarded as a profession. There is no system performance measurement in place. Procurement is not viewed strategically and to achieve outcomes such as value for money, sustainable procurement, and the provision of access for MSMEs and marginalized groups to public procurement. Procurement data collection was hampered by limitations in data availability and accessibility. The findings suggest that procurement processes are generally consistent with the regulatory framework, but there are gaps in the availability of contract management and supplier performance evaluation. Bid evaluation information is available publicly on the e-PPS website, but it is not followed up by contract award information. There are no comprehensive files that contain information on the implementation of contracts and, while contract management is delegated to three district levels, there is no integration of the procurement, contract management and payment information.

All registered contractors have access to government contracts and registration is not restricted. Contact with the market, however, is limited and sporadic and there is no formal consultative process in place for any changes to the procurement system. The private sector does interact with the government, but these interactions are more reactive rather than the result of a structured communication exercise by the government. Civil society is not engaged whether at policy level or during the procurement process.

Pillar IV

The system is largely transparent and general system information is generally available, although data on contracts is difficult to extract. The regulatory framework provides for data to be uploaded to the system for public access but compliance by procuring entities is inadequate. Civil society engagement is not provided for nor exercised. The legal control framework is comprehensive and covers accounting as well as internal and external auditing with appropriate rules and institutions in place. It does not, however, specifically address procurement, although this is covered generally. There are thus no procurement specific audits and no specific manuals/guidelines for procurement audit, i.e. an audit which reviews the procurement processes specifically and not just as part of a compliance review of financial processes. External audit by the AGP is well respected and generally regarded as efficient, even if there is a backlog.

Country wide anti-corruption measures are in place as well as a debarment system. However, there is insufficient coordination between control authorities to ensure effective oversight. Whilst there is a country wide anti-corruption framework in place, there are no anti-corruption measures and tools specific to procurement. It is also not clear whether anti-corruption laws are always enforced. Whilst the Rules provide for a bid challenge mechanism, the second tier is currently not operational so that the procedures foreseen (which are a little unclear) are not being carried out and cannot be assessed. Its independence is also in question due to the significant involvement of BPPRA in its composition.

Conclusions and Recommendations

Balochistan has made commendable progress in public procurement reform, but further improvements are needed to establish a modern, efficient, and transparent system. Key recommendations include:

- Completing the legal and regulatory framework
- Addressing overlapping jurisdictions with other regulatory bodies for clarity and consistency
- Strengthening institutional capacity and coordination through the creation of procurement units at agency level
- Enhancing e-PPS functionality and data accessibility
- Integrating procurement plans with budget frameworks for seamless financial management.
- Developing and conducting a more comprehensive training for stakeholders on procurement regulations, e-PPS usage, contract management and best practices
- Promoting engagement with MSMEs through inclusive policies and support mechanisms. One such intervention could be to amend the vendor registration portal to include a box to identify prospective vendors as MSME, women -owned businesses, youth-owned businesses etc.
- Improving contract management and supplier performance evaluation
- Promoting integrity and accountability through providing procurement specific control mechanisms
- Integrating sustainability criteria into procurement processes
- Addressing data management challenges
- Strengthening institutional frameworks for monitoring procurement performance

- Enhancing grievance redressal mechanisms for transparency and accountability and ensuring independence.

Action Plan[2]

These recommendations have been used to inform the action plan developed in cooperation with BPPRA and GoB. The detailed action plan is contained in section 5 of this Report. The key elements have been grouped into connected action to facilitate implementation. They are:

1. Amend the Act and Rules to provide enhancements to the **legal system**, including:

- Enhance the functions of the BPPRA.
- Provide explicit authority to BPPRA to establish and maintain the SBDs.
- Mandate the creation of a procurement function within procuring agencies.
- Make second tier review operational, ensure its independence and improve membership.
- Embed concepts of strategic procurement planning and SPP into the Act or Rules
- Introduce specific anti-corruption measures and tools in the public procurement legal framework and ensure that all bidding documents (to be created) contain provisions prohibiting unlawful practices such as fraud and corruption.
- Strengthen provisions on contract management including considering the possibility of introducing mechanisms to pay sub-contracted MSMEs directly to ensure smooth contract implementation.
- Consolidate the definitions of corruption.
- Complete the regulatory framework by adopting the Regulations foreseen in the Act.

- Amend or establish SBDs to
    - Establish and maintain full suite of SBDs, including for consultancy services, pre-qualification etc.
    - Include mandatory standard contract conditions which are consistent with international practice.
    - Include variations as a contract provision.
    - Include an appropriate dispute resolution clause.
    - Incorporate sustainability.
    - Provide clauses for the detection and prevention of corruption associated with procurement.

2. For improved system **operation**, actions will be:

- Remove the thresholds for e-bidding and for small value purchases, encourage framework contracts.
- Ensure clear lines of responsibility as part of the procurement functions in procuring agencies.

[2] While endorsing public disclosure of MAPS Report, Government of Balochistan has also shared an Action Plan for action completed as recommend in Report and has been included at Appendix VIII

- Produce practical guidance through user guides or manuals for the benefit of procurement officers.
- Further integrate procurement planning with the PFM framework.
- Create a performance measurement system and provide appropriate measurement tools and relevant capacity building.
- Introduce mechanisms for civil society engagement.

This also requires improving the e-PPS

- Include management module in e-PPS
- Complete processes such as contract award data or award information.
- Integrate e-PPS and the payment system to allow for monitoring.
- Complete the third-party security audit and establish a security operational plan
- Ensure that contract awards are announced without exception in compliance with Rule 49.
- Enforce timely publication of evaluation reports and contract awards.

3. To improve system **oversight**:

- Establish clear lines of responsibility between the different control and audit functions.
- Provide appropriate system monitoring tools and guidance.
- Support to the BPPRA to enhance analytics and reporting techniques linked to coordination between control agencies.
- Introduce strategy and performance measurement tools and provide the capacity building to use them effectively.
- Increase civil society involvement in procurement planning, monitoring, and oversight.
- Encourage BPPRA to develop analytical tools for risk-based identification of procurement for inspection/audit.
- Put in place a mechanism for systematically identifying and mitigating corruption risks
- Put in place system to compile statistics and periodic reports on corruption-related legal proceedings and convictions.

4. To enhance system **capacity**:

- Develop a national competency framework for public procurement with the collaboration of the BPPRA, higher and vocational education institutes and those responsible in government for the civil service.
- Ensure sufficient capacity building to ensure optimum operation of e-PPS.
- Develop and provide a specific training programme for all stakeholders in the field of procurement.
- Develop internal control and audit manuals and a Procurement Audit Manual to cover the different types of audits, including performance audit.

Overview of compliance

The following table provides an overview of the findings of the assessment on the level of sub-indicators. Each sub-indicator is identified depending on the findings (full compliance / gaps identified / substantive gaps identified). This table also shows the red flags identified.

It should be noted that some of the sub-indicators show no gaps or only minor gaps (for example, in respect of indicator 1(b), only one of the four sub-indicators is recorded as having a substantive gap) but the existence of one substantive gap affects the compliance level of the whole indicator.

Only one indicator shows full compliance.

PILLAR I Legal and Regulatory Framework		**Full compliance**	**Gaps identified**	**Substantive gaps identified**	**Red flags**
1. The public procurement legal framework achieves the agreed principles and complies with applicable obligations.	1(a) – Scope of application and coverage of the legal and regulatory framework			X	
	1(b) – Procurement methods			X	
	1(c) – Advertising rules and time limits		X		
	1(d) – Rules on participation			X	
	1(e) – Procurement documentation and technical specifications			X	
	1(f) – Evaluation and award criteria		X		
	1(g) – Submission, receipt, and opening of tenders			X	
	1(h) – Right to challenge and appeal			X	
	1(i) – Contract management			X	Yes
	1(j) – Electronic Procurement (e-Procurement)			X	
	1(k) – Norms for safekeeping of records, documents and electronic data.			X	Yes
	1(l) – Public procurement principles in specialized legislation	X			
2. Implementing regulations and tools support the	2(a) – Implementing regulations to define processes and procedures			X	
	2(b) – Model procurement documents for goods, works, and services			X	

PILLAR I Legal and Regulatory Framework		Full compliance	Gaps identified	Substantive gaps identified	Red flags
legal framework.	2(c) – Standard contract conditions			X	
	2(d) – User's guide or manual for procuring entities			X	
3. The legal framework reflects the country's secondary policy objectives and international obligations	3(a) – Sustainable Public Procurement (SPP)			X	Yes
	3(b) – Obligations deriving from international agreements			X	

PILLAR II Institutional Framework and Management Capacity		Full compliance	Gaps identified	Substantive gaps identified	Red flags
4. The public procurement system is mainstreamed and well-integrated with the public financial management system.	4(a) – Procurement planning and the budget cycle			X	
	4(b) – Financial procedures and the procurement cycle			X	Yes
5. The country has an institution in charge of the normative/regulatory function.	5(a) – Status and legal basis of the normative/regulatory function		X		
	5(b) – Responsibilities of the normative/regulatory function			X	
	5(c) – Organisation, funding, staffing, and level of independence and authority			X	
	5(d) – Avoiding conflict of interest			X	
6. Procuring entities and their	6(a) – Definition, responsibilities and formal powers of procuring entities			X	

PILLAR II Institutional Framework and Management Capacity		Full compliance	Gaps identified	Substantive gaps identified	Red flags
mandates are clearly defined.	6(b) – Centralised procurement body			X	
7. Public procurement is embedded in an effective information system.	7(a) – Publication of public procurement information supported by information technology			X	
	7(b) – Use of e-Procurement			X	
	7(c) – Strategies to manage procurement data			X	
8. The public procurement system has a strong capacity to develop and improve	8(a) – Training, advice and assistance			X	
	8(b) – Recognition of procurement as a profession			X	Yes
	8(c) – Monitoring performance to improve the system			X	

PILLAR III Public Procurement Operations and Market Practices		Full compliance	Gaps identified	Substantive gaps identified	Red flags
9. Public procurement practices achieve stated objectives.	9(a) – Planning			X	Yes
	9(b) – Selection and contracting			X	Yes
	9(c) – Contract management in practice			X	Yes
10. The public procurement market is fully functional.	10(a) – Dialogue and partnerships between public and private sector			X	Yes
	10(b) – Private sector's organisation and access to the public procurement market			X	
	10(c) – Key sectors and sector strategies			X	

PILLAR IV Accountability, Integrity and Transparency of the Public Procurement System		Full compliance	Gaps identified	Substantive gaps identified	Red flags
11. Transparency and civil	11(a) – An enabling environment for public consultation and monitoring			X	Yes

PILLAR IV Accountability, Integrity and Transparency of the Public Procurement System		Full compliance	Gaps identified	Substantive gaps identified	Red flags
society engagement strengthen integrity in public procurement.	11(b) – Adequate and timely access to information by the public		X		
	11(c) – Direct engagement of civil society			X	Yes
12. The country has effective control and audit systems.	12(a) – Legal framework, organisation and procedures of the control system			X	Yes
	12(b) – Co-ordination of controls and audits of public procurement			X	Yes
	12(c) – Enforcement and follow-up on findings and recommendations			X	Yes
	12(d) – Qualification and training to conduct procurement audits			X	
13. Procurement appeals mechanisms are effective and efficient.	13(a) – Process for challenges and appeals			X	
	13(b) – Independence and capacity of the appeals body			X	
	13(c) – Decisions of the appeals body			X	
14. The country has ethics and anti-corruption measures in place.	14(a) – Legal definition of prohibited practices, conflicts of interest, and associated responsibilities, accountabilities and penalties		X		Yes
	14(b) – Provisions on prohibited practices in procurement documents	X			
	14(c) – Effective sanctions and enforcement systems			X	Yes
	14(d) – Anti-corruption framework and integrity training			X	Yes
	14(e) – Stakeholder support to strengthen integrity in procurement			X	Yes
	14(f) – Secure mechanisms for reporting prohibited			X	Yes

PILLAR IV Accountability, Integrity and Transparency of the Public Procurement System		Full compliance	Gaps identified	Substantive gaps identified	Red flags
	practices or unethical behaviour				
	14(g) – Codes of conduct/codes of ethics and financial disclosure rules			X	

1. Introduction

Context

Pakistan is a federation according to the Constitution of Pakistan, 1973. It has a federal government and four provincial governments including that of Balochistan which is the smallest by population (21.7 million according to preliminary numbers of the 2023 digital census) and largest by land mass (377,190 sq. km). The 18th Amendment to the Constitution provides a federal list of subjects which come under federal jurisdiction, with the rest of the subjects delegated to provincial control. The provincial governments have their own budgets and have full control over their expenditures and, notably, procurement. Balochistan is one of these provinces.

Public procurement is a crucial component of good governance, poverty reduction, and sustainable development. In Pakistan overall, procurement expenditure is estimated to be around 20% of the GDP[3]. In the case of Balochistan, according to the BPPRA, 47% of the annual provincial budget constitutes expenditure through public procurement. This comes to approximately Rs.356,149,267,000 (USD 1.2 billion approx.). This is a significant outlay, and the strengthening of the public procurement system is seen as central to achieving concrete and sustainable development results and to increasing value for money for the public purse.

Responding to a provincial OECD-DAC Baseline Assessment carried out in 2007 which found that the procurement systems in the province needed to have overhaul of the legal and regulatory framework which did not comprehensively address all types of procurement including goods, works and services, the Government of the Province of Balochistan (GoB) in 2014 established the Balochistan Public Procurement Regulatory Authority (BPPRA) as the regulatory body for procurement which was swiftly followed by the adoption of a set of Procurement Rules (BPPRs) and a comprehensive set of procurement documents. These were significantly amended in 2019 and, in 2022, BPPRA rolled out an e-GP system, known as the electronic Public Procurement System (e-PPS), that has now been expanded to include all types of procurements and has a broad-based MIS and procurement planning system.

Having made significant progress in public procurement reform, the GoB is now keen to take stock of this progress and benchmark it to set the agenda for further improvements. The BPPRA has accordingly requested assistance from the Asian Development Bank (ADB) and the World Bank (WB) in carrying out a holistic assessment of the public procurement system using the latest MAPS tools. Both ADB and WB have responded to jointly support the GoB and have conducted this assessment. in collaboration with BPPRA.

Objectives (specific to the context)

The primary objective of this assessment is to assist the GoB with its further procurement reform efforts for establishing a modern and robust public procurement system aimed at improving procurement performance and yielding optimal results in the use of public funds and delivery of services to the citizens while maintaining high standards of integrity. The Government is keen to improve the investment climate in the region and sees an improved procurement environment as part of this broader agenda to attract

[3] Pakistan Institute of Development Economics Knowledge Brief 24:2021 and WB Analytical Engagement

contractors and suppliers whose work in the area may lead to local job creation. This may be particularly beneficial for small and medium sized enterprises (SMEs) and micro-enterprises that may benefit from the influx of new entrants both as part of the 'local' workforce but as beneficiaries of more general support services which may flow from their presence in Balochistan. GoB is concerned to promote inclusion of micro and small and medium sized enterprises (MSMEs) in public procurement to encourage entrepreneurship in the region. The assessment will support this agenda by identifying areas for improvement in the public procurement system. It will do so through (i) collecting information/data of legislation, actual implementation, etc. and analysing the data based on the internationally recognized principles and practices (ii) identifying the strengths and weaknesses of the existing public procurement system, their relative importance and major risks; (iii) identifying any substantial gaps that impede the efficient use of public funds; (iv) making appropriate recommendations to address the identified gaps, elaborating a strategy and reform action plan to improve procurement performance and to identify modern ways of doing procurement to achieve the quality and value for money with a view to delivering better economic and social outcomes, notably for the benefit of MSMEs, and for improving the investment climate.

The MAPS is expected serve as a basis for formulating reforms, improving the provincial procurement systems, and aligning them with internationally accepted good practice. The report will be useful to the GoB and its external partners interested in supporting and strengthening of the procurement systems and will give context to the assessment and provide the whole system evaluation and progress of the individual items assessed. The findings are used to develop a strategic action plan for improvements in the form of recommendations to address any weaknesses identified and to implement any other initiatives that might improve the system.

It is a priority to use the MAPS assessment to support the Government to further improve on specific indicators under the four pillars based on identified gaps, but more specifically on Procurement Operations and Market Practices (Pillar III) to assess the opportunities for encouraging investment to the region and improving access for MSMEs to the procurement market.

The e-PPS is a customized e-procurement system developed by an external developer and currently managed by BPPRA under a service level agreement (SLA). The e-procurement report and its associated indicator matrix will be submitted separately

Relevant dates

The following table summarizes the timing of the outputs achieved and to be completed, as well as parties responsible for each.

Output	*Responsible*	*Cooperation with*	*Deadlines*
Concept note	Lead institution	Assessment Steering Committee	July 21, 2024
Organizational and logistical arrangements (including recruitment of assessment team and ensuring that required information and data is available)	Lead institution	Assessment Steering Committee	May 31, 2024,
Analysis of country context	Assessment team	Assessment Steering Committee	June 2024
Assessment of the public procurement system: • Collect data (qualitative and quantitative data) • Apply the MAPS indicators using the three-step approach (referred to in the MAPS User's Guide)	Assessment team	Assessment Steering Committee	August 31, 2024,
Developing recommendations for prioritized reform	Assessment team	Assessment Steering Committee	October 30, 2024,
Validation of findings*	Assessment team	Stakeholders	1. November 13, 2024 2. January 20, 2025
Assessment Report • Draft • Review/Comments • Final report	Assessment team	Assessment Steering Committee For MAPS Quality assurance: MAPS Secretariat and Assessment Technical Advisory Group	Draft Report: January 21, 2025 Comments: February 28, 2025 Final Report: March 31, 2025,
Publication of MAPS assessment report	MAPS Secretariat		June 30, 2025,

* During the first validation mission there was only one representative from the private sector, although it was an association of contractors so the views expressed were more representative than might appear. Further, the initial responses to the private sector survey (copy contained in Appendix III) that was launched at the time of the validation mission in November 2024 as part of the assessment were rather few (5 responses by mid-December) and so disappointing. It was, therefore, felt necessary to further engage with the private sector. To this end, the survey was re-launched at the end of December and sent again to all of those bidders registered on the e-PPS, along with an invitation to attend a second validation workshop dedicated to the private sector. The response was much better. By January 17, 2025, the team had received 150 responses. Five suppliers attended the second validation workshop held on January 20, 2025. The results are presented in Appendix IV.

Scope

This exercise was planned for the assessment of the Balochistan procurement system as a whole, rather than of a specific component, subsystem, or particular agency. The assessment focused on assessing the public procurement legal framework and systems governed by the BPPRs. The public procurement legal framework reviewed includes the regulations relating to public procurement. The review further covered previous public procurement assessments and related reports (a list of the documents reviewed in contained in Appendix I). In addition, data from the three years (2020-2023) was collected and analysed to assess performance of the system. The dates were chosen to avoid, to the extent possible, distortions brought about by the COVID-19 pandemic and because the financial year in Balochistan runs from July to June the assessment team is already able to collect data for three full years. Problems encountered with the collection of data are discussed below.

At the same time, GoB is particularly concerned with the implementation of the current legal framework and is keen to assess how the rules are applied in practice to meet its own objectives, namely, to encourage inward investment and encourage greater participation by MSMEs. There is, therefore, a particular focus on pillar III of the core assessment module: procurement operations and market practices.

Having introduced its e-GP system in 2022, the time is now ripe to assess the adequacy of the e-GP system itself and its implementation. This will be done both in terms of the operation of the software to provide an electronic platform which satisfies the legal framework and in terms of the level and compliance of usage of the system by, at least, the large spending units which will be the focus of the assessment. Given that this is still a new system, it was hoped that a thorough assessment will point to areas for improvement in the immediate future and help in the design of the next stage of development. The BPPRs contain reference to reverse auctions and e-catalogues but these have not yet been put in place and need to be developed to provide a comprehensive e-PPS that meets the objectives of the BPPRs. In respect of e-GP, it is now understood (a development which took place during the assessment period) that Balochistan is likely to adopt the new reworked federal e-GP system, known as EPADS. To that extent, therefore, the findings of this assessment report in respect of e-GP are unlikely to be used to develop e-PPS further, as was initially thought, and will now be used to inform the adoption of EPADS, i.e. BPPRA is now able to identify weaknesses in its own system which may also be reflected in EPADS (both systems were developed by the same developers) and will be able to address any shortcomings in that system during the process of adoption.

BPPRA operates at all levels of government, including district level. The MAPS assessment focused on large spending units and their procurement, namely the Communications & Works Department, Health Department, Agriculture Department, Public Health Engineering, Fisheries Department, Irrigation

Department and Local Government & Rural Development Department. Together these represent some 80% of overall public expenditure in the province and the data collected (even if not complete) provides a representative snapshot of the current situation. To ensure that all challenges are reflected in the assessment, procurement of some smaller procuring entities at the district level are also included in the review.

Methodological decisions including of data selection (with reference to sample cases and quantitative data)

Following an initial desk review of documents including regulations and other acts relevant to public procurement (i) the Balochistan Public Procurement Regulatory Act 2009; (ii) the Balochistan Public Procurement Regulatory Amendment Act 2013; (iii) the BPPRA Regulations and procurement files, a detailed field review of the public procurement system covering identified key (large spending) agencies was conducted by the assessment team to collect and analyse procurement data from the selected procuring agencies, project management units and other sources (a list of stakeholders met is contained in Appendix II). Paper based and electronic data was collected based on availability. For contracts prior to February 2022, the assessment was reliant on paper-based data, subject to some electronic data available through the previous MIS system. Having said that, as will be seen from the findings, the extent of paper-based records was not extensive so that comprehensive conclusions could not be drawn other than to say that information was scarce. Following the entry into operation of the e-PPS system, data is, in theory, available in electronic format. The e-PPS is used as a single registry by all procuring agencies/departments in Balochistan. Currently, there are 3,935 procurement entities registered on the e-PPS and using it for their procurement. Similarly, there are 3,260 active registered vendors/suppliers registered on the e-PPS[4]. There is thus a good deal of information stored on the e-PPS. The problems faced during the assessment were based on the retrieval of the data rather than on their existence. Though data exists in the system as a result of the procedures logged in to the system, there is no mechanism in place to access the database easily and generate reports based on that information. To extract the data, a data mining exercise would need to be undertaken and those responsible for the system have not been able to do so.

The review also consisted of interviews with the identified procurement entities at both management and working levels together with inspection of physical files. This was done with a view to assessing implementation of the procurement rules and procurement practices and was particularly important in the assessment of the pillar III indicators, notably the qualitative data needed to address indicator 9. In addition, a web-based survey was carried out, approaching suppliers, contractors and service providers through an online survey tool. The survey was sent out directly to respondents using address databases provided by the BPPRA from its e-PPS system. As explained above in relation to timelines, the initial poor response to the private sector survey was remedied by a re-launch in December 2024 which yielded significantly better results.

Balochistan has well-kept procurement records. All invitations for bids, for example, for both paper-based and electronic procurement are published on the e-PPS platform. The BPPRA manages the e-GP platform and provided access to, and analysis of the electronic data held on the system. This platform produced the sample selection of the data required and provided the basis for the assessment. Contracts and contractual communications are kept by the procuring entities and access to that procurement data therefore depended on the cooperation accorded by the procurement entities. This was forthcoming but

[4] ePPS system of the BPPRA

the assessment was hampered by the lack of data retained by the agencies as part of their record keeping obligations.

The data collection strategy was to collect data from the 7 key spending agencies representing some 80% of overall spend in the province. A sampling methodology was devised for the participating agencies/departments following the launch mission. Data from the e-PPS was also used to identify the spread of procurement spend. The data collection focused on the period from July 2020 to June 2023, providing three full years of post-pandemic data. GoB procurement Rules mandate publication of competitive procurement information for both paper-based transactions and transactions through e-procurement from 28th Feb 2022 when the platform was rolled out. The strategy was:

(i) to obtain data on contracts procured through the e-GP platform (including specific procurement notices, bidding documents and bid evaluation reports extracted from the system).
(ii) to access data on paper-based procurements, not processed through e-PPS (potentially some 10% of transactions), directly identified through direct interviews and review and analysis of physical files, relying on the cooperation of individual procuring entities; and

to conduct a sampling exercise, where required, for all contracts competitively or directly procured within the period 2020-2023 by the identified large spending agencies and a selected number of lower spending agencies, including some at district level. The results of this data analysis are presented under pillar III.

In terms of e-GP, the e-PPS is the subject of an assessment by ADB and WB based on MDB's current assessment tool and provided input information to the MAPS assessment given the difficulty of the eGP assessor in travelling to Balochistan as planned.

In addition to the collection of data directly related to procurement transactions, questionnaires were prepared, agreed with BPPRA and used to conduct surveys and interviews with other relevant stakeholders, such as bidders, to collect data and information on the operation of the public procurement system and prevalent practices in the sector. To collect as representative a sample as possible, focus group discussions were held to collect field-level data and information on procurement and contract management practices. These were used primarily for private sector entities such as bidders and professional (contractor/supplier) organizations. Civil society organizations are not active in Balochistan so that these were not included in the discussions.

Oversight agencies were interviewed separately and documentation solicited directly where not available from publicly available reports.

All the field-level data collected from procurement files, through interviews and surveys was analysed and collated for inclusion in the assessment report.

Assessment team

GoB demonstrated high-level political commitment for the assessment by establishing strong leadership for the task and designated BPPRA as support coordinating interlocutor for the assessment conducted by a team established jointly by ADB and WB. It established an Assessment Steering Committee (ASC) to lead and facilitate the MAPS assessment work and ultimately review and adopt the assessment report for implementation. There were regular meetings between BPPRA and its coordinator and the assessment team and the ASC was consulted at each opportunity provided by the presence of the full team in Quetta.

Rehan Hyder (Senior Procurement Specialist of World Bank), Bisma Husen (ADB Principal Procurement Specialist, Procurement, Portfolio and Financial Management Department – PPFD) are the Team Leaders (TLs) for the study. Zhentu Liu (Country Procurement Team Leader, Pakistan) provided general guidance from the WB and Mohsen I. Khan (Senior Procurement Officer) from the ADB. The TTLs lead a core team of WB and ADB staff on the MAPS Assessment Task. The Assessment Team comprised other members having seasoned knowledge and experience in relevant areas and expertise required for the assessment. Peer Reviewers from the WB and ADB helped to ensure the quality of the assessment and were engaged to review and provide comments at all stages including the initiating Concept Note and on the draft report and matrix at all stages in parallel to the quality assurance support that the MAPS Secretariat is providing. This ASC is chaired by Secretary, Finance Department Government of Balochistan and is made up of the following members:

(i) Managing Director, BPPRA - Secretary
(ii) Secretary, Communication & Works Department
(iii) Secretary, Public Health Engineering Department
(iv) Secretary, Irrigation Department
(v) Secretary, Agriculture and Cooperatives Department
(vi) Secretary, Health Department
(vii) Secretary, Local Government and Rural Development Department
(viii) Secretary, Fisheries Department
(ix) Member from Pakistan Engineering Council
(x) Member from Balochistan Contractor's Association
(xi) Member from Health Bidders Association.

In addition, the Director Monitoring & Evaluation, Mr. Jahanzeb Malik of BPPRA was appointed as national coordinator and focal point within BPPRA for the conduct of the assessment.

Mr. Peter Trepte (international lead assessor) and Mr. Asif Ali (national assessor) were employed by the ADB and World Bank respectively to lead the assessment. The lead assessor was responsible for drafting the overall report, including the e-GP Module, although the assessment under the e-GP module was initially conducted by a specialist assessor. The lead assessor was primarily focused on the assessment of Pillar I and II. The national assessor focused on developing the country context and on the assessment of Pillar III and IV. An e-GP specialist, Mr. Joe Fagan, was also recruited to conduct the assessment under the e-GP Module. There was significant cooperation and cross-fertilization between the two assessments as they are seen as two elements of the same exercise. In addition, a local data analyst, Irfan Ahmed Kasi, was recruited to assist with data gathering and analysis. A partial field level support was also provided by Umema Khan.

Process

The analysis followed the approach referred to in the MAPS User's Guide. Each sub-indicator was assessed using a three-step approach:

(i) A review of the system applying assessment criteria expressed in qualitative terms which results in a narrative report with details on the comparison of the actual situation in relation to the assessment criteria. The report was used in analysing the strengths and weaknesses of the existing regulatory and policy framework as well as institutional and operational arrangements. In this step, reviews were conducted to determine if prescribed standards for these systems have been attained. For indicators that do not lend themselves to facts and figures, information was obtained through surveys or interviews with stakeholders and participants in public procurement.

(ii) A review of the system applying a defined set of quantitative indicators which will provide detailed findings on the prevailing public procurement practices in Balochistan. Whilst efforts were made to collect quantitative data, the absence of record keeping, the lack of legal requirements in respect of some of the indicator requirements and the non-operational PRC meant that not all of the quantitative indicators could be met. Information was collected on 10 of the indicators but the lack of data meant that no information could be collected for 14 quantitative indicators where attempts were made to collect data. However, the indicators will be useful to define baselines and set national targets for monitoring progress of procurement performance over time.

(iii) A gap analyses and interpreted the assessment findings from the previous steps. A sub-indicator is clearly marked for the development of actions to improve the quality and performance of the system if it exhibits a “substantive gap”. This is done where there is less than substantial achievement of stated criteria, or any of the essential elements of the indicator are missing, or a provision in the legal/regulatory framework is evidently not working as intended. The material/substantive gap identified in steps 1 and 2 are substantiated. For this, the Team conducted and included a detailed report on either more comprehensive qualitative analysis or an increased sample size of procurement cases to expand the performance review. Factors likely to impede actions to improve the public procurement system have been identified, “red flags” are assigned as appropriate. Red flags are used to highlight the factors that cannot be directly/indirectly mitigated, and which may also lie outside the sphere of public procurement.

Data sources

The key sources of data and information included the following public sector and private sector stakeholders of the study and participants in public procurement who were consulted, interviewed and or surveyed. Since all procurement expenditure over Rs. 200,000 are now on the e-PPS, these stakeholders were also included in that component of the assessment:

- BPPRA as the leading entity of this assessment, facilitated access to documents, including those from the e-PPS platform.
- Key relevant departments based on their spending levels, including the following department of the Government of Balochistan:

    - Communication & Works Department
    - Public Health Engineering Department
    - Irrigation Department
    - Agriculture and Cooperatives Department
    - Health Department
    - Local Government and Rural Development Department
    - Fisheries Department

- Bidders (successful and unsuccessful), identified through the large spending ministries and from e-GP data collected.
- Oversight agencies including the Internal Audit Unit of the Finance Department; Provincial Internal Audit Committee; Auditor General of Pakistan.
- Professional associations including Pakistan Engineering Council, Contractor Association Balochistan and Balochistan Health bidder association.
- Commercial Banks and Insurance firms
- Multilateral DPs: ADB, WB

GoB and other stakeholders were informed about the study to build consensus on the approach to the study. This involved identifying and informing all stakeholders about the study and reaching out to them through a launch workshop held in Quetta. The workshop was held on May 3, 2024. They were then the focus of information gathering and any analysis of that information gathering exercise was shared with the stakeholders giving them the chance to comment on the preliminary findings and to correct any errors that may have crept in. They were also part of the subsequent validation process.

Limitations encountered in the assessment

Perhaps the biggest limiting factor was the broad geographical spread of the province. Balochistan is the largest province of Pakistan, and consequently prone to communication and access challenges. Since procurement and implementation of contracts has been devolved from the provincial line departments to the districts, all paper-based data is maintained in those locations with no online access to their databases. In addition, procurement process, contract management and payment data are all held in different locations. Given the security challenges of Balochistan, the assessors and data collection consultants were unable to travel to these district offices to have sight of and review sample transactions identified. Further too few of the 150 or so sample contracts identified had enough data available to be able to provide a statistically significant analysis of contract management data. The local data analysts with the cooperation of BPPRA sought to contact district officials by telephone and e-mail but did not succeed in obtaining more information than is included in the assessment. The eGP assessor was due to travel to Balochistan to conduct an on-site assessment but this was not possible, in the event, due to security issues. The eGP assessment thus relied on the existing ADB assessment as well as on remote interviews.

A further limitation was linking contracts with payment information since the e-PPS and the CGAs payment system are not integrated and, to complicate matters further, do not use the same transaction or contract references so it was not possible to cross reference payment data with contract management. This has had a significant impact on the extent and quality of the data obtained and on the consolidation of the results.

2. Analysis of Country Context

2.1. Political, economic, and geostrategic situation of the country

Political Context

Balochistan, located in Pakistan’s southwestern region, is the largest (in terms of land area) and most economically challenged province in Pakistan. It spans over 347,000 km^2, making up 43.6 percent of the country’s total land area. Balochistan's landscape is diverse, with vast deserts, mountain ranges such as the Sulaiman and Kirthar mountains, and a 770-kilometer-long coastline along the Arabian Sea. The climate varies from arid to semi-arid, with hot summers and mild winters. Historically, Balochistan has been a crossroads of civilizations. The region has seen the rise and fall of various empires, including the Persians, Greeks, Mauryans, and Mughals. The Baloch people, an ethnic group native to the region, have maintained their distinct cultural identity throughout these changes. The British colonization in the 19th century further shaped the region's history, eventually leading to Balochistan's inclusion in Pakistan in 1947.

The 2023 Population and Housing Census estimated Balochistan’s population to be 14.894 million[5]—just over 6 percent of Pakistan's population. Population density is only 42.9 people per km, significantly smaller than the national average of 303.4 persons per km. Most of the population (71 percent) live in rural areas.

The 18th Amendment to the Constitution of Pakistan, passed by the Parliament in April 2010, is a landmark piece of legislation that aimed to strengthen federalism, democratize governance, and enhance provincial autonomy. It represents a significant shift in the balance of power between the federal government and the provinces, addressing long-standing grievances and promoting a more equitable distribution of resources and authority. One of the most significant aspects of the 18th Amendment is the devolution of powers from the federal government to the provinces. It abolished the Concurrent Legislative List, transferring a wide range of subjects, including health, education, and local government, to the provincial governments. This shift aimed to bring governance closer to the people and empower provincial administrations.

Balochistan is divided into 36 districts, each governed by a district administration. The district government is the third tier of local government in Pakistan, below the provincial and federal levels. The district administration is responsible for implementing government policies, maintaining law and order, and providing basic services to the local population. The district government is headed by a Deputy Commissioner (DC), who is appointed by the provincial government. The DC oversees various district departments, including health, education, and public works, and coordinates with other government agencies to ensure effective service delivery. The district administration also includes Assistant Commissioners (ACs) and Tehsildars, who manage smaller administrative units within the district. Local government elections are held periodically to elect representatives to the district councils. In the context to local governance, the DC plays a pivotal role, functioning as the administrative head of the district,

[5] 7[Th] Population and Housing Census, Pakistan Bureau of Statistics 2023

while ensuring that the local councils' development initiatives align broadly with the developmental roles of the provincial government. The DC's office provides administrative leadership, coordination, crisis management, regulatory oversight as well as law and order support when necessary. The local councils play a crucial role in local governance, as they are responsible for making decisions on development projects, budget allocations, and other matters of local importance. The district councils are composed of elected members, including women and minority representatives, ensuring inclusive representation. The district government in Balochistan faces several challenges, including limited resources, inadequate infrastructure, and capacity constraints. Many districts lack basic facilities such as clean water, electricity, and healthcare services. The security situation in the province also poses a significant challenge, as ongoing insurgency and violence hinder development efforts. The devolution of powers under the 18th Amendment to the Constitution of Pakistan has given provincial governments greater control over their affairs. This provides an opportunity for Balochistan to address its unique challenges and promote sustainable development. Strengthening local governance, improving infrastructure, and ensuring equitable distribution of resources can help create a more stable and prosperous Balochistan.

The political landscape of Balochistan is also characterized by tribal dynamics and power struggles. Tribal leaders, or sardars, wield significant influence and often play a crucial role in local politics and economic development. The provincial government has to navigate these complex tribal allegiances while addressing the demands of various population and interest groups. The security situation in Balochistan has also been a concern, with incidents of violence and terrorism.

The system for revenue sharing and fiscal transfers between the federal government and the Government of Balochistan, Pakistan, is governed by the National Finance Commission (NFC) Award. The NFC is a constitutional body established under Article 160 of the Constitution, and it is responsible for recommending the distribution of resources between the federal government and the provinces. The federal government collects taxes and non-tax revenues, which are then placed into a divisible pool. The NFC Award determines the distribution of this pool among the federal government and the provinces. Balochistan's share in the divisible pool is based on budgetary projections rather than actual tax collection by the Federal Board of Revenue (FBR). If there is a shortfall in the actual collection, the federal government makes up the difference from its own share.

Economic Challenges

The backbone of Balochistan's economy is the agricultural sector, where opportunities lie in large-scale fruit production and processing. The services sector—particularly construction, real estate, and transport—are fast-growing, and tourism and the development of the coastal belt and Gwadar Deep Sea Port are promising investment opportunities. The commercial industry is also growing within increasing intra- and inter-regional trade from Afghanistan and Iran. Balochistan is rich in natural resources, playing a crucial role in Pakistan's economy. The province is endowed with significant deposits of minerals such as coal, copper, gold, and natural gas. The Saindak Copper-Gold Project and the Reko Diq Mine are two of the most notable mining operations in the region[6]. Additionally, Balochistan's natural gas reserves, discovered in the Sui region in 1952, have been a vital source of energy for Pakistan and the province has historically supported Pakistan's industrialization by supplying cheap natural gas to the economic hubs

[6] Government of Balochistan Board of Investment

with flexible exploration licenses and the availability of raw materials for mineral production and processing.

Despite its economic potential, Balochistan faces several challenges that hinder its development. One of the most pressing issues is the lack of infrastructure and basic services. Many areas in Balochistan lack access to clean water, electricity, healthcare, and education. The province has some of the lowest literacy rates in Pakistan – 42 percent compared to the national average of 74.09 percent[7]. There are limited educational facilities, particularly for girls. Total out of school children number 2.94 million, which is 58 percent of the population of school-going children. Balochistan is the poorest and least developed of Pakistan's provinces, with an incidence of poverty above 71 percent and a stunting rate of 46.64 percent among children under five.

Climate change has increased the frequency and intensity of floods, droughts, and heat waves, impacting people, ecosystems, and infrastructure. Floods and droughts will disproportionately affect people with low incomes. Agriculture, livestock, and industries that depend on water account for at least 52 percent of the provincial GDP, and agriculture remains the primary source of employment for 67 percent of the province's 21.7 million population. Further, Balochistan faces several water-borne diseases due to recurrent floods and inadequate access to clean and safe drinking water. These diseases represent about 80 percent of the disease burden in the province. Although water availability per capita in Balochistan (1,120 m^3) is slightly higher than the national average (1,102 m^3), water withdrawal as a percentage of the available resource (29 percent) is the lowest in the country – implying that Balochistan still has scope to develop its water resources for productive use. Further, seasonal variability in water availability is far higher than the national average, and per capita water storage represents only 20 percent of the national average. The low investment in water storage makes it difficult for Balochistan to cope with the high seasonal variability of water resources.

2.2. The Public Procurement System and its links with the public finance management and public governance systems

Public procurement and financial management and governance are intricately lined in Balochistan. The Public Procurement Rules 2014 ensure transparency in the use of public funds allocated in the provincial budget through well laid out and stringent biding processes and public disclosure of the procurement process. The Government of Balochistan prepares the budget by adhering to the budget calendar. The Finance Department issues a budget call letter. Subsequently the budget is prepared by the provincial departments which are scrutinized by the Provincial Finance Department and the entire budget evolved as an outcome of this process. The provincial line departments prepare salary and non-salary budgets. The non-salary is classified as development and non-development. The Finance Department (FD) then makes the annual budget. The Provincial Planning and Development Department (P&DD) prepares an annual Public Sector Development Program (PSDP) which makes up the total development budget for the province. PSDP planning and execution has not been devolved to the local governments at the district and sub divisional level (Tehsil). The Provincial Finance Commission (PFC) in the FD makes the award for provincial budget transfers to the district governments. The provincial government consolidated fund account, public account, and food account are with the State Bank of Pakistan.

[7] Pakistan Bureau of Statistics

The table below shows the total expenditure for the province for FY 20-21 to FY 22-23[8]

Fiscal Year	2020-21 Rs. billions	2021-22 Rs. billions	2022-23 Rs. billions
Current Expenditure	244.57	285.85	347.80
Development expenditure	98.68	118.40	156.14
Total	342.25	404.25	503.94

Development projects are prepared in line with the provisions of the annual PSDP and are placed before competent forums for approval. Small and medium projects are scrutinized at the Departmental Development Working Party (DDWP) and large projects are approved by the Provincial Development Working Party (PDWP). Though this mechanism exists at the district and tehsil (sub-division) levels and as provided in the Balochistan Local Government Ordinance, the developmental schemes / projects proposals are in practice made by the provincial departments of various devolved functions like C&W, PHE, Education, Health, Social Welfare at the Departmental and provincial level and passes on the approved project and releases to their devolved offices at the district and tehsil levels for implementation and accounting / recording. Releases are made by the FD on a needs and priority basis considering the releases authorized by the Planning and Development Department and to the provincial department which further passes on the funds to the respective district office representing their organization at the district and tehsil levels. The DDWP, at the provincial level, is chaired by the Secretary of the concerned department who is also the Principal Accounting Officer (PAO). In case of the district government, it is the District Coordination Officer (DCO) who chairs the DDWP. The PDWP is chaired by the Additional Chief Secretary (Development).

A hierarchical structure ensures that public financial management in Balochistan is governed by a comprehensive set of laws and regulations, promoting accountability, transparency, and efficient use of public resources. The Constitution of Pakistan, 1973, provides the overarching legal framework for public financial management in the country, including Balochistan. It outlines the roles and responsibilities of the federal and provincial governments in managing public finances. The Balochistan Public Finance Management Act, enacted through the Balochistan Finance Act, 2020, is the primary legislation governing public financial management in the province. It aims to strengthen the management of public finances, improve fiscal policy implementation, and enhance budgetary management. There remains some confusion as to the extent of the application of the legacy General Financial Rules (GFR) now that the PFM Act is in place and on how to handle overlapping of conflicting regulations. This in turn gives rise to many audit objections.

The Controller General of Accounts (CGA) in Balochistan plays a crucial role in ensuring the proper management and accountability of public finances. The CGA is responsible for preparing and presenting financial statements of the Government of Balochistan. These statements include the Statement of Cash Receipts and Payments, Statement of Cash Flows, and other financial reports. The CGA ensures that these reports are accurate, reliable, and comply with international public sector accounting standards and oversees the implementation of the budget approved by the Provincial Assembly. This includes monitoring expenditures, ensuring that funds are used for their intended purposes, and providing

[8] Auditor General of Pakistan

financial information to support budgetary decisions, manages cash flow of the provincial government and its departments, coordinates closely with the Auditor General of Pakistan.

2.3. National policy objectives and sustainable development goals

The Balochistan Comprehensive Development and Growth Strategy (2021-2026) of the Government of Balochistan has outlined several policy objectives and sustainable development goals to promote balanced development, inclusive growth, and improved living standards across the province. The government aims to achieve balanced development across various sectors by creating opportunities for livelihood and improving living standards. This involves addressing regional disparities and ensuring that all communities benefit from development. Strengthening governance structures and processes is a key objective to ensure effective implementation of policies and programs. This includes enhancing transparency, accountability, and responsiveness in public administration. The government seeks to diversify the economy by promoting sectors such as industry, mining, energy, power, fisheries, and tourism. This is aimed at reducing dependency on a few sectors and creating new economic opportunities and investing in education, healthcare, and social safety nets to improve the quality of life for the people of Balochistan. This includes expanding access to basic services and enhancing human development indicators. It aims at improving infrastructure and connectivity to facilitate trade, investment, and mobility within the province and with other regions. This includes developing transportation networks, communication systems, and logistics facilities.

The stated SDG goals of the Government of Balochistan:

- No Poverty: Eradicating poverty and ensuring that all people have access to basic needs and services.
- Quality Education: Providing quality education for all, with a focus on reducing disparities and improving learning outcomes.
- Clean Water and Sanitation: Ensuring access to clean water and sanitation facilities for all communities.
- Gender Equality: Promoting gender equality and empowering women and girls in all aspects of life.
- Decent Work and Economic Growth: Creating decent work opportunities and fostering sustainable economic growth.
- Climate Action: Taking urgent action to combat climate change and its impacts, including promoting renewable energy and sustainable resource management.
- Life Below Water: Protecting marine resources and promoting sustainable use of oceans, seas, and marine resources.
- Life on Land: Promoting sustainable land use and protecting terrestrial ecosystems.
- Partnerships for the Goals: Strengthening global partnerships to achieve the SDGs and address global challenges.

Sustainability is not implemented by way of the public procurement rules so that the BPPRA Rules do not contain provisions which facilitate the introduction of sustainability criteria, e.g. into specifications, eligibility, award or as contract performance conditions. Nonetheless, it was explained to the assessors that while the BPPRA Rules do not have specific rules that support the SDG goals directly, several of its rules could be viewed as a support to the SDGs indirectly.

- Transparency and Accountability: The rules emphasize transparency and accountability in procurement processes, which aligns with SDG 16 (Peace, Justice, and Strong Institutions). By ensuring that procurement activities are conducted openly and fairly, the rules help reduce corruption and promote good governance.
- Economic Growth and Decent Work: The procurement rules aim to promote economic growth and create decent work opportunities (SDG 8). By ensuring fair competition and value for money in procurement, the rules contribute to sustainable economic development and job creation.
- Quality Education and Health: Procurement of goods and services for education and healthcare sectors supports SDGs 3 (Good Health and Well-being) and 4 (Quality Education). The rules ensure that procurement processes for these sectors are efficient and effective, leading to better quality services for the public.
- Clean Water and Sanitation: The procurement of infrastructure projects related to water and sanitation supports SDG 6 (Clean Water and Sanitation). By ensuring that procurement processes for these projects are transparent and competitive, the rules help improve access to clean water and sanitation facilities.
- Climate Action: The rules support procurement practices that promote environmental sustainability, aligning with SDG 13 (Climate Action). This includes the procurement of energy-efficient technologies and sustainable materials.
- Partnerships for the Goals: The rules encourage collaboration and partnerships between government agencies, private sector entities, and civil society organizations, supporting SDG 17 (Partnerships for the Goals). By fostering partnerships, the procurement system can leverage resources and expertise to achieve sustainable development objectives.

2.4. Public Procurement Reform

The legacy procurement regulation of the Government of Balochistan was notified by provincial Finance Department that prescribed a Purchase Manual. The manual provided the rules for petty and large procurements, the regulations, procedures and a blanket guideline to meet the necessary standards of transparency, accountability, effectiveness and efficiency. The manual mainly covered the procurement of goods. Although all procuring agencies used this manual it was frequently amended, not well understood and prone to conflicting interpretation. For the civil works department, the SBDs of Pakistan Engineering Council were followed. The procurement was a decentralized function with powers delegated to the line departments. Procurements were conducted by the concerned executing agencies with representation of Planning & Development and Finance departments on the procurement committees. The powers of overall procurement at the provincial level vested with the Additional Chief Secretary (Development). There was no statutory body which regulated or had oversight of the procurement. Replicating the Federal PPRA a similar provincial body was set up in 2009 as the BPPRA under the BPPRA Act 2009, but did not make much head way until the Balochistan Public Procurement rules were laid down in 2014.

A provincial OECD-DAC Baseline Assessment conducted by GOB and development partners (ADB, DFID, EU and the WB) in 2007 found that the "*the procurement systems in the province need focused attention to safeguard the interest of the state and use of public funds. To start with there was dire need to overhaul the legal and regulatory framework which did not comprehensively address all types of procurement including goods, works and services keeping in view the current requirements of the public sector and the* *market prices. Lack of desired procurement practices; absence of a public grievances redressal system; interaction between the demand and supply sides and public information systems needs immense capacity building. In cases of procurement of works and goods the practices are closer to the desired level than in the case of procurement of services (with the exception of donor driven projects)".*

Recognizing this and responding to the findings the Government of the Province of Balochistan (GoB) established the Balochistan Public Procurement Regulatory Authority (BPPRA) in 2014 as the regulatory body for procurement. This was followed by the establishment of a set of Procurement Rules (BPPRs) in 2014 and a comprehensive set of procurement documents, replacing all other purchase manuals and directives In 2019, a significant number of modifications and updates were made to the BPPRs to remove deficiencies identified in PEFA and various Auditor General Reports viz., preparation and publication of annual procurement plans, complaints management and publication of annual procurement statistics. To further illustrate some amendments, the concept of framework agreement was introduced, transparency requirements were strengthened and the threshold for procurements to be advertised on the BPPRA website was increased. Also in 2022, the BPPRA rolled out an e-GP system, known as the electronic Public Procurement System (e-PPS), that has now been expanded to include all types of procurements and has a broad-based MIS and procurement planning system. Currently, all procurement transactions over Rs. 200,000 are covered by e-PPS. In terms of percentage, this is estimated to be approximately 98 % by number. Very few small value procurements are usually undertaken by Procuring Agencies (PAs)s. Since small value petty purchases are not on the system yet, an exact number is difficult to provide.

Currently, procurement in Balochistan is regulated by the Balochistan Public Procurement Rules (BPPRs). The GoB has chosen to promulgate Rules instead of a Law since the power to make rules and regulations is delegated by the BPPRA Act to the BPPRA Board and it is relatively easier to amend and notify any changes in this manner rather than through amendments to a law, which can take a longer time to enact. The Rules have been amended twice, in 2019 and 2022 respectively. These rules operate independently of the equivalent Federal Rules. This regulatory body which sits administratively under the Finance Department, has the Provincial Chief Secretary, as the Chairman of its Board. The Board itself is made up of key departments and has provision for private sector members as well. To foster better coordination among the Federal and Provincial Procurement Regulatory Authorities, a Technical Committee for Procurement Reforms has been created to discuss and agree on matters of common interest. The Committee has representations from the Federal and Provincial Procurement Regulatory Authorities and is chaired by the Managing Director of the Federal PPRA.

One of the key issues with the regulation of public procurement in Balochistan, indeed across all of Pakistan, is the overlapping jurisdiction of the Pakistan Engineering Council (PEC). The Pakistan Engineering Council is a statutory body, constituted under the PEC Act 1976 (V of 1976) amended up to 1st December 2016, to regulate the engineering profession in the country. Its main statutory functions include registration of engineers, consulting engineers, constructors/operators and accreditation of engineering programmes offered by universities/institutions, ensuring and managing of continuing professional development, assisting the Federal Government as Think Tank, establishing standards for engineering products and services besides safeguarding the interest of its members. The PEC also is the custodian of all standard bidding documents, contract templates and related documents for the procurement of Civil Works contracts and Engineering contractors, effectively making two distinct jurisdictions between the PEC and the PPRAs, often overlapping and occasionally conflicting.

While the PEC is supposed to regulate the contractor and engineering consulting industry, it does little to supervise them and gathers no data on the performance and capacity of its members, often renewing registrations without looking into past performance.

3. Assessment

3.1. Pillar I - Legal, Regulatory and Policy Framework

Pillar, I assess the existing legal, regulatory and policy framework for public procurement. It identifies the formal rules and procedures governing public procurement and evaluates how they compare to international standards. The practical implementation and operation of this framework is the subject of Pillars II and III. The indicators within Pillar I embrace recent developments and innovations that have been increasingly employed to make public procurement more efficient. Pillar I also consider international obligations and national policy objectives to ensure that public procurement lives up to its important strategic role and contributes to sustainability.

Indicator 1. The public procurement legal framework achieves the agreed principles and complies with applicable obligations

The indicator covers the different legal and regulatory instruments established at varying levels, from the highest level (national law, act, regulation, decree, etc.) to detailed regulation, procedures, and bidding documents formally in use.

- **Synthesis of the indicator**

  There is a well-established, transparent, and organised legal and regulatory framework for public procurement in Balochistan with PPPs comprehensively regulated in a separate Law. Open bidding is the default method of procurement with justification required for use of other methods. There are also specific selection methods for consultancy services. There are appropriate publication requirements and an extensive use of e-GP which includes the development of appropriate electronic bidding documents. There are clear procurement processes with minimum time periods and clear documentation and a requirement to maintain the neutrality of technical specifications. There is a complaints mechanism in place and a clear debarment process.

  However, there are some issues in the legal framework, which is incomplete, requiring implementing regulations. The qualification criteria are somewhat unclear and there are some *de facto* restrictions on the participation of foreign bidders. Whilst permitted, there is no elaborated domestic preference policy. There are some transition issues (i.e. moving from a paper-based to an electronic system) with e-PPS, e.g. data not recorded, and efficiency gains hard to measure, and some weaknesses in security and confidentiality. There is a lack of transparency in manual record keeping. The legal framework contains few provisions on contract management and there is an issue of enforceability with arbitration decisions. Though there is a complaints mechanism in place, there is questionable independence of the second-tier review mechanism which is anyway not operational.

- **Findings**

  Procurement is governed by the Balochistan Public Procurement Regulatory Authority Act 2009, as amended, which not only sets up the Balochistan Public Procurement Regulatory Authority (BPPRA) but also provides for secondary legislation, namely BPPRA Rules and other Regulations to be adopted by BPPRA. These are publicly available and accessible. There is a clear hierarchy and BPPRA Regulations cannot be inconsistent with the Act, or the Rules made under it. There are currently only three BPPRA Regulations in force on blacklisting, on framework agreements, and on the PRC appeals procedure respectively. There are currently no regulations on other foreseen issues such as records; e-GP guidelines; price preference policy; or the integrity pact. The Act and the Rules cover goods, works and services which include consulting services and apply to all Government Departments, attached departments and any office of Government and extends to any authority, corporation, body or organisation established by or under Provincial law or which is owned by any percentage or controlled by the Government. There are currently, however, no SOEs operating in Balochistan so any deficiencies in the definition (there is a lack of clarity on percentage ownership) is hypothetical but could be corrected in any revision of the Rules. PPPs, including concessions, are regulated separately under the Balochistan Public Private Partnership Act, 2021. The Rules apply open competitive bidding (with pre-qualification) to the selection of concessionaires and are consistent with the public procurement principles outlined in the BPPRA Rules.

The Rules set out the permitted procurement methods making open competitive bidding the default method. International competitive bidding is required for contracts with a value in excess of USD10m equivalent. A series of alternative procurement methods are permitted under conditions which are set out in the Rules. For the most part, these are acceptable although it is not clear why there should be two methods (direct contracting and negotiated tendering) envisaged for emergency situations. There is one serious issue with variations which has caused some concern in practice. In principle, contract variations should not be a ground for using direct contracting. It is contract issue. A variation should be made under relevant contract provisions (and could be subject to a price escalation provision in the contract itself where the conditions are met) and should not be subject to a 15% maximum (they are, by definition, unforeseen and the implications of the price increase will also not be known).

All procurement must be advertised in print media and all procurement above a value of PKR200,000 (approx. USD725) is advertised through BPPRA’s electronic Public Procurement System (e-PPS) which has been in operation since 2022. This is freely accessible free of cost. The splitting or packaging of contracts is prohibited but it is no explicit that the provision applies to the intention to avoid competition. Procuring Agencies are required to give due consideration to the scope, magnitude and nature of procurement when setting time for the submission of bids and there is minimum time period for national and international competitive bidding. There are no minimum periods for other procedures such as prequalification. Invitations to tender contain sufficient information for bidders although the Rules are short in defining qualification criteria outside pre-qualification. In practice, the same criteria are applied. Government owned enterprises or institutions may participate in procurement only if they can establish that they are (a) legally and financially autonomous; and (b) operate under commercial laws. Provisions are in place to ensure the disqualification of bidders where the Procuring Agency finds at any stage of the proceedings that a bidder has committed any corrupt and fraudulent practices, as defined in the Rules. Those Regulations on blacklisting would benefit from some refinement, for example by making the grounds for debarment more explicit, by including mitigating circumstances and provisions on rehabilitation.

The legal framework establishes the minimum content of the procurement documents and requires that content is relevant and sufficient for suppliers to respond to the requirement. The Rules require objective and non-discriminatory specifications but do not refer to any preference to international norms or standards nor to the use of functional specifications. The Rules are clear on ensuring that only those award criteria that have been disclosed in advance (in the bidding documents) are applied. They require that the criteria be appropriate and stated clearly and unambiguously and that methods of assessing price be set out in the bidding documents. The Rules foresee award based on the lowest evaluated price and provide that this need not be the lowest price. In addition, the definitions refer to 'value for money' which sets out several elements that might be expected to be included in the list of what might constitute an 'evaluated' price, including life-cycle cost.

There are specific rules in place for procurement of consulting services which provide for an acceptable assessment of quality and price. There are conditions and procedure in place for competitive bidding in one or two stages and with one or two envelopes (technical and financial), but the requirement is simply to follow the evaluation criteria set out in the bidding documents without specifying what those should be based on., without explaining the appropriate use of quality/cost evaluation.

Confidentiality of all information relating to bidding is provided until such time as contract award is announced and published on the website, although there are no explicit provisions relating to the security of bids. There are no explicit provisions safeguarding the confidential and commercially sensitive information of bidders.

Bid opening must take place within one hour of the deadline for submission of bids. Though procuring agencies are required to maintain records of their procurement proceedings and all associated documents, including bid opening for a period of 5 years, the Regulation foreseen to provide a detailed list of the records and documents to be maintained has not yet been adopted, although it is a work in progress.

The Rules set up a very formal two-tier review mechanism for complaint. The first level is a Grievance Redressal Committee (GRC) which is established for each procurement, at least one third of whose members must be from outside the procuring entity. A complaint may be lodged by any bidder who is aggrieved by any act or decision of the procuring agency. The lodging of a complaint does not warrant the suspension of the procurement proceedings. The GRC may reject a complaint where it considers it to have been made on frivolous grounds and, otherwise within 15 days, may prohibit action inconsistent with the rules and regulations; annul acts or decisions; recommend a declaration of mis-procurement; reverse a decision or substitute its own decision for such a decision, although the GRC may not make any decision to award the contract. A bidder may appeal the decision of the GRC to the Procurement Review Committee (PRC) which is established for each reference. The chairman will be the Managing Director of BPPRA and will include procurement specialists from BPPRA as well as a private member and technical expert nominated by the Managing Director. The appeal is subject to payment of review fee. The appeal must be disposed of within two weeks from the date of receipt of application and the PRC may uphold or revoke the decision of the GRC or declare mis-procurement. It may suspend the procurement proceedings until it decides. The grounds for review are broad but also exclude from the grounds for review the selection method chosen. Timeframes are appropriately established but the use of days and weeks may lead to misunderstanding.

Responsibility for contract administration and management is established including for all administrative, financial, managerial and technical tasks to be performed until the contract is successfully concluded or terminated, payment is made and disputes of any claim under it are resolved. The procuring agency is also responsible for ensuring conformity with technical requirements for arranging for inspection of their quality and quantity. In addition, the Rules allow the procurement committee to engage a third party such as team of technical experts, testing facility or use of laboratories for the required verifications. There is a reference to unsettled claims being resolved through arbitration, but this is not articulated further. The PEC SBD for works does, however, refer to contract dispute by way of the Arbitration Act 1940. In practice awards are enforceable and new legislation will make this clearer. Currently, however, the legislative basis for enforceability is absent.

Use of the e-PPS is mandated by the BPPRA (Amendment) Act of 2022 for procurement over the stated thresholds and procuring entities are transitioning from manual to electronic processes which is a new system and process. The system was introduced with the creation, publication, and distribution of electronic bidding documents in 2021, and its e-bidding functionality was implemented in 2022. E-bidding is required for services over 1 million PKR, goods over 5 million PKR, and works over 50 million PKR. The BPPRA E-PPS covers the procurement process, from publishing plans to announcing contract awards. It features modules for creating and managing procurement plans, creating bidding documents from standard bidding document templates, supplier management, online registration, bid submission, evaluation, and award publication. Modules for contract management and e-payment are still under development. There are some document management issues that require attention, notably access to stored documents and to the security of submitted documents which are prone to 'disappearing'. The BRRPA e-PPS system provides open access to procurement information, including current and past procurement plans, notifications, bidding documents, award announcements and contracts. It also offers access to procurement rules, standard bidding documents, training materials, and a grievance filing service. The system also provides visual statistics to allow users to view where procurement activity occurs on a map by type of procurement, commodities, departments or procuring entities. Moreover, the e-PPS system facilitates the creation of the bidding document from standard bidding document templates ensuring all published tenders are in compliance with the regulations and guidelines. BPPRA can incorporate new bidding documents and processes as required.

As with records of the bid opening, the Regulation foreseen to provide detailed requirements related to recordkeeping has not yet been developed, leading to a dearth of procurement information. This affects transparency and monitoring and has created an obstacle to data collection under this assessment. There are no protocols in place to safeguard paper bids, but the electronic system operates through an encrypted database to store and retrieve information which requires the use of one-timecodes (OTC) for access.

- **Gaps**

Several intended Regulations foreseen in the Act which have not yet been adopted. There is some lack of clarity on the use of open and closed frameworks and some doubt as to whether their benefits could be achieved over a maximum one-year period. Would be preferable to include the purpose of the prohibition on fractioning (i.e. to avoid competition). Not all advertising periods (i.e. period allowed for the submission of bids) have been included. Lack of detail on qualification criteria. Whilst ostensibly free of restrictions, there appears to be a strong disincentive for foreign bidders who are only invited to bid for contracts with a value in excess of USD10m equivalent (though are not prohibited from bidding below that threshold) and must then be registered in Pakistan to qualify. The Government currently has no defined domestic preference policy. In terms of blacklisting, there is no mechanism to take account of mitigating circumstances and no provision for rehabilitation. Centralisation of the debarment decision should be considered, i.e. appointing a central authority such as BPPRA rather than allowing individual agencies to make that decision. The failure to refer to international norms and standards may mean that domestic bidders are preferred in practice notwithstanding the non-discriminatory nature of the methods permitted. The absence of a requirement to use functional specifications may make it difficult for procuring entities to maintain the neutrality. No explicit link is made between 'evaluated' price and 'value for money' so that procuring entities may not always be clear on what the award criteria might be. The lack of detail in terms of what needs to be considered in terms of the technical evaluation stage (where that is conducted separately) means that there is room for too much discretion. No explicit provisions safeguarding the confidential and commercially sensitive information of bidders.

In terms of challenge, the first level complaint process lacks detail and does not fully explain qualifications required of membership. As with the GRC, it is not clear who the members of the PRC should be other than the chairman and no indications of their qualifications or experience are indicated. There is no detailed procedure for the appeal and no mention of the possibility of hearings or any guarantee of due process. There is no indication of the level of the fee or any indication of what might be considered to be "frivolous" grounds. The remedies available are few and there is little in the way of incentives for the complainant and few penalties for the procuring agency either. It thus appears to be a rather weak appeals mechanism. The PRC Regulations 2020 provide a procedure which allows for due process, but these are not operational. Though the second level GRC is independent of the procuring agency (a key requirement), it is also mostly made up of BPPRA members and it is not clear that it is sufficiently independent of the procurement process to be considered an appropriately independent administrative appeals body. The provisions also exclude the choice of the selection method from the grounds for complaint. The improper choice of method (usually in favour of direct contracting where it is not objectively justified) is one of the most frequent breaches in practice so it is important that such improper choices be subject to challenge. Decisions are not published leading to a lack of transparency.

Precise functions and responsibilities for managing contracts are not elaborated in the Rules and it is not clear who, within the procuring agency, will have responsibility. There are also no specific provisions relating to the examination and timely payment of invoices though there is a general requirement that they should be paid on time. In practice, late payment is a frequent occurrence and there are no provisions in place detailing bidders' rights in case of late payment. There are also no provisions for the monitoring of contract performance clauses designed to ensure social or environmental standards. Unclear references to arbitration or other forms of alternative dispute resolution (ADR) being used for contract disputes other than works and no requirement that provisions on dispute resolution would be included in the contract.

BPPRA's e-PPS functionality is not currently universal (though mandated for all), and the system requires users to access the system using devices configured with country and time settings set in Pakistan or tender information not displayed, limiting access to potential international vendors. For 2022-2024, less than 25% of published tenders have associated contract award information and only around 8% of procurement transactions published in e-PPS are conducted electronically (representing some 55% in terms of value).

The lack of a list of documents and decisions to be maintained in the procurement record is a serious deficiency and needs to be remedie**d** to ensure transparency and verifiability of the process. This applies to both paper and electronic records even if the e-PPS will contain some records of the process conducted electronically. However, conducted (paper or electronic), not all of the records would be available electronically: the payment process, for example, is carried out on a separate system and does not appear automatically in the e-PPS. It needs to be entered manually and is not for the most part. There are no security protocols for safeguarding paper bids and a third-party security audit/assessment of the electronic system is still outstanding.

- **Recommendations**

Complete the suite of intended Regulations, i.e. for records; e-GP guidelines; price preference policy; and the integrity pact. Clarify provisions on framework agreements. Need to complete time periods for submission. Could usefully supplement details of qualification criteria. Consideration should be given to increasing the RFQ thresholds, lowering the ICB threshold and removing the registration requirement. A domestic preference policy should be drafted, if required. The rules on blacklisting would benefit from some refinement and consideration should be given to establishing a centralized system of debarment. The legal framework should be amended to prefer both international standards and functional specifications, the latter as a means of preserving the neutrality of specifications already required. Consideration should be given to expanding in the definition of 'evaluated price' to take account of the elements defined under the term 'value for money' and, in addition, to explain further how to calculate whole life costs. The criteria to be applied to the technical evaluation stage be made more explicit. Provisions need to be made on the Rules protecting the proprietary information of bidders and limiting their disclosure.

Clarification is required on the members of the GRC procedures established. Consideration might also be given to making this a simpler process. The legal framework should be amended to provide for the identity of panel members, level of fee, the process of seeking, applying and removing suspensions and for imposing remedies. It is also recommended that there be established a permanent PRC with at least some legally qualified members and, if the chairmanship of the BPPRA is to remain, that there be a mechanism put in place to separate its functions from those of the rest of BPPRA. The choice of the selection method (usually for direct contracting) is one of the most frequent breaches in practice. Timeframes should be consistently defined in either days or weeks. Publication of decisions should be made mandatory.

The functions of contract administration and management should be set out more clearly and fully and responsibilities should be specifically assigned. This should include rules on late payment of invoices. A provision needs to be introduced into the legal framework clearly setting out a requirement for contracts to include an appropriate dispute resolution clause based on arbitration or other form of ADR.

BPPRA needs to enhance the e-PPS system to ensure that processes are duly completed in the system, notably contract award information. The majority of manual processes do not include award data or award information is not recorded in a timely manner. Awareness sessions could also be applied to instil the need to update the information in the system.

The Regulation for record keeping needs to be adopted (or included as part of the Rules) so that a list of recording requirements is established. Links will need to be established between e-PPS and the payment system to provide a full view of the procurement process. Since this is outside the control of the procurement authorities and requires coordination with those responsible for the electronic systems applicable to PFM, this sub-indicator has been accorded a red flag. A third-party verification of the electronic system is needed to ensure the integrity and security, and equivalent protocols need to be introduced in respect of paper-based procurement.

Summary of substantive gaps and recommendations of Indicator 1

Substantive gap	Risk classification and red flags	Recommendations
1(a)(a) Incomplete Regulations	High	Complete
1(b)(b) variations	Medium	This should not be included as a ground for using single source but removed to contract management (and not made subject to a percentage limitation)."
1(d)(b) foreign participation	Medium	ICB threshold should be lowered and mandatory registration for foreign bidders removed.
1(g)(b) records of bid opening	High	Details of records should be established in a Regulation (foreseen but not yet adopted)
1(g)(c) security of bids	High	Rules to be amended in respect of security of bids
1(g)(d) confidentiality of proprietary information	Medium	The Rules need to be amended to provide for this confidentiality
1(h)(b) weak provisions on challenges and appeal	High	Amendments to provide for the identity of panel members, level of fee, the process of seeking, applying and removing suspensions and for imposing remedies. Strengthening of the independence of the PRC.
1(h)(c) choice of procurement method not reviewable	High	The choice of procurement method should be made reviewable.
1(h)(e) no mandatory publication of decisions.	Medium	Framework needs to be amended to require publication of decision.
1(h)(f) no indication that judicial review is available	Low	The possibility of judicial review against PRC decisions should be made explicit.
1(i)(a) and (b) incomplete provisions on contract management	Medium	Amendments to provide clear rules and responsibilities and to strengthen payment requirements
1(i)(c) Absence of clear instruction for dispute resolution	Medium	Amendments to clearly set out a requirement for contracts to include an appropriate dispute resolution clause based on arbitration or other form of ADR.

1(i)(d) No legal provision relating to enforceability of arbitral awards.	High Red Flag	A red flag is assigned because resolution of this issue is outside the control of those legislating in the field of public procurement. It will depend on the adoption of the Arbitration Act (proposed 2024) and implementation in the provinces. Its provisions need to be reflected in the Rules and SBDs.
1(j)(a) Use of e-PPS system	Medium	System needs to be more user friendly, allowing vendors to be satisfied that documents are uploaded correctly
1(k)(a) Lack of directions on recordkeeping	High Red Flag	Regulation needs to be adopted but also Links established between e-PPS and the payment system to allow for monitoring. This requires coordination with other authorities (hence the red flag).

Indicator 2. Implementing regulations and tools support the legal framework

This indicator verifies the existence, availability, and quality of implementing regulations, operational procedures, handbooks, model procurement documentation and standard conditions of contract. Ideally the higher-level legislation provides the framework of principles and policies that govern public procurement. Lower-level regulations and more detailed instruments supplement the law, make it operational and indicate how to apply the law to specific circumstances.

- **Synthesis of the indicator**

  Not all implementing regulations are in place and the responsibility for establishing standard bidding documents is not assigned, leading to a conflict in competences between BPPRA and PEC. The result is an incomplete set of standard bidding and contract documents. There is no Manual.

- **Findings**

  The Act is primarily implemented by the BPPRA Rules. There are in addition two BPPRA Regulations in force on blacklisting and on framework agreements, respectively. They are generally consistent with the Act and the Rules but some of the provisions could be improved (see indicator 1). However, not all of the regulations foreseen in the Act have been adopted so the suite of implementing regulations is not complete. Responsibility for preparing and maintaining the Regulations is clearly set out in the Act.

  Neither the Act nor the Rules refer to the adoption of standard bidding documents, i.e. no organisation is given responsibility for establishing or maintaining them. BPPRA's website does, however, include several 'sample' bidding documents. In practice, for works contracts above the threshold, procuring entities will rely on the Bidding Document prepared by the Pakistan

Engineering Council (PEC). Other bidding documents are referred to but cannot be located on the website. None appear to be mandatory but, to the extent that they can be identified, they appear consistent with the provisions of the legal framework.

There is not a complete suite of documents. They include ‘small’ works and good/services, although the Goods/Services sample is rather brief. There is no reference to a document to larger works on the website though, in practice, the PEC document is used. There are, for example, no documents for consultancy services, for alternative methods of procurement, for pre-qualification or multi-stage bidding.

There are standard contract conditions only for those sample documents identified on the BPPRA website. They are not mandatory. The PEC document also contains a draft contract document. In the available SBDs, the contract conditions are generally consistent with internationally accepted practice. The PEC SBD for civil works, for example, is based on the equivalent documents of, *inter alia*, the Multilateral Development Banks and incorporates FIDIC General Conditions of Contract. The Sample Bidding Doc Works under PKR 25 million issued by BPPRA closely reflect the PEC document for smaller contracts and in both cases, are generally consistent with internationally accepted practice. The Sample Bidding Document for the purchase of Goods and Services up to PKR 5 million contains a much shorter set of instructions and only some general contract clauses. These are generally acceptable but insufficient/incomplete.

There is no comprehensive Manual but only a one-page document published on the BPPRA website which sets out in tabular form the mandatory steps to be taken by the procurement officer under the Act and the Rules.

- **Gaps**

Not all the Regulations foreseen by the Act have been adopted leaving a significant gap in coverage of the rules. There are no guidance notes either.

The biggest issue with Standard Bidding Documents is that responsibility for the establishment and maintenance of the standard bidding documents is not assigned and this, in practice, causes some controversy notably with the existence of the competing SBDs of BPPRA and PEC. Not all of the SBDs contain standard conditions of contract. The low value goods and services SBD needs to be completed to ensure consistency with internationally accepted practice. Other standard bidding documents need to be established and must include contract conditions that are generally consistent with internationally accepted practice.

There is no user Manual, updated or otherwise.

- **Recommendations**

The full suite of regulations foreseen by the Act needs to be adopted and published on the website of BPPRA, including revisions recommended under indicator 1.

The authority to establish and maintain the standard bidding documents needs to be included in the Act or, at least, in the Rules. The obvious authority to do this is BPPRA, as the regulatory body for public procurement. Once this is done, BPPRA should establish and maintain a complete suite of bidding documents to cover the types of procurement and methods of procurement envisaged by the Act. These should also contain standard contract conditions that reflect the legal framework. They should be made mandatory. The current document for low value goods and services SBD should be revised and a full suite of standard bidding documents established which contain contract conditions that are generally consistent with internationally accepted practice. The absence of a full set of standard bidding documents means that it is possible that contract clauses are not communicated to bidders.

Establish and keep up to date a Manual/ User's Guide as an implementation tool to provide procurement officers with information that incorporates the law, policy and procedures and helps turn policy into practice.

Summary of substantive gaps and recommendations of Indicator 2

Substantive gap	Risk classification and red flags	Recommendations
2(a)(a) &(b) Incomplete set of implementing regulations	High	Regulations foreseen in the Act need to be adopted and existing Regulations strengthened as per indicator 1.
2(a)(c) Responsibility for maintenance of the regulations is clearly established, and the regulations are updated regularly	High	As per the recommendations above at 2(a)(a) &(b)
2(b)(a), (b) & (c) No authority established to establish SBDs and no complete set available	High	Authority to establish and maintain the SBDs to be included in the Act or Rules and a complete suite of appropriate SBDs to be established and maintained, consistent with the legal framework
2(c)(a)(b) &(c) No mandatory forms of contract	High	The above recommended SBDs should also contain standard contract conditions that reflect the legal framework. They should be made mandatory and should be consistent with international best practice. These must be provided to bidders.
2(d) No user Manual.	Medium	Establish and update a Manual/ User's Guide to provide procurement officers with information that incorporates the law, policy and procedures and helps turn policy into practice.

Indicator 3. The legal and policy frameworks support the sustainable development of the country and the implementation of international obligations

This indicator assesses whether horizontal policy objectives, such as goals aiming at increased sustainability, support for certain groups in society, etc., and obligations deriving from international agreements, are consistently and coherently reflected in the legal framework, i.e. whether the legal framework is coherent with the higher policy objectives of the country.

- **Synthesis of the indicator**

  Though Balochistan has a sustainability policy, this is not explicitly recognised nor implement through public procurement. International obligations are not made explicit.

- **Findings**

  Balochistan does not have a policy/strategy in place to implement Sustainable Public Procurement in support of broader provincial policy objectives.

  Public procurement-related obligations deriving from binding international agreements are not clearly established in the public procurement legal framework, although the Rules give precedence to obligations deriving from international treaties.

- **Gaps**

  Sustainability is not incorporated into procurement and there are no provisions which implement any obligations deriving from binding international agreements

- **Recommendations**

  The establishment of such a policy/strategy incorporating sustainability into the procurement legal framework (addressing the three main dimensions) needs to be addressed at a higher government level and a red flag is assigned because it is outside the scope of BPPRA.

  International obligations need to be clearly established in the public procurement legal framework

Summary of substantive gaps and recommendations of Indicator 3

Substantive gap	Risk classification and red flags	Recommendations
3(a) (a) Lack of SPP provisions.	High Red Flag	Incorporating sustainability into the procurement legal framework (addressing the three main dimensions) needs to be addressed at a higher government level and a red flag is assigned because it is outside the scope of BPPRA
3(a)(b) The SPP implementation plan is based on an in-depth assessment; systems and tools	High	Once an SPP strategy/policy is in place, the legal framework will need to be amended to

are in place to operationalise, facilitate and monitor the application of SPP		provide for the requisite implementation methods
3(a(c) The legal and regulatory frameworks allow for sustainability (i.e. economic, environmental and social criteria) to be incorporated at all stages of the procurement cycle.	High	Once an SPP strategy/policy is in place, the legal framework will need to be amended to allow for sustainability (i.e. economic, environmental, and social criteria) to be incorporated at all stages of the procurement cycle
3(a)(d) The legal provisions require a well-balanced application of sustainability criteria to ensure value for money.	High	Once an SPP strategy/policy is in place, the legal framework will need to be amended to require a well-balanced application of sustainability criteria to ensure value for money
3(b) International obligations not stated	Medium	International obligations need to be clearly established in the public procurement legal framework

3.2. Pillar II - Institutional Framework and Management Capacity

Pillar II assesses how the procurement system defined by the legal and regulatory framework in a country is operating in practice, through the institutions and management systems that make up overall governance in its public sector.

Pillar II evaluates how effective the procurement system is in discharging the obligations prescribed in the law, without gaps or overlaps. It assesses: i) whether it is adequately linked with the country's public finance management system; ii) whether institutions are in place in charge of necessary functions; and iii) whether the managerial and technical capacities are adequate to undertake efficient and transparent public procurement processes.

Indicator 4. The public procurement system is mainstreamed and well-integrated with the public financial management system

This indicator focuses on how well integrated the procurement system is with the public financial management system given the direct interaction between procurement and financial management, from budget preparation to planning treasury operations for payments.

- **Synthesis of the indicator**

  Procurement and budget planning are not well integrated with procurement plans being prepared after budgets are agreed as a form of expenditure planning. There is often a shortfall in funds leading to frequent late payment which, however, cannot be accurately measured since it is managed under a different electronic system and the payment not manually uploaded.

- **Findings**

  There are no provisions relating to the way in which procurement needs are integrated into the budget requests of the procuring agencies in the Act or Rules. While the planning and development departments of the procuring agencies are in practice involved in budget planning at an early stage, in respect of procurement, it appears that planning for procurement is in many cases commenced only after the budget is appropriated. The plans are more in the way of expenditure plans rather than procurement plans and are not referred to by the procuring agencies as a means of measuring performance. Once budgets are made available and approved, detailed procurement plans are developed and uploaded on the e-PPS website.

  Budget funds are appropriated on an annual basis but not committed, although this is supposed to happen on a quarterly basis. There appears to be a significant shortfall in public funds and funds are often not forthcoming within the budgetary year leading to significant delays in procurement.

  There is a well-documented process for project planning and feedback put in place by the Planning Commission which is also followed at the provincial level.

There is no requirement in the Act of Rules for funds to be available before tenders/ proposals are solicited so the MDB habit of advance procurement is accommodated in the system., even if this fails to meet the indicator requirements.

Payment processing is well regulated, and invoices are presented to the Controller General Accounts (CGA) office, which is responsible for disbursements and payments against contracts. A rigorous pre-audit is carried out to ensure that invoices comply with all aspects of the contract including goods received and inspection information. The payments are made when Finance Department releases the funds against a particular project. Once the releases are confirmed. The invoice information is entered into the payment system and cheques released within three to four days or less. The process is well known to vendors. The problem is that, in practice, payments are frequently delayed. The extent of this delay cannot be assessed because the data is not available on the e-PPS system (as it should be) but on a separate system. The data needs to be manually uploaded by the procuring entities but, since e-invoice and payment in e-PPS have yet to be developed, they frequently do not do this.

- **Gaps**

Budgeting is a top-down rather than a bottom-up exercise, which then makes it difficult for departments to plan procurement activities because they are dependent on the budgetary allocation and actual disbursement of allocated funds before commencing any activities. The frequent shortfall in funding leads to late payments although this cannot easily be measured because payments are managed through another system. Procurement procedures may be commenced before budget funds are available leading to long delays in the process and non-payment.

- **Recommendations**

Encourage a change in budgeting process at procuring entity level to include realistic bottom-up procurement plans that feed into the budget (as part of planning). Linking the payment system to the e-PPS may make the shortfall more transparent.

Amend the Rules to require certification of the availability of funds prior to solicitation.

Integrate e-PPS with CGA payment system and put in place processes to record invoices as soon as they are received.

Summary of substantive gaps and recommendations of Indicator 4

Substantive gap	Risk classification and red flags	Recommendations
4(a)(b) Lack of budget leading to late payment.	High	Link e-PPS and payment system in order to make the shortfall transparent.

4(b)(a) No requirement for availability of funds before solicitation.	High	Amend the Rules to require certification of the availability of funds prior to solicitation.
4(b)(b) Lack of data relating to late payments	High Red Flag	Integrate e-PPS with CGA payment system and put in place processes to record invoices as soon as they are received

Indicator 5. The country has an institution in charge of the normative/ regulatory function

This indicator refers to the normative/regulatory function in the public sector and its proper discharge and co-ordination. The assessment of the indicator focuses on the existence, independence and effectiveness of these functions and the degree of co-ordination between responsible organisations. Depending on the institutional set-up chosen by a country, one institution may oversee all normative and regulatory functions. In other contexts, key functions may have been assigned to several agencies, e.g. one institution might be responsible for policy, while another might oversee training or statistics. As a general rule, the normative/regulatory function should be clearly assigned, without gaps and overlaps. Too much fragmentation should be avoided, and the function should be performed as a well-co-ordinated joint effort.

- **Synthesis of the indicator**

  BPPRA is a well-established and respected regulatory body, although its assigned BPPRA functions are not complete. BPPRA has not been established as a separate corporate body as foreseen in the Act, something that would provide it with substantial independence. It is also not fully staffed with several key posts vacant. Its advisory and review functions are likely to be in conflict and raises the question of the independence of the second-tier review process.

- **Findings**

  BPPRA is the single regulatory body vested with the specific objective of carrying out the purposes of the Act. It is foreseen as a body corporate, so separate from the administration, although in reality it is set up as a 'department' of the Finance Department. It has the authority to take such measures and exercise such powers as may be necessary for improving governance, management, transparency, accountability and quality of public procurement of goods, services and works in the public sector. It is headed by a Managing Director and has a Board which exercises all the powers and functions of the Authority. The Board is chaired by the Chief Secretary of Balochistan and 15 other members, most of whom Secretaries. Included in the membership, however, is a nominee of the Chamber of Commerce, a nominee of the Pakistan Engineering Council, a 'renowned' professional from the management and finance sector nominated by the Government and two members from civil society nominated by the Government.

  BPPRA is assigned several regulatory functions, including:

  - **advice to procuring entities**: there is a general function to provide and coordinate assistance to the procuring agencies but the aim of this is to develop and improve their institutional framework and public procurement activities. It is not clear that this function is designed to provide ongoing advice to procuring entities in respect of procurement procedures. It is also mandated to make recommendations for improvements in their institutional setup and to improve governance, transparency, accountability and quality of public procurement.

- **proposing and drafting procurement policies**: BPPRA is given the mandate to recommend to the Government revisions in or formulation of new laws, rules and policies in respect of or related to the public procurement;
- **monitoring public procurement:** BPPRA is given the role of monitoring implementation of laws, of inspection policies and of procurement practices, although none of this is done; it is also the case that BPPRA sees 'monitoring' as 'auditing' and does not consider system performance;
- **providing procurement information**: BPPRA maintains a website that provides information although this is not its explicit mandate;
- **submission of reports to the Government**.
- **development of capacity building**: this included preparation of codes of ethics;

The functions of BPPRA are not always clearly defined in the Act and, given that BPPRA will also have a significance presence in the complaints review process, there is a danger that its objectivity and independence will be comprised if it engages too closely with procuring entities as part of its advisory function.

BPPRA is organized and staffed at a level that commands respect although its status is not as foreseen in the Act. Monies are credited to a designated fund into which the Government allocates money, from time to time, in the annual budget, grants, and income from investment. BPPRA has 64 allocated posts, 22 of which are at an executive level. However, a large number of posts are vacant, currently 17 in total, of which 8 are at executive level.

- **Gaps**

BPPRA is not, as the Act prescribes, a separate corporate entity independent of Government. The majority of the Board members are the most senior government officials in the province, and it is not clear how independent it can be. The inclusion of members from the private sector acts as a counterbalance but it is not clear how this minority membership would be able to hold the Board to account.

It is not clear that BPPRA can provide advice to procuring entities in respect of procurement proceedings; there is no formal help-desk function. At the same time, the PRC which provides the second tier of complaints review is chaired by the MD and includes procurement specialists from BPPRA and technical expert nominated by the Managing Director. Providing advice which influences the course of a procuring agency's procurement decisions could thus remove the key element of independence from BPPRA as Review Body and create a conflict of interest since it could be implicated in the decision-making process.

There are several weaknesses in respect of BPPRA functions:

- Though assumed, the Rules do not explicitly require BPPRA to prepare drafts of such laws, rules and policies.
- BPPRA has access to e-PPS data, but this is not currently readily retrievable, although this can be done on a case-by-case basis. Relevant databases are not therefore systematically built from the information available and do provide useable data feeds.
- There is no function assigned for developing and supporting implementation of initiatives for improvements of the public procurement system.
- The broad lines of capacity building support are set out in the Act but there are no details and, therefore, no guidance as to what could be achieved.
- No function to support the professionalisation of the procurement function is assigned.
- Though BPPRA created and manages the e-PPS, the legal framework does not reflect the practice and the extent of its functions and obligations in this regard are not clearly set out.

BPPRA has not been established as a separate corporate body as foreseen in the Act, something that would provide it with substantial independence. It is not clear from the Act whether funds must be regularly allocated in the budget; terminology suggests that it may be at the discretion of the Government which could undermine the independence of action of BPPRA which may need to canvass financial support. Almost a third of the executive posts are vacant and BPPRA has also recently taken on the role of managing the e-PPS. There are insufficient number of staff (and trained staff), to carry out all of the functions.

- **Recommendations**

It would be preferable to establish the BPPRA as foreseen in the Act to ensure that it is able to function effectively. In terms of the identified weaknesses, it would be preferable to

- spell out the precise nature of the advisory functions foreseen to avoid any conflicts of interest in respect of its participation in the review process and to consider establishing a formal help desk manned with appropriate staff which should be separate from any involved in policy making or complaints review (this also applies to indicator 8(a)(c)).
- to ensure that BPPRA is explicitly mandated to draft the laws, rules and policies;
- to make the requirement to publish procurement information explicit on the part of BPPRA;
- for the Act to mandate the creation and management of relevant statistical databases for the purposes of better monitoring;
- assign functions to BPPRA to allow them to develop and support implementation initiatives such as creating standard bidding documents, a practical manual etc.
- provide more precision on capacity building support;
- amend the Act to define a professionalisation programme based on a competency framework to be created for Balochistan and to give BPPRA the task of liaising with the necessary authorities, i.e. the civil service and educational authorities.

BPPRA should be established as a separate corporate body as foreseen in the Act. The Act may need to clarify the regularity and sufficiency of funds to ensure the efficiency and independence of action of BPPRA.

Vacant positions should be filled. Consideration should also be given to increasing the executive staffing levels considering the e-PPS responsibilities and the need to address additional functions, if assigned.

Summary of substantive gaps and recommendations of Indicator 5

Substantive gap	Risk classification and red flags	Recommendations
5(b)(f) No functioning statistical databases.	High	The Act needs to mandate the creation and management of relevant statistical databases for the purposes of better monitoring.
5(b)(h) No function to develop implementation tools.	Medium	Functions should be assigned to BPPRA to allow them to develop and support implementation initiatives such as creating standard bidding documents, a practical manual etc.
5(b)(j) Professionalisation not foreseen.	High	Introduce a professionalisation programme based on a competency framework.
5(b)(k) No explicit role to BPPRA in respect of electronic procurement	High	The Act should be amended to provide explicitly for this function on the part of BPPRA.
5(c)(c) Insufficient staffing.	High	Fill vacant posts and seek to increase staffing levels.
5(d)(a) Potential conflicts of interest.	High	More clarity on the functions of BBPRA are required, especially in terms of the dual functions of advice and review.

Indicator 6. Procuring entities and their mandates are clearly defined

This indicator assesses: i) whether the legal and regulatory framework clearly defines the institutions that have procurement responsibilities and authorities; ii) whether there are provisions for delegating authorities to procurement staff and other government officials to exercise responsibilities in the procurement process, and iii) whether a centralised procuring entity exists.

- **Synthesis of the indicator**

  Procurement functions are not properly assigned within procuring agencies so that responsibility, and thus accountability, for procurement is not clearly identified. Decision-making is delegated to appropriate levels. There is no centralised procurement, i.e. procurement of common use items procured by a central purchasing authority, and poor provisions relating to framework agreements.

- **Findings**

  Procuring agencies are clearly defined in the Act together with their responsibilities and competencies, although those responsibilities are not clearly assigned *within* the procuring agency. One of the most problematic issues with organisation is that no specialised procurement function is clearly assigned so that it is not clear who manages the procurement process. On the other hand, procuring agencies are required to establish a Procurement Committee (PC) which is explicitly given an oversight role in the Act. However, this role is inconsistent with some of its other functions, e.g. carrying out technical and financial evaluation and conducting post-qualification. Together these functions appear to consist of decision-making *and* oversight: those evaluating bids are also overseeing the consistency of the evaluation with the rules. This represents an unacceptable conflict of interest. At the same time, in the case of technically complex procurement which requires expertise of domain experts, the PC may constitute a subcommittee comprised of third-party technical experts which is assigned the overall responsibility of managing the technical aspects of the procurement which include but are not limited to preparation of bidding documents and technical evaluation. This comes closer to establishing procurement responsibility but applies in relatively limited circumstances.

Whilst there is no designated procurement function, the PC is often (in almost all of the agencies interviewed) the entity that conducts the procurement as if it were some forms of procurement unit. In most departments, the person with responsibility for procurement, *in practice* but not under the legal framework, is the Executive Engineer[9] who, in larger departments, will also have staff to assist. He will also generally be the chair of the PC. To the extent, therefore, that the Executive Engineer has staff, the procurement function may be carried out by several people within a hierarchical structure. But this is not established in the Act, or the Rules and individual responsibilities are not set out. It is also not a consistent practice.

Accountability for decisions is also not precisely defined. The procuring agency is responsible, but it is not clear who within the procuring agency is responsible for any particular decision, other than for approval through the delegated authorities.

Decision-making authority is delegated to the lowest competent levels consistent with the risks associated and the monetary sums involved.

The legal framework does not refer to centralised procurement and the introduction of the possibility of using framework agreements (rule 2(1) (oa)) relates only to their use by individual procuring agencies). It is thus not clear that the benefits of centralised procurement have been considered.

- **Gaps**

Internal responsibilities need to be properly and clearly assigned. There is no established procurement function within procuring agencies and responsibilities for different aspects of the procurement process are not assigned. Each procuring agency appears to operate differently but none have a clear management structure in place. Accountability for decisions is thus not precisely defined.

[9] Executive Engineer, generally called as XEN is the one who is in-charge of works in a district. The XEN reports to Superintending Engineer (SE) on divisional level who then reports to Chief Engineer (CE) on regional or provincial level.

The province does not appear to have considered the benefits of establishing a centralised procurement system.

- **Recommendations**

It is strongly recommended that the Rules be amended to ensure the establishment of a designated and permanent specialised procurement function with the necessary management structure, capacity and capability, to include standardised operating procedures. The Rules need to be amended to identify the responsibilities of individuals or a unit for specific decisions and to make them accountable for such decisions.

Consideration should be given to introducing centralised procurement for common use items and to evaluate the advantaged of doing so through the achievement of scale economies.

Summary of substantive gaps and recommendations of Indicator 6

Substantive gap	Risk classification and red flags	Recommendations
6(a)(c) No specialised procurement function assigned internally.	High	Rules to be amended to ensure the establishment of a designated, specialised procurement function with the necessary management structure, capacity and capability
6(a)(e) Accountability not assigned.	High	The Rules need to be amended to identify the responsibilities of individuals or a unit for specific decisions and to make them accountable for such decisions.
6(b)(a) No centralised procurement	High	Consideration should be given to introduce centralised procurement for common use items and to evaluate the advantaged of doing so through the achievement of scale economies.

Indicator 7. Public procurement is embedded in an effective information system

The objective of this indicator is to assess the extent to which the country or entity has systems to publish procurement information, to efficiently support the different stages of the public procurement process through application of digital technologies, and to manage data that allows for analysis of trends and performance of the entire public procurement system.

- **Synthesis of the indicator**

The Balochistan Public Procurement Regulatory Authority (BPPRA) launched its Electronic Public Procurement System (E-PPS) in 2019 to digitize procurement processes and improve efficiency and transparency across government departments. Amendments to the BPPRA Act 2009 and

Public Procurement Rules 2014 mandate the use of E-PPS for all government contracts. The system aligns with Balochistan's public procurement laws and supports various procurement methods, including single-envelope, two-envelope, and multi-stage processes. Framework agreements and multi-currency options are also available, with tools for creating standard or donor-specific bidding documents.

The BPPRA e-PPS supports the entire procurement cycle, from planning to contract award, with ongoing development for contract management and e-payment modules. Key functionalities include:

- **E-Publication Module:** Create and manage bidding documents, supplier registration, bid evaluation, and award publication.
- **Dashboards and Wizards:** Intuitive guidance for officers and vendors in procurement activities.
- **Open Access:** The system's website provides public access to procurement plans, bidding documents, awards, and training resources.
- **Vendor Support:** Online registration for firms with a national tax number (NTN), allowing participation in electronic or manual tenders. (BPPRA is updating the registration process to allow foreign vendors to register with supporting documents and tax numbers from their home country. A new registration process is expected in Q4 2024/Q1 2025. It has not been reviewed as the time of preparing the report.))

At the time of the assessment (2024), the system has processed 131,517 tenders, published 76,476 evaluation reports, and awarded 6,008 contracts. There are 4,385 registered procuring agencies and 3,632 vendors, predominantly from Balochistan, with limited representation from other provinces and no foreign firms directly registered. Many of the tenders published are historical information processed before the launch of the e-PPS portal in 2021 and 2022 with e-bidding functionality. Since the launch of e-PPS (until November 2024), the system has processed 32,821 tenders, and 2,559 were processed using e-bidding.

The BPPRA e-PPS system was the first e-GP system launched in the country. In 2024, the federal PPRA launched a national e-GP platform that will be made available to all national government organizations and provincial governments to manage their procurement activities. BPPRA is reviewing the new e-GP offering from their federal counterpart and may opt to host the BPPRA e-PPS in the federal system environment. The federal system environment will provide the similar system functionality to create and manage a procurement from planning to award and allow BPPRA to maintain and manage its system as a sub-system of the federal system environment. The federal system would benefit vendors by offering access to all public procurement in Pakistan through a single registration process. It would alleviate some of the responsibility for managing and maintaining BPPRA's system platform, thus reducing the overall cost of managing their own custom system

- **Findings**

The accessibility of procurement information has seen notable progress, with the BPPRA portal serving as a central repository of procurement-related data. Since its launch, the portal has facilitated electronic procurement activities, offering users access to extensive information. However, the system imposes some access controls, particularly location-based filters limiting access to Pakistan-based users. Location restrictions require adjustments to ensure potential foreign users can fully access tender details.

The centralized e-procurement Portal System (e-PPS) has demonstrated functionality for the creation and publication of procurement plans, tender announcements and bidding documents, evaluation reports, and contract award notices. Its full utilization remains limited as the use of e-bidding is only mandated for procurement above thresholds which only represents about 10% of procurements of the procurement transactions. Award data publication is incomplete, with only 23% of published tenders having a corresponding award, as procuring entities do not appear to publish evaluation reports or contract award notices in a timely manner or at all. Limiting the use of e-bidding reduces the number of transactions where evaluation reports and contract notices could be generated in the system as officers complete the procurement process.

While comprehensive procurement data publication has been initiated by requiring all procurement plans, tender announcements, and bidding documents to be published in e-PPS, its implementation is limited. Only 12% of evaluation reports and contracts are publicly accessible, and most procurement submissions, evaluation and award notices are still carried out manually. The system's absence of integrated contract management further hinders transparency and efficiency.

Data reporting and accessibility remain constrained, as current tools do not facilitate the extraction of detailed data or reports, limiting the potential for external analytics and insights. The strategy for procurement data management faces challenges due to limited reporting tools, which impede comprehensive analysis of procurement trends and socio-economic impacts. Data collected manually tends to be unreliable because many procurement records are incomplete or missing, undermining efforts to establish a robust procurement framework.

Public access to procurement information is openly available to view summary details of procurement activity; open contracting data options to download record sets are not presently available, restricting its utility for advanced analytics or external use.

The implementation of e-procurement systems is in its early stages, focusing primarily on high-value procurements. While training programs are available on request, continuous support is essential for staff and vendors to achieve widespread adoption and effective utilization. Additionally, system security and management have yet to undergo an independent third-party security audit, raising concerns about potential vulnerabilities.

- **Gaps**

The e-PPS system faces several challenges that hinder its effectiveness and accessibility. One notable issue is the limited accessibility for external or foreign users due to location restrictions and the requirement for a national registration tax number. BPPRA is changing the foreign registration process to allow foreign vendors to register with information and documents from their home country. Additionally, compliance with recording and publishing procurement transaction data, such as evaluation reports and contracts, remains low, which affects transparency and accountability. Open data formats are not in use.

The system currently lacks essential features for contract management and payment processing. However, these functionalities are included in the system development plan and are expected to be integrated into future updates. E-bidding is restricted as it is only mandated for high-value procurement thresholds, with manual submissions still being the norm for lower-value transactions.

Furthermore, the system offers limited reporting, data extraction, and socio-economic analytics capabilities, which constrains its ability to support informed decision-making. Security measures are another concern, as there is no independent third-party security audit or established security plan for the e-PPS system, raising questions about the robustness of its data protection and risk management strategies.

- **Recommendations**

The accessibility of the e-PPS portal is being enhanced to ensure it is available to all users, including external and foreign users, without requiring location-specific settings, in alignment with provision 7(a)(a). To improve data completeness and integration, all procurement information, such as evaluation reports and contract awards, will be promptly recorded and published as specified in 7(a)(b) and 7(a)(c). Additionally, the e-PPS system will integrate contract management and payment processes to streamline operations more effectively, as noted in 7(a)(c).

BPPR should examine options to expand the use of e-bidding by eliminating threshold limitations to allow all procurement to be conducted using e-bidding. The inclusion of small-value procurement in e-bidding would encourage greater participation from small and medium vendors, as outlined in 7(b)(a). The reporting and analytics tools will also be enhanced to provide robust data extraction capabilities and support analytics for trends, socio-economic impacts, and pricing data, facilitating open contracting data policies, referencing provisions 7(a)(d) and (e) and 7(c)(a-d).

In terms of security measures, a third-party security audit will be conducted to ensure system integrity, accompanied by the establishment of a comprehensive security and operational management plan (7(a)(f) and 7(b)(b)). To support system users, ongoing training, workshops, and interactive support will be provided to improve compliance and utilization, as indicated in 7(b)(c) and 7(b)(e).

Summary of substantive gaps and recommendations of Indicator 7

Substantive gap	Risk classification and red flags	Recommendations
7(a)(c): Publication of comprehensive procurement data	High	Enforce timely publication of evaluation reports and contract awards. Integrate contract management features.
7(a)(d) Enabling open contracting	High	BPPRA should ensure all data fields contain the correct information. Data provides include some blank or Null data elements when data would be expected.

		Vendor data should incorporate socio-economic information and be include with procurement and award transactions to facilitate analysis of procurement transactions by socio-economic factors.
7(a)(e) Data not presented in readable format	High	Requires use of open formats
7(b)(a)	High	Coverage of e-PPS needs to be expanded, at least by way of lowering the current thresholds.
7(b)(b): System security and management	High	Conduct a third-party security audit and establish a security operational plan.
7(c)(a) Insufficient data captured	High	Re-examine the information and reporting needs and ensure the system incorporates sufficient data fields to support those needs. Provide training to ensure that users complete relevant information requirements.
7(c)(c): Data reliability	High Red Flag	Expand vendor and transaction data fields to support socio-economic and trend analysis.

Indicator 8. The public procurement system has a strong capacity to develop and improve

This indicator focuses on the strategies and ability of the public procurement systems to develop and improve. Three aspects should be considered: i) whether strategies and programmes are in place to develop the capacity of procurement staff and other key actors involved in public procurement; ii) whether procurement is recognised as a profession in the country's public service; iii) whether systems have been established and are used to evaluate the outcomes of procurement operations and develop strategic plans to continuously improve the public procurement system.

- **Synthesis of the indicator**

  BPPRA has conducted extensive training on the Rules and the e-PPS but this training is largely a question of familiarising stakeholders with the Rules. It is compliance-based training and does not contribute directly to improving the competence of staff allowing them to demonstrate sufficient performance for promotion. Procurement is not regarded as a profession. There is no system performance measurement, only investigations of individual processes. There are no tools and insufficient data to monitor system performance.

- **Findings**

  BPPRA has conducted significant number of trainings. To date 74 training sessions (from 2014 to 2023) have been conducted on the BPPRA Rules for procuring agencies and attracting over 2,000 officers; and 2 sessions have been provided to around 150 vendors (in 2015 and 2018). Training has also been provided on the e-PPS: to over 800 procuring agency officers between 2021 and 2023; and to almost 300 vendors between 2022 and 2023. In addition, BPPRA conducted a 3-week training of trainers (with 38 participants) to help establish Diploma in Procurement and Supply Chain Management in 2023 for various universities and colleges. The universities of Turbat and Loralai have since introduced modules on public procurement.

Procurement is not at all recognised as a specific function and the lack of any defined procurement functions within the procuring agencies demonstrates that there are no defined procurement positions at different professional levels and job descriptions which could be used to specify the requisite qualifications and competencies. Appointments and promotion are generally made based on seniority. Given the absence of identified procurement positions, there is no competitive promotion based on qualifications.

Some 'monitoring' is carried out by BPPRA, but this is more by way of auditing and investigation when issues are discovered. It mostly concerns the 'monitoring' of individual cases. *It is not a question of system performance monitoring* which is not carried out and no responsibility for system monitoring is assigned. Moreover, there is insufficient data collection to conduct appropriate system monitoring. Even with the e-PPS, relevant information is available within the system but it is not routinely collected and aggregated in a way that supports system monitoring.

- **Gaps**

The training is mainly focussed on Rules training and rolled out as extensively as possible to provide the greatest possible awareness among stakeholders. There is no indication that more specific training is provided to address any particularly identified needs. Given the nature of the training, there is no feedback mechanism which might lead to adjustments in the programme. Funding has been an issue and, although BPPRA has requested a fee to cover the cost of the training, most participants (and their employers) are reluctant to pay, resulting in less training in 2024 (only 2 sessions). There is no evidence that BPPRA's training programme is linked to or coordinated with procurement training for other key actors such as auditors or anti-corruption officials.

Procurement appears to be seen as a clerical function. There are no defined procurement positions in Government, no career path and no competency framework. Appointments and promotion are not competitive or based on qualifications and professional certification or based on performance.

No performance measurement is in place and there is insufficient data to underpin the development of strategic policy. There are no monitoring tools in place and a lack of capacity to use such tools.

- **Recommendations**

The training needs to be continued and provided within a permanent and sustainable framework. It needs to be based on a training needs assessment identifying skills gaps that need to be addressed. It should also encompass training for all relevant stakeholders providing targeted training for their needs, including bidders and the general public.

It is recommended that BPPRA begin by creating a competency framework to populate a specific procurement function within each procuring agency. This would also enable appointments and promotion are competitive and based on qualifications and professional certification and allow for performance to be monitored.

A performance measurement system needs to be developed using qualitative and quantitative data which provides for an adequate reporting mechanism from the procuring agencies to BPPRA which should be equipped with the tools necessary to monitor and consolidate the performance data and provide an evaluation of system performance to drive further improvements. Capacity building should be provided on how to develop a strategic approach to structure initiatives to improve the system.

Summary of substantive gaps and recommendations of Indicator 8

Substantive gap	Risk classification and red flags	Recommendations
8(a)(a), (b) & (d) Lack of comprehensive competence-based capacity building programme	High	Training needs to be continued but provided within a permanent and sustainable framework. It needs to be based on a training needs assessment identifying skills gaps that need to be addressed and to take a competence-based approach and should address multiple stakeholders.
8(b)(a) Procurement not a profession	High Red Flag	It is recommended that BPPRA begin by creating a competency framework to populate a specific procurement function within each procuring agency. A red flag is assigned because realising a competency framework and the qualifications that need to be provided to make it successful requires the intervention and support of those responsible for the civil service and educational qualifications. It is not something that can be achieved by BPPRA alone.
8(b)(b) Appointments not made based on competence.	High Red Flag	This could be developed once a competency framework is in place. A red flag is assigned because it is those responsible for the civil service that need to be engaged to allow for this to happen.

8(b)(c) No performance review of procurement staff	High Red Flag	Again, this could be developed from the establishment of a competency framework. A red flag is assigned because it is those responsible for the civil service that need to be engaged to allow for this to happen
8(c) Absence of system performance measurement.	Medium	This requires the creation of a performance measurement system, the provision of appropriate measurement tools and relevant capacity building.

3.3. Pillar III - Public Procurement Operations and Market Practices

This Pillar looks at the operational efficiency, transparency, and effectiveness of the procurement system at the level of the implementing entity responsible for managing individual procurements (procuring entity). In addition, it looks at the market as one means of judging the quality and effectiveness of the system in putting procurement procedures into practice. This Pillar focuses on how the procurement system in a country operates and performs in practice.

Indicator 9. Public procurement practices achieve stated objectives.

The objective of this indicator is to collect empirical evidence on how procurement principles, rules and procedures formulated in the legal and policy framework are being implemented in practice. It focuses on procurement-related results that in turn influence development outcomes, such as value for money, improved service delivery, trust in government and achievement of horizontal policy objectives.

- **Synthesis of the indicator**

The BPPRA rules are well understood and supported by an adequate set of bidding documents and contracts. However, market perceptions and expectations as to the process and outcomes vary and need to be managed through a clarification of the rules and where necessary, amendments. There needs to be a more strategic approach to the market that examines it in the context of the governments objectives and expected outcomes like value for money, sustainable procurement and providing access to SMEs and marginalized groups to public procurement.

Bid evaluation information is available publicly on the e-PPS website, but it is not followed up by contract award information so that any complaints regarding the procurement process may be submitted in a timely manner, protecting the rights of bidders and enhancing confidence in the transparency of the bidding process. There are no comprehensive files that contain information on the implementation of contracts and, while contract management is delegated to three district levels, there is no integration of the procurement, contract management and payment information. Invoices are not logged in at the time of receipt and are only entered into the CGAs payment system at the time of payment making it difficult to take a view as to the timeliness of the payment process.

Th Government needs to be more inclusive during the process of formulating or changing policies, allowing the market to participate in the process through consultation, as well as include civil society to have sight of the procurement process throughout its various stages.

- **Findings**

While the preparation of procurement plans by procuring entities is a mandatory requirement (Rule 11), the market analysis is sporadic and there is no specified process for conducting this in the BPPRA Rules. PEs rely on existing market information or informal contacts with prospective bidder to gather information. The contract requirements and desired outcomes of contracts are described in the procurement documents and adhere to a standard set of procurement documents available on BPPRA’s website, which is accessible to all procuring entities. The PEs specify the procurement requirements in specifications (Rule 13) for works, goods, and non-consulting services, terms of reference for consulting services, and bills of quantities for works, as appropriate. Rule 27 (1)(a) to (o) describe the requirements of the bidding documents in this respect.

There are no specific requirements or criteria in the Rules or the bidding documents regarding sustainability. However, the Rules state that Procuring Agency shall allow for a preference to domestic or national suppliers, contractors or consultants in accordance with the policies of the Government. The magnitude of price preference to be accorded are required to be clearly mentioned in the bidding documents under the bid evaluation criteria

The BPPRA and the PEC have a suite of bidding documents that can be used for all types of procurements, including complex procurement. In actual practice using a two-stage process is the process of choice to prevent any allegations of favouritism during evaluation. In addition, there are specified documents for pre-qualification, where such processes are deemed necessary. While several procurement processes are available under the rules, there are no defined processes for justifying selection of procurement processes.

Rules 25, 33 (4) and (5) describe the requirement for the submission and opening respectively of bids. The bids are required to be opened publicly in the presence of all the bidders or their representative. The requirements are also repeated in the relevant sections of the standard bidding documents. This is perhaps the most diligently followed requirement.

Rule 40 requires Procuring agencies upload bid evaluation reports to the Authority's website in the form of a report giving justification for acceptance of lowest evaluated bid, and reasons for non-acceptance of all other bids or rejection of each bid at least three working days prior to the award of procurement contract. This is happening in 100% of the procurements. Rule 49 states that within forty-five (45) days of the award of contract, Procuring Agency shall publish on the website of the Authority and on its own website, if such a website exists, the results of the bidding process. This announcement will include the evaluation report, Letter of award and form of contract and the BOQ or schedule of requirements.

While the Government of Balochistan has a stated policy for sustainability, these are not expressly reflected in the contract documents, although several rules and clauses in bidding documents and contracts indirectly support these goals, notably environmental and climate change requirements. Indeed, the practice appears to be to award bids on the basis of the lowest evaluated price even though the Rules allow (but not clearly) for award on the basis of value for money.

Rules 25-49 describe how the selection process is carried out, which seem to be followed reasonably well, with exception to rule 49 requirements of publication of contract award. All of the procurement processes are carried out in accordance with these rules as the Authority reviews procurement transaction and any deviations are pointed out to the Procuring Agencies (PAs) for ensuring compliance.

The quantitative data collected during the assessment illustrate the time taken to procure Goods, Works and Services contracts: the average over a three year period was around 70 days in the case of goods, 51 days in the case of works and 40 days in the case of services. In the case of goods, there was on average 91% of responsive bids and only 9% of procedures were cancelled. In the case of works, there was on average 89% of responsive bids and only 11% of procedures were cancelled.

Rule 54 (2) states that contract administration and management shall be the responsibility of the Procuring Agency, which shall include all administrative, financial, managerial and technical tasks to be performed from contract award until it is successfully concluded or terminated, payment is made and disputes of claim under it are resolved. The contract management activities are carried out at the district levels, where all expenditures are devolved. Each district may have several Procuring Agencies that conduct procurement and manage contracts. There does not appear to be a bias to reward contractor performance or early completion / delivery. Rule 53 lays out the procedure for Liquidated Damages to be levied for non-performance or delays. Similarly, contracts contain clauses for Performance Security, normally 5%-10% of the contract value. These deal more specifically with non-delivery rather than non-performance but are applied in that sense too. The survey results point to the general satisfaction of the market towards the contract management process.

The e-PPS does not have a contract management process. There is no way to track contract amendments, if any, and / or their publication. Rule 54 (3) requires the Procuring Agency to ensure all Goods, Works and Services procured conform to the technical requirements set forth in the contract agreement and arrange for inspection of its quality and quantity. The procurement committee may engage a third party such as team of technical experts, testing facility or use of laboratories for required verifications. In addition, the Procuring Agency shall also ensure compliance of maintenance guarantee, after-sales services and warranty obligations.

The payment invoices are presented to the Controller General Accounts (CGA) office, which is responsible for disbursements and payments against contracts. A rigorous pre-audit is carried out to ensure that invoices comply with all aspects of the contract including goods received and inspection information. The payments are made when the Finance Department releases the funds against a particular project. Once the releases are confirmed, the invoice information is entered into the payment system and cheques released within three to four days or less.

The contract information of the e-PPS reflects only the original contract value. The e-PPS is a repository of all procurement information in the province. Complete and comprehensive transaction information is available on the system, which is analysed by the BPPRA and included in an annual report to its board and to the departments within the government

There are no integrated records maintained at the PA, BPPRA or payment level. Records for the selection process are maintained at the PA level and uploaded to the e-PPS (only up till the point of completion of evaluation report), including any award, contract management and amendment information. The payment information is maintained at the CGA level.

- **Gaps**

There are several areas of the public procurement regime that have gaps that can lead to either misunderstanding of the rules or their inconsistent application. While some of these are substantive gap, they can be addressed through clarifications or tweaks in the rules and improving the feedback loop from both procuring agencies and the market. Here are the gaps that the assessment has highlighted.

While the Rules that requires procurement planning (Rule 11), there is no specific tool or process that requires market analysis or for the writing of procurement strategies prior to launching a procurement process. In the absence of a systematic market analysis to inform a procurement strategy, the approach to market is based on limited knowledge of how the market for a particular goods, services or works is structured.

There is no process in place for the justification of the method chosen. Although there are procurement committees notified for each procurement, and there are discussions on the type of procurement, there is no evidence of justification for choice of procurement methods.

While there are well defined procedures for public opening of bids, there are no requirements for the presence of any members of civil society. And while the Government has implemented the Balochistan Environmental Act 2012, that aspires to achieve environmental conservation and promotion by protecting the biodiversity of the province through collective efforts by sustainable projects and expenditure on environmental sector and addressing climate change, these do not translate into any requirement in the Procurement Rules. There are no clauses in the contracts that include sustainability considerations beyond environmental considerations in larger civil works contracts.

Although the various steps in the procurement process are well laid out and appear to have been followed, a survey of suppliers and contractors paint an interesting picture of their perception of how the procurement system performs in practice. Of the responses obtained over half (57% on average) the respondents felt the requirements and objectives in the bidding documents were well defined, were easy to interpret with bidding and evaluation procedures well defined, but fully 43 percent felt they were not. This is a fairly high negative perception that the BPPRA needs to take note of. But perhaps more worrying is the perception of 58% of the respondents that bid opening and award processes are not faithfully followed.

While 100 % of the Bid Evaluations are uploaded (containing the information of lowest evaluated responsive bidder), the award of the contract is not necessarily announced as required by Rule 49. This number averages approximately 25% for the past 3 years, across all types of procurement, including e-bidding and simple paper-based bidding. This perhaps provides an insight into why most respondents have a negative perception of the evaluation and award process. Rule 47 requires that the Procuring Agency shall keep all information regarding the bid evaluation confidential until the time of announcement of evaluation report. Many write-in comments suggest that respondents have concern regarding the transparency of the evaluation process.

No award information per rule 49 is published, nor are there any data or alerts for exceeding time limits for evaluation and award.

There is no contact management or payment module, making it difficult to analyse the efficient or otherwise implementation of contracts and their payment information.

The e-PPS system at present does not have a contract management system. At present there is no way provincial authorities have a comprehensive view of how contracts are managed from inception to final payment. Similarly, no aged analysis of payment information is available because the CGA office does not enter the information when invoices are received, but only when the Finance Department releases the funds.

Any payment information therefore would show 100% compliance. The e-PPS system does not track contract management and payment information.

The records of the contracts are maintained with Executive Engineers at the district level and are not available in an integrated contract management system at the department level.

There are no opportunities for civil society to participate in any stage of the procurement process.

Records are fractured and dispersed across the PA, BPPRA and CGA, making it very difficult to track the implementation of contracts

- **Recommendations**

The Rules should be amended to include market surveys that lead to procurement strategies prior to approaching the market. Every procurement has a Procurement Committee, and it would be useful to have this aspect added to their ToRs and train committees on this.

Consider including sustainability criteria in the Rules and Standard Bidding Documents in line with stated government policy.

The Procurement Committee's role should be amended to include a requirement to document the justification for the selection of a particular procurement method.

The additional layer of oversight and observation by the inclusion of civil society representatives at various stages of the bidding process is always a good idea. The BPPRA could consider revision of the relevant rule to include this.

Authority should take steps to ensure that contract awards are announced without exception in compliance with Rule 49.

The Authority should work with the relevant government departments to include sustainable procurement considerations in the rules and reflect these in bidding documents as well.

Incentivizing contractor performance is an important factor in ensuring value for money and timely outcomes in contract implementation. Appropriate changes to the rules and underlying bidding documents should be made to include this aspect.

Implement a contract management module that will allow procuring agencies and provincial departments to track contract progress and intervene in case of delays or implementation issues.

Integrate e-PPS with CGA payment system and put in place processes to record invoices as soon as they are received.

Amend Rules to include external stakeholders in the procurement process for additional oversight and transparency.

Integrate filing systems to include procure to pay information in one database

Summary of substantive gaps and recommendations of Indicator 9

Substantive gap	Risk classification and red flags	Recommendations
9 (a)(a) The market analysis is sporadic and there is no specified process for conducting this in the BPPRA Rules	Medium	The Rules should be amended to include market surveys that lead to procurement strategies prior to approaching the market. Every procurement has a Procurement Committee, and it would be useful to have this aspect added to their ToRs and train committees on this.
9(a)(c) There are no specific requirements or criteria in the Rules or the bidding documents regarding sustainability.	High Red Flag	Consider including sustainability criteria in the Rules and Standard Bidding Documents in line with stated government policy. A red flag is assigned because this will require concurrence in agreeing province level sustainability criteria.
9(b)(c) There are no defined processes for justifying selection of procurement processes	Medium	The Procurement Committee's role should be amended to include a requirement to document the justification for the selection of a particular procurement method
9(b)(f) Appropriate techniques for actionable value for money criteria at transaction level	High	The Rules could be expanded to provide a clearer link between value for money and evaluation but, to improve the practice, this requires additional guidelines and appropriate training
9(b)(g) Contract awards are not always announced publicly	High Red Flag	Authority should take steps to ensure that contract awards are announced without exception in compliance with Rule 49. A red flag is assigned because although the Rules require the uploading of awards, the PAs have not despite several reminders. It will need a higher-level intervention at the provincial level to resolve this.
9(b)(h) There are no clauses in the contracts that include sustainability considerations	Medium Red Flag	The Authority should work with the relevant government departments to include sustainable procurement considerations in the rules and reflect these in bidding documents as well.

9(c)(a) There is no contract management module or comprehensive contract management process or information in place that tracks the contract from award to final payment	High Red Flag	Implement a contract management module that will allow IA and provincial departments to track contract progress and intervene in case of delays or implementation issues
9(c)(c) The e-PPS system does not track contract management and payment information	High Red Flag	Integrate e-PPS with CGA payment system and put in place processes to record invoices as soon as they are received. Ared flag has been assigned because the action to enter invoices when received lies with the CGA and is not in the purview of the BPPRA.
9(c)(d)_Contract amendments are not reviewed, issued or published in a timely manner.	Medium	Integrate the e-PPS system to include contract management
9(c)(e) There is no contact management or payment module, making it difficult to analyse the efficient or otherwise implementation of contracts and their payment information	Medium	See 9(c)(d) Add a payment module to e-PPS.
9(c)(f) Lack of involvement of external stakeholders in procurement process	High	Amend Rules to include external stakeholders in the procurement process for additional oversight and transparency
9(c)(g) No opportunities for civil society to participate in or have oversight of the procurement process	High	Integrate filing systems to include procure to pay information in one database

Indicator 10. The public procurement market is fully functional

The objective of this indicator is primarily to assess the market response to public procurement solicitations. This response may be influenced by many factors, such as the general economic climate, policies to support the private sector and a good business environment, strong financial institutions, the attractiveness of the public system as a good, reliable client, the kind of goods or services being demanded, etc.

- **Synthesis of the indicator**

All registered contractors have access to government contracts and registration is not restricted. Foreign bidders are also free to participate in government tenders through their local agents but face restrictions on bidding through requirements to register. There is no formalized communication with the market as a part of the policy-making process or to assess the perceptions of the supplier / contractor market**.** The private sector for its part is organized by trade associations and Chambers of Commerce and interacts with the government.

However, these interactions are more reactive rather than the result of structured communication exercised by the government.

- **Findings**

The contact with the market is limited and sporadic, and there is no formal consultative process in place for any changes to the procurement system. The perception of the market on this aspect is not very positive and only a quarter of the respondents felt that there was a consultative process in place.

The Small & Medium Enterprises Development Authority does identify small and medium sized businesses and provide them with some training on setting up and managing their enterprises, but there are no linkage or trainings on the procurement or market aspects.

The private sector is organized under existing legal registration and incorporation structures. Further, most of the market is represented through duly constituted trade associations that step up to protect the interests of their members as a collective and to the extent possible, influence government policy. The general perception is that they have access to government contracts.

Public procurement is open to all registered vendors and contractors and there are no barriers to participation. However, perceptions vary when respondents were polled on a series of questions related to participation in procurement.

The market is organized into trade associations and interacts with the government. Although this may not be necessarily for procurement, but Chambers of Commerce and Contractors and Supplier associations are organized at the provincial and city levels and have a voice in the planning and implementation of policies.

As described above, the government has an active engagement with the private sector level for commercial, industrial and taxation policy. Also, there is competition law (The Competition Act 2010) in place to deal with any unfair competitive practices. While the interactions do have an impact on the procurement market, there is no organized outreach to the private sector on procurement policy objectives.

- **Gaps**

The BPPRA does not carry out broad consultation when it is making or considering changes to the public procurement rules.

Failure to identify SMEs prevents the formulation of policies that can be targeted toward specific segments of the market to incentivize them to access government contracts and remove any policy barriers in doing so.

There is no national database for suppliers or contractors. The information is fractured and maintained in provincial or trade association databases which are not consolidated in any form.

Although there is an assessment of market risks by the government, neither the government nor the private sector view this from a procurement policy lens.

There are restrictions on foreign bidders when seeking to use the e-PPS system. They are invited only for contracts with a value of above PKR10m and are required to register.

- **Recommendations**

The government should institute processes whereby there is a mandatory consultative process when changes to the procurement system are made. This will allow for smoother implementation and greater transparency in the planning and implementation of changes.

Amend the e-PPS vendor registration system to include information on SMEs, minority, women, or marginalized communities owned businesses. Concurrently, coordinate with SMEDA to offer training to newly established business on the procurement system.

There needs to be a linkage between all the PPRAs at federal and provincial databases of registered contractors.

There needs to be more upfront analysis of market drivers in various key sectors so that policies are informed by empirical data and not necessarily pressure groups and agitation, so that policy initiatives are more proactive than a reaction to collective negotiations.

Restrictions on foreign bidders need to be removed.

Summary of substantive gaps and recommendations of Indicator 10

Substantive gap	Risk classification and red flags	Recommendations
10(a)(a) The contact with the market is limited and sporadic, and there is no formal consultative process in place for any changes to the procurement system	High Red Flag	The government should institute processes whereby there is a mandatory consultative process when changes to the procurement system are made. This will allow for smoother implementation and greater transparency in the planning and implementation of changes
10(a)(b) Failure to identify SMEs prevents the formulation of policies that can be targeted toward specific segments of the market to incentivise them to access government contracts and remove any policy barriers in doing so.	Medium	Amend the e-PPS vendor registration system to include information on SMEs, minority, women or marginalized communities owned businesses. Concurrently, coordinate with SMEDA to offer trainings to newly established business on the procurement system.
10(b)(b) Restricted access to foreign bidders	High	Remove registration requirements for foreign bidders to access system. Ensure that there are no other barriers in practice.
10(c)(a) Key sectors not identified.	Low	Government should identify key market sectors and develop policies accordingly
10(c)(b) There is no organized outreach to the private sector on procurement policy objectives.	Low	There needs to be more upfront analysis of market drivers in various sectors so that policies are informed by empirical data and not necessarily pressure groups and agitation, so that policy initiatives are more proactive that a reaction to collective negotiations.

3.4. Pillar IV - Accountability, Integrity and Transparency of the Public Procurement System

Pillar IV includes four indicators that are considered necessary for a system to operate with integrity, that has appropriate controls that support the implementation of the system in accordance with the legal and regulatory framework, and that has appropriate measures in place to address the potential for corruption in the system. It also covers important aspects of the procurement system, which include stakeholders, including civil society, as part of the control system. This Pillar takes aspects of the procurement system and governance environment to ensure they are defined and structured to contribute to integrity and transparency.

Indicator 11. Transparency and civil society engagement strengthen integrity in public procurement

Civil society, in acting as a safeguard against inefficient and ineffective use of public resources, can help to make public procurement more competitive and fairer, improving contract performance and securing results. Governments are increasingly empowering the public to understand and monitor public contracting. This indicator assesses two mechanisms through which civil society can participate in the public procurement process: i) disclosure of information and ii) direct engagement of civil society through participation, monitoring and oversight.

- **Synthesis of the indicator**

  Information is generally available, but civil society engagement is not provided for nor exercised. In practice, there are no CSOs operating in Balochistan.

- **Findings**

  No consultative process is followed when formulating changes to the public procurement system. Capacity building is limited to training for active stakeholders in public procurement such as procuring agencies and bidders. These focus on the Rules and on the e-PPS.

  Information regarding procurement is generally available and accessible, although foreign users of the on-line portal may not be able to access the information as readily as those established locally, as a result of the localized web settings used.

  Civil society is not invited to participate in any stages of procurement. Citizens do not participate in planning; bid opening; evaluation or contract award; or monitoring. There are no CSOs operating in Balochistan.

- **Gaps**

  No consultative process is followed when formulating changes to the public procurement system.

  There are no broader programmes of capacity building for wider stakeholders, notably civil society, to understand, monitor and improve public procurement.

  There is no evidence that the government considers the input, comments and feedback received from civil society.

  Though accessible, it is not clear how well known the sites are nor whether the information that is required to be published is uploaded in a timely manner, especially in respect of evaluation reports and even contract award information.

- **Recommendations**

BPPRA should engage in public consultation when formulating changes to the public procurement system.

Programmes need to be developed and implemented to build the capacity of relevant stakeholders to understand, monitor and improve public procurement. This includes the general public and civil society but should also include a programme for other government officials, senior officials, auditors, journalists etc. to provide more general awareness.

A mechanism should be developed to ensure dissemination of relevant information to civil society groups and to collect their feedback.

Efforts should be made create and implement an awareness programme for public procurement. BPPRA needs to remind procuring agencies of their obligations to publish contact award information on-line.

The Rules should be amended to allow for civil society engagement. A red flag is assigned because effecting change may be more than simply a question of amending rules. Agreement from the Government would need to be obtained to permit such a change and the absence of civil society organization in the province may mean that any changes in the rules would be ineffective without greater investment in broader capacity building efforts.

Summary of substantive gaps and recommendations of Indicator 11

Substantive gap	Risk classification and red flags	Recommendations
11(a)(a) No public consultation.	High Red Flag	Public consultation to be introduced for legislative changes.
11(a)(b) Limited capacity building for range of stakeholders.	Medium	Introduce capacity building for relevant stakeholders including the general public and civil society as well other government officials, senior officials, auditors, journalists etc. to provide more general awareness.
11(a)(c) and 11(c) (a) No civil society engagement	High Red Flag	Introduce mechanisms for civil society engagement. A red flag is assigned because effecting change may be more than simply a question of amending Rules. It requires Government agreement and buy-in.

Indicator 12. The country has effective control and audit systems

The objective of this indicator is to determine the quality, reliability and timeliness of the internal and external controls. Equally, the effectiveness of controls needs to be reviewed. For this indicator, “effectiveness” means the expediency and thoroughness of the implementation of auditors’ recommendations. The assessors should rely, in addition to their own findings, on the most recent public expenditure and financial accountability assessments (PEFA) and other analyses that may be available.

- **Synthesis of the indicator**

The legal control framework is comprehensive but does not specifically address procurement, although this is covered generally.

- **Findings**

The legal and regulatory framework in Balochistan covers accounting as well as internal and external auditing with appropriate rules and institutions in place. Internal controls operate by way of a pre-audit of payments ensuring goods were planned, agreed, and have been delivered. The Accountant General manages invoices separately, but this process is not yet integrated with the e-PPS.

There is a Financial Audit Manual (FAM) that provides internationally acceptable guidance for the audit team on methods and approaches for public sector auditing. There is a manual on performance audit which deals, in part, with the economy of purchases but is otherwise not related specifically to procurement.

- **Gaps**

The legal control framework is comprehensive but does not specifically address procurement, although this is covered generally. Integration of control systems and payment would be helpful, notably using the SAP platform.

Gaps exist in the implementation of the FAM due to lack of capacity and systems for system-based audit techniques, audit samplings, and audit report quality. The legal control framework does not specifically address procurement, although this is covered generally. There are no specific manuals/guidelines for procurement audit.

- **Recommendations**

It would be preferable if the legal framework for control were to address procurement specifically in terms of procurement audits (internal and external) and create a Manual for procurement audits. Though only a minor gap, a red flag is assigned because this is something that would require coordination with the AGP and other authorities. Efforts to be made to integrate internal control with e-PPS and SAP payment system.

Implementation tools need to be provided and included in the FAM and a Manual for procurement audits. In the latter case, a red flag is assigned because this is something that would require coordination with the AGP and other authorities.

Summary of substantive gaps and recommendations of Indicator 12

Substantive gap	Risk classification and red flags	Recommendations
12(a)(a) *Explicit* application to procurement missing.	High Red Flag	The legal framework for control to be amended to address procurement specifically in terms of internal and external procurement audits and create a Manual for procurement audits. A red flag is assigned because this is something that would require coordination with the AGP and other authorities. In addition, efforts to be made to integrate internal control with e-PPS and SAP payment system.

12(a)(b) Internal audit does not specifically address procurement	High	The legal framework for control to be amended to address procurement specifically in terms of internal procurement audits.
12(a)(d) External audit does not specifically address procurement	High	The legal framework for control to be amended to address procurement specifically in terms of external procurement audits.
12(b)(a) and 12(b)(c) Backlog in audits	High Red Flag	This is outside the control of BPPRA and requires a concerted effort by the government. It is thus assigned a red flag.
12(b)(d) No clear reporting lines to other oversight bodies	High	Amend legal framework to provide for clear reporting lines. This is outside the control of BPPRA and requires a concerted effort by the government. It is thus assigned a red flag.
12(b)(b) No performance audit manual in place	High Red Flag	Procurement performance audit Manual required. A red flag is assigned because this is something that would require coordination with the AGP and other authorities.
12(c)(a) Audit recommendations not followed	High Red Flag	Audit observations need to be tracked and published. A red flag is assigned because this is outside the control of BPPRA.
12(d)(a) Insufficient training of auditors.	Medium	Need to develop a training programme aimed at auditors, possibly as part of BPPRA training programme (once developed)

Indicator 13. Procurement appeals mechanisms are effective and efficient

Pillar I covers aspects of the appeals mechanism as it pertains to the legal framework, including creation and coverage. This indicator further assesses the appeals mechanisms for a range of specific issues regarding efficiency in contributing to the compliance environment in the country and the integrity of the public procurement system.

- **Synthesis of the indicator**

  Whilst the Rules provide for a bid challenge mechanism, the second tier is currently not operational so that the procedures foreseen (which are a little unclear) are not being carried out and cannot be assessed. Its independence is also in question.

- **Findings**

  Though the PRC Regulations 2020 (which are publicly available) address a number of these sub-indicators, they are not yet operational so it cannot be said that this reflects current practice. The Regulations refer, for example, to the evidence that must be provided: the grounds for the complaint; the decision to be reviewed, request for information to the GRC, if any; copy of the complaint to the GRC; copy of GRC order; affidavit to assert relevant facts or statements; copies of documents on which the appellant relies; copy of NIT; bid evaluation report. They also state that PRC (second-tier review body) decisions are binding and that a failure to comply amounts to misconduct on the part of the procuring agency but is untested. Time periods for challenge and appeal are not unduly long and should be adequate for ensuring speedy decisions. Fees are charged but cannot be identified. It cannot be said whether they inhibit access by concerned parties because the system is not currently operational. There is power granted to the PRC to suspend proceedings where it considers that the appeal will be rendered irrelevant in the absence of suspension.

It appears that the first review of the evidence is carried out by the entity specified in the law although bidders frequently direct their complaints to the courts in the first instance suggesting that even this stage of the review is not carried out as provided in the Act. The legal framework does not set out the procedures very clearly so that bidders are not constrained to use the prescribed review mechanism before going to court.

The chair of the PRC is the MD of BPPRA, and it may be, depending on the appointment of the other members, that the members from BPPRA could form the majority. In practice, it appears that BPPRA is involved in closely reviewing and correcting the procurement procedures of procuring agencies (as part of its advisory functions), but this creates a danger that BPPRA's proximity to the procurement decision-making process undermines its independence as an appeals body.

- **Gaps**

The review procedures are not always clear, leading bidders to seek justice in the courts rather than relying on the review procedures established by the Act. Neither the Act nor the PRC Regulations 2020 set out the fee level. The second-tier review body is currently not operational.

PRC cannot be seen to be an independent adjudicator where it is also involved in affecting the decision-making process of procuring agencies.

- **Recommendations**

Operationalize the PRC Regulations 2020 but review them to provide a more efficient process. The Rules should clarify the requirement to exhaust administrative procedures before turning to the courts. The challenge fee needs to be established at a level that does not deter bidders from making complaints.

It is recommended that the PRC be made independent of BPPRA so that any potential conflict of interest be removed. Alternatively, the role of BPPRA in advising procuring agencies should be clearly defined and restricted so that it does not become involved in the decision-making process.

Provide awareness training of the review process.

Summary of substantive gaps and recommendations of Indicator 13

Substantive gap	Risk classification and red flags	Recommendations
13(a)(a) Lack of clarity in procedures and non-functioning second-tier review body	High	Operationalize the PRC Regulations 2020 but review it to provide for a more efficient process. The Rules should clarify the requirement to exhaust administrative procedures before turning to the courts.

		Provide awareness training of the review process.
13(a)(b)-(c) PRC not functional.	High	PRC needs to be made functional.
13(b)(a) Perceived lack of independence of the PRC	High	PRC should be made independent of BPPRA. Alternatively, the role of BPPRA in advising procuring agencies should be clearly defined and restricted so that it does not become involved in the decision-making process.
13(b)(c)-(g) PRC not functional.	High	PRC needs to be made functional.
13(c)(a)-(d) PRC not functional.	High	PRC needs to be made functional.

Indicator 14. The country has ethics and anti-corruption measures in place

This indicator assesses i) the nature and scope of anti-corruption provisions in the procurement system and ii) how they are implemented and managed in practice. This indicator also assesses whether the system strengthens openness and balances the interests of stakeholders and whether the private sector and civil society support the creation of a public procurement market known for its integrity.

- **Synthesis of the indicator**

  External control organizations in place and internal audits are also operational. External audit is well respected and generally regarded as efficient, even if there is a backlog. Country wide anti-corruption measures are in place as well as a debarment system. The second stage review is not operational. However, there is insufficient coordination between control authorities to ensure effective oversight and no procurement specific audits are being conducted, nor any performance audits for procurement. There is insufficient capacity building and tools (such as a performance audit manual) and a significant backlog in audits. Whilst there is a country wide anti-corruption framework in place, there are no anti-corruption measures and tools specific to procurement. It is also not clear whether anti-corruption laws are always enforced.

- **Findings**

  The Act provides definitions of conflict of interest and fraud and corruption which are consistent of those of the MDBs. At the same time, the Anti-Corruption Establishment (ACE) which is responsible for enforcing integrity relies on the definition of the Penal Code and of the Prevention of Corruption Act 1947. These are different from those contained in the BPPRA Act and are more generic. The laws dealing with corruption in Balochistan collectively aim to prevent corruption, promote ethical behaviour, and ensure that government employees in Balochistan adhere to high standards of integrity and accountability. The Rules define situations of conflict of interest for staff where they might benefit directly or indirectly from the outcome of a procurement process but do not explain the consequences. Definitions describe the corrupt and fraudulent practices that meet generally accepted definitions on the subject. These definitions are then repeated in all procurement documents that are available including all types of bidding document as well as contracts.

Law enforcement agencies do, in principle, follow up on fraud and corruption reports but there is no evidence to support this. Often, the relevant authorities will launch investigations even in cases of anonymous complaints but will check the facts first where possible given anonymity. In the case of procurement, there is a blacklisting process that describes the circumstances under which such sanctions take place, including in the event of fraud and corruption.

While there are adequate definitions of fraud and corruption in the Rules, procurement documents and, beyond that in criminal law, there do not appear to be any systematic risk assessment measures in place that specifically address procurement risks either in individual sectors or at a sector level. For instance, collusion in civil works contracts is thought to be widely practiced and known (perception), but no preventive or punitive action is taken.

There is a code of conduct and specific ethics guidelines for government officials in Balochistan, including provisions for those involved in public financial management and procurement. However, there are no disclosure requirements for officials involved in public procurement. They primarily focus on the ethical conduct and behaviour of government servants. The Rules are mandatory for all government servants and failure to comply can result in administrative consequences such as warnings, suspensions, or terminations, rather than criminal penalties. Breaches could potentially lead to criminal charges depending on the nature of the violation.

- **Gaps**

The various definitions of corruption in different acts may cause confusion in practice and there is a danger that this practical problem may be exacerbated if the courts become involved. There are no specific rules on how to deal with corrupt behaviour beyond a referral to the anti-corruption authorities in case of mis-procurement. The Rules on conflict do not specify conditions to reflect the position for former government employees in situations of conflict of interest. Nor do they specify a cooling-off period for such employees before that can be eligible to receive government contracts. There are no specific provisions in the Procurement Rules that require procuring agency staff to report instances of fraud or corruption, except in the cases of mis-procurement. However, they are bound by other government regulations mentioned above to do so. In the absence of any reporting of fraud and corruption investigations, it is difficult to assess the extent to which allegations are followed up, or how they are dealt with and their outcome. No statistics or reports on corruption-related legal proceedings and convictions are compiled or published. There is no evidence of any special integrity training programmes or of the procurement workforce regularly participating in this training.

There are no civil society organizations that exercise social audit and control and no enabling environment then to have a meaningful role as third-party monitors, including clear channels for engagement and feedback that are promoted by the government. Civil society does not contribute to shaping and improving integrity of public procurement.

Whilst anonymous complaints on fraud and corruption are entertained, there is no specific and secure channel for complaints to be made and there is currently no whistleblower protection although preparations are being made to introduce such legislation.

The Rules of conduct do not seem to specifically address accountability for decision-making or impose financial disclosure requirements on decision-makers.

- **Recommendations**

It would be preferable to consolidate the definitions of corruption. A red flag is assigned because it would require coordination of several agencies. Also, because the intervention of the courts (with power of interpretation) would make this a bigger problem. It would be best to develop specific language that is directed on how government employees are expected to act and to define remedial measures. It would be necessary to define cooling-off requirements for government staff, both in and outside a procuring agency. The Rules need to be amended to require procuring agency staff to report instances of fraud or corruption and the appropriate authorities should be encouraged to provide transparent reporting of fraud and corruption cases. It is advisable to develop a risk-based assessment tool for Fraud and Corruption – this could be part of the e-PPS which monitors historical data capable of raising concerns over collusion, for example. Statistics and reports on corruption-related legal proceedings and convictions should be compiled are published periodically. The Rules (and SBDs) should be amended to provide for the detection and prevention of corruption associated with procurement. Special integrity training programmes should be envisaged for the procurement workforce. Either as part of BPPRA's own training programme or to be provided by the anti-corruption authorities.

A mechanism needs to be developed to engage civil society organizations for feedback and third-party supervision of procurement processes.

Secure channels need to be introduced for making complaints of corruption and this needs to be backed up by whistleblower protection. Since such legislation is under preparation, it needs to be supported.

A code of conduct needs to be developed which addresses accountability for decision-making or impose financial disclosure requirements on decision-makers.

Summary of substantive gaps and recommendations of Indicator 14

Substantive gap	Risk classification and red flags	Recommendations
14(a)(a) Conflicting definitions of corrupt practices	High Red Flag	Consolidate the definitions of corruption. A red flag is assigned because it would require coordination of several agencies and because there is a danger of judicial intervention.
14(c)(b) and 14 (c)(d) No reporting and fraud and corruption cases.	High Red Flag	The appropriate authorities should be encouraged to provide transparent reporting of fraud and corruption cases. A red flag is assigned because this is outside the control of BPPRA.
14(d)(b) No mechanism for risk detection	High Red Flag	A mechanism needs to be put in place for systematically identifying and mitigating corruption risks. A red flag is assigned because this will require coordination with the control agencies and cannot be decided by BPPRA alone.
14(d)(c) No statistics or reports.	High	Statistics and reports on corruption-related legal proceedings and convictions should be compiled and published periodically.
14(d)(d) No measures in respect of procurement.	Medium	The Rules (and SBDs) should be amended to provide for the

		detection and prevention of corruption associated with procurement. This could be also done by way of guidance.
14(d)(e) No targeted training	Medium	Special integrity training programmes should be envisaged for the procurement workforce.
14(e)(a)-(c) No civil society engagement	High Red Flag	A mechanism needs to be developed to engage civil society organization. A red flag is assigned because this is outside the control of BPPRA.
14(e)(d) No evidence of private sector compliance measures	Medium	Encourage further support for integrity in the private sector.
14 (f) (a)Secure, accessible, and confidential channels for reporting fraud and corruption	High Red Flag	Secure, accessible, and confidential channels for reporting cases of fraud, corruption or other prohibited practices or unethical behaviour should be provided
14 (f) (c) There is a functioning system that serves to follow up on disclosures	High Red Flag	In In establishing a confidential reporting system, the system must include a process for following-up on the disclosures made establishing a confidential reporting system, the system must include a process for following-up on the disclosures made
14(g)(b), (d) and (e) Limited code of conduct	Medium	Adapt existing code of conduct or develop a new one which addresses accountability for decision-making and impose financial disclosure requirements on decision-makers. Provide training on the same.

4. Consolidated Recommendations

For ease of reference, the proposed recommendations are presented in a consolidated table as follows:

Substantive Gap	***Risk***	***Recommendation***	***Sub-indicator***	***Red Flag***
Incomplete Regulations	H	Draft and adopt all regulations identified in the Act	1(a)(a) 2(a)(a) &(b)	

Variations included as a ground for using single source and subject to 15% cap.	M	Remove from grounds for single source; include as contract provision and remove cap	1(b)(b)	
Obstacles to foreign participation	M	Lower ICB threshold and remove mandatory registration for foreign bidders.	1(d)(b) 10(b)(b)	
No records of bid opening kept and no content requirement.	H	Establish details of records in a Regulation (foreseen but not yet adopted)	1(g)(b)	
No provisions securing confidentiality of bids	H	Rules to be amended in respect of security of bids	1(g)(c)	
No provision to guarantee confidentiality of proprietary information	M	Amend to provide for protection of proprietary information.	1(g)(d)	
Weak provisions on challenges and appeal	H	Amend Rules to provide for the identity of panel members, level of fee, the process of seeking, applying and removing suspensions and for imposing remedies. Strengthen independence of the PRC. Provide awareness.	1(h)(b) 13(b)(a)	
Choice of procurement method not reviewable	H	Remove exclusion from grounds for review of choice of procurement method.	1(h)(c)	
No mandatory publication of decisions.	M	Amend Rules to require publication of PRC decisions.	1(h)(e)	
No explicit indication that judicial review is available	L	Amend Rules to provide for the possibility of judicial review against PRC decisions	1(h)(f)	
Incomplete provisions on contract management	H	Amend Rules to provide clear rules and responsibilities and to strengthen payment requirements. Include management module in e-PPS	1(i)(a) 9(c)(a) 9(c)(e)	
Absence of clear instruction for dispute resolution	M	Amend Rules to clearly set out a requirement for contracts to include an appropriate dispute resolution clause based on arbitration or other form of ADR. Include relevant clauses in the SBDs	1(i)(c)	

No legal provision relating to enforceability of arbitral awards.	H	Resolution will depend on the adoption of the Arbitration Act (proposed 2024) and implementation in the provinces. Its provisions need to be reflected in the Rules and SBDs.	1(i)(d)	
Functionality of the e-PPS to be improved.	H	e-PPS processes to be completed in the system, especially contract award data or award information. Awareness campaigns required to encourage timely uploading to the system.	1(j)(b)	
Lack of instructions on recordkeeping	H	Regulation (foreseen) to be adopted. Links established between e-PPS and the payment system to allow for monitoring.	1(k)(a) 9(b)(c)	
No explicit authority to establish SBDs and no complete set available	H	Amend Act to provide explicit authority to establish and maintain the SBDs. Establish and maintain full suite of SBDs consistent with the legal framework	2(b)(a), (b) (b) (b) (c) & 5(b)(i)	
No consistently applied mandatory forms of contract	H	SBDs (above) to contain mandatory standard contract conditions that reflect the legal framework.	2(c)(a) ((b) & (c)	
No user Manual.	M	Establish and update a Manual/ User's Guide	2(d)	
Lack of SPP provisions	H	Incorporate sustainability into Rules and SBDs once provincial policy is established	3(a) 9(a)(c) 9(b)(h)	
International obligations not stated	M	Amend Rules to refer to any international obligations on public procurement	3(b)	
Lack of budget leading to late payment	H	Link e-PPS and payment system in order to make the shortfall transparent.	4(a)(b)	
No requirement for availability of funds before solicitation.	H	Amend the Rules to require certification of the availability of funds prior to solicitation.	4(b)(a)	
Lack of data relating to late payments	H	Integrate e-PPS with CGA payment system and put in place processes to record invoices as soon as they are received	4(b)(b) 9(c)(c) 9(c)(d)	

No functioning statistical databases.	H	Amend Rules to mandate the creation and management of relevant statistical databases for the purposes of better monitoring.	5(b)(f)	
Professionalisation not foreseen.	H	Introduce a professionalisation programme based on a competency framework.	5(b)(h) 8(b)(a)	
No explicit role to BPPRA in respect of electronic procurement	L	Amend Act to provide BPPRA with functions over electronic procurement	5(b)(k)	
Insufficient staffing at BPPRA	H	Fill vacant posts and seek to increase staffing levels	5(c)(c)	
Potential conflicts of interest within BPPRA.	H	Amend Act to provide more clarity on the functions of BBPRA, especially in terms of the dual functions of advice and review.	5(d)(a)	
No specialised procurement function assigned within procuring agencies.	H	Amend Rules to ensure the establishment of a designated, specialised procurement function with the necessary management structure, capacity and capability	6(a)(c)	
Accountability not assigned.	H	Amend Rules to identify the responsibilities of individuals or a unit for specific decisions and to make them accountable for such decisions.	6(a)(e)	
No centralised procurement	H	Consider introducing centralised procurement for common use items and to evaluate the advantaged of doing so through the achievement of scale economies.	6(b)(a)	
Data not presented in readable format	H	Amend legislation to require use of open formats	7(a)(e)	
Publication of comprehensive procurement data	H	Enforce timely publication of evaluation reports and contract awards. Integrate contract management features	7(a)(c) 1(j)(a)	
Coverage of e-PPS needs to be expanded	H	Lower the current thresholds. Mandate e-PPS for all procuring entities.	7(b)(a)	
Poor system security and management	H	Conduct a third-party security audit and establish a security operational plan	7(b)(b)	
Poor data reliability	H	Re-examine the information and reporting needs and ensure the	7(c)(a) and 7(c)(c)	

		system incorporates sufficient data fields to support those needs. Provide training to ensure that users complete relevant information requirements. Expand vendor and transaction data fields to support socio-economic and trend analysis.		
Analysis and publication of procurement data	M	Improve reporting tools and data extraction options and incorporate socio-economic vendor classifications. Open Contracting Data Standards can provide BPPRA with a set of data elements that can be incorporated in the epps to improve the data collected and facilitate broader data analytics and monitoring.	7(c)(d)	
Lack of comprehensive competence-based capacity building programme	H	Establish comprehensive competence-based training programme.	8(b)(a), (b)(b) & (b)(c)	🚩
Appointments of procurement officers not made on the basis of competence.	H	Integrate this into professionalisation programme.	8(b)(b)	🚩
No performance review of procurement staff	H	Integrate this into professionalisation programme	8(b)(c)	🚩
Absence of system performance measurement	M	Create a performance measurement system and provide appropriate measurement tools and relevant capacity building.	8(c)	
Market analysis is sporadic and no specified process for conducting this in the Rules	M	Amend Rules to include market surveys that lead to procurement strategies prior to approaching the market.	9 (a)(a)	
Contract awards are not always announced publicly	H	Steps needed to ensure that contract awards are announced without exception in compliance with Rule 49.	9(b)(g)	🚩
Lack of involvement of external stakeholders and civil society in procurement process	H	Amend Rules to include external stakeholders in the procurement process for additional oversight and transparency Introduce mechanisms for civil society engagement.	9(c)(f) 9(c)(g) 11(a)(c) 11(c) (a) 14(e)(a)-(c)	🚩

No formal consultative process in place for any changes to the procurement system	H	Institute processes whereby there is a mandatory consultative process	10(a)(a) 11(a)(a)	
Failure to identify benefits for SMEs and other target groups	M	Amend the e-PPS vendor registration system to include information on SMEs, minority, women or marginalized communities owned businesses.	10(a)(b)	
There is no organized outreach to the private sector on procurement policy objectives.	L	Conduct analysis of market drivers so that policy initiatives are more proactive that a reaction to collective negotiations.	10(c)(b)	
Key procurement market sectors not identified	L	Government should identify key market sectors and develop policies accordingly	10(c)(a)	
Limited capacity building for range of stakeholders.	M	Introduce capacity building for relevant stakeholders including the general public and civil society as well other government officials, senior officials, auditors, journalists etc.	11(a)(b)	
Explicit application of control mechanisms to procurement missing.	H	Amend legal framework for control to address procurement specifically in terms of internal and external procurement audits	12(a)(a) 12(a)(b) and 12(a)(d)	
Backlog in audits	H	Encourage compliance	12(b)(a) and 12(b)(c)	
No performance audit manual in place	M	Create a Manual for procurement audits.	12(b)(b)	
No clear reporting lines to other oversight bodies	H	Amend legal framework to provide for clear reporting lines.	12(b)(d)	
12(c)(a) Audit recommendations not followed	H	Audit observations need to be tracked and published. A red flag is assigned because this is outside the control of BPPRA.	12 (c) (a)	
Insufficient training of auditors.	M	Develop a training programme aimed at auditors	12(d)(a)	
Lack of clarity in challenge procedures and non-functioning second-tier review body	H	Operationalise the PRC Regulations 2020 but review it to provide for a more efficient process.	13(a)(a)	
PRC not functional.	H	Make PRC functional	13(a)(b)-(g) 13(c)(a)-(d)	

Conflicting definitions of corrupt practices	H	Consolidate the definitions of corruption.	14(a)(a)	
No reporting and fraud and corruption cases.	H	The appropriate authorities to be encouraged to provide transparent reporting of fraud and corruption cases.	14(c)(b) and (c)(d)	
No mechanism for risk detection	H	Put in place a mechanism for systematically identifying and mitigating corruption risks	14(d)(b)	
No statistics or reports.	H	Put in place system to compile statistics and periodic reports on corruption-related legal proceedings and convictions.	14(d)(c)	
No measures in respect of procurement.	M	Amend Rules (and SBDs) to provide for the detection and prevention of corruption associated with procurement.	14(d)(d)	
No targeted training	M	Provide integrity training for the procurement workforce.	14(d)(e)	
Absence of CSOs	H	A mechanism needs to be developed to engage civil society organization. A red flag is assigned because this is outside the control of BPPRA.	14(e)(c)	
No evidence of private sector compliance measures	M	Encourage further support for integrity in the private sector.	14(e)(d)	
No secure channel for corruption complaints	M	Establish legislation to provide a secure channel for complaints.	14(f) (a)	
There needs to be a functioning system that serves to follow up on disclosures			14 (f) (c)	
Limited code of conduct	M	Adapt existing code of conduct or develop a new one which addresses accountability for decision-making and impose financial disclosure requirements on decision-makers	14(g)(b), (d)(e)	

5. Strategic Planning

Based on the recommendation made in section 4, an action plan has been provisionally agreed with BPPRA. It has been grouped into connected actions to facilitate implementation of the plan.

Recommendation	***Actions***	***Timeline: date by***	***Responsible party***
Enhancement of **legal system**			
Amend/Complete the BPPRA Act	• Draft and adopt all Regulations identified in the Act - establish details of records in the anticipated Regulation • Provide explicit authority to establish and maintain the SBDs. • Amend functions of BPPRA to - establish and update a Manual/ User's Guide - mandate the creation and management of relevant statistical databases for the purposes of better monitoring - include electronic procurement - clarity the dual functions of advice and review • Strengthen independence of the PRC by removing BPPRA from panel • Remove exclusion from grounds for review of choice of procurement method. • Institute processes whereby there is a mandatory consultative process for legislative and regulatory amendments	March 2026	BPPRA/GoB

Amend BPPRA Rules	• Increase RFQ threshold • Lower ICB threshold for e-PPS • Remove variation from grounds for single source; include as contract provision and remove cap • Provide for protection of proprietary information • Provide for the identity of PRC panel members, level of fee, the process of seeking, applying and removing suspensions and for imposing remedies. • Require publication of PRC decisions. • Provide for the possibility of judicial review against PRC decisions • Provide clear rules and responsibilities • Strengthen payment requirements. • Require contracts to include an appropriate dispute resolution clause based on arbitration or other form of ADR • Reflect arbitral enforceability following adoption of Arbitration Act (proposed 2024) • Refer to any international obligations on public procurement • Require certification of the availability of funds prior to solicitation. • ensure the establishment of a designated, specialized procurement function within procuring agencies with the necessary management structure, capacity and capability • Identify the responsibilities of individuals or a unit for specific decisions and to make them accountable for such decisions. • include market surveys that lead to procurement strategies prior to approaching the market. • Include external stakeholders in the procurement process for additional oversight and transparency • Establish a mechanism for the detection and prevention of corruption associated with procurement.	March 2026	BPPRA
Enhancement of **system operation**			
Amend or establish SBDs	• Establish and maintain full suite of SBDs consistent with the legal framework • Include mandatory standard contract conditions that reflect the legal framework. • Include variations as a contract provision • Include an appropriate dispute resolution clause based on arbitration or other form of ADR	June 2026	BPPRA

	• Incorporate sustainability into Rules and SBDs once provincial policy is established • Provide clauses for the detection and prevention of corruption associated with procurement.		
Improve e-PPS	• Remove mandatory registration for foreign bidders • Include management module in e-PPS • e-PPS processes to be completed in the system, especially contract award data or award information. • Integrate e-PPS and the payment system to allow for monitoring. • Conduct a third-party security audit and establish a security operational plan • Expand vendor and transaction data fields to support socio-economic and trend analysis. OCDS can offer insight into the additional data elements that can be incorporated into the e-PPS. • Improve reporting tools and data extraction options and incorporate socio-economic vendor classifications. • Ensure that contract awards are announced without exception in compliance with Rule 49. • Enforce timely publication of comprehensive evaluation reports and contract awards. • Review long-term system plans for contract management and reporting tools to ensure the proposed features will support the required reporting and monitoring needs. Long-term plans should consider including an e-marketplace to support the implementation of framework agreements and help support the growth of small and medium vendors in the e-PPS. • BPPRA should ensure the long-term plans can be fully funded and supported with the current budget allocations or a business model to ensure the long-term sustainability of the e-PPS • BPPRA should also incorporate a communication plan in the long-term system plan to help grow the vendor marketplace and the use of the e-PPS by government entities. The communication plan should include ongoing training and support services with expanded use of e-learning options and data publication in the BPPRA procurement portal.		

System performance	• Consider introducing centralized procurement for common-use items • Create a performance measurement system and provide appropriate measurement tools and relevant capacity building. • Introduce mechanisms for civil society engagement. • Provide for outreach to private sector and conduct analysis of market drivers • Operationalize the PRC Regulations 2020 and review them to provide for a more efficient process. • Provide awareness training on the PRC • Make PRC functional • Create a Manual for procurement audits. • Government to identify key procurement market sectors and use to develop procurement strategy	June 2026	BPPRA/GoB
Enhancement of **system capacity**			
BPPRA	• Fill remaining vacancies • Ensure status is as defined in the Act	December 2025	BPPRA/GoB
Capacity building	• Establish comprehensive competence-based training programme. • Introduce capacity building for relevant stakeholders including - the general public - bidders - civil society - other government officials - senior officials, journalists etc. • Develop a training programme aimed at auditors • Provide integrity training for the procurement workforce.	September 2026	BPPRA/Civil Service/Universities
Professionalization	• Introduce a professionalization programme based on a competency framework. • Integrate promotions into professionalization programme • Integrate performance review into professionalization programme	2026-2030	BPPRA/GoB
Enhancement of **system oversight**			
Generally	• Amend legal framework for control to address procurement specifically in terms of internal and external procurement audits • Encourage audit completion compliance	September 2026	BPPRA/GoB

	• Consolidate the definitions of corruption. • Encourage appropriate authorities to provide transparent reporting of fraud and corruption cases. • Put in place a mechanism for systematically identifying and mitigating corruption risks • Put in place clear reporting lines to oversight bodies • Put in place system to compile statistics and periodic reports on corruption-related legal proceedings and convictions. • Encourage further support for integrity in the private sector. • Adapt existing code of conduct or develop a new one which addresses accountability for decision-making and impose financial disclosure requirements on decision-makers		

6. Validation

A validation workshop took place on November 13, 2024, in Quetta. It was attended by 26 participants and a full list of attendees is appended in Appendix VII. The format of the day was a presentation based on the draft matrix. The presentation consisted of a recapitulation of the assessment process and an explanation of the findings emphasising both the strengths and weaknesses of the system. A copy of the day's presentations is attached as Appendix IV. The actual matrix and draft report were not provided since it was more fruitful to use the validation as a means of ensuring the correctness of the findings and using the results as means of completing both the matrix and the report.

The workshop was held over a whole day and generated a lively discussion. The messages emerging from workshop tended to reinforce the findings rather than taking issue with them so that the Team was satisfied with the findings made. The discussions explored some of the key issues identified by the Team and the resulting report has, in consequence, emphasised these concerns. One example is the unreliability of data on the e-PPS. No corrections to the findings were necessary although side meetings with BPPRA to discuss the matrix did lead to factual corrections being made to the matrix.

The presentation also included a list of proposed recommendation grouped thematically. A summary of the validation workshop is contained in Appendix IV.

Annex –Indicator Matrix

Pillar I. Legal, Regulatory, and Policy Framework

Indicator 1. The public procurement legal framework achieves the agreed principles and complies with applicable obligations.

Sub-indicator 1(a) Scope of application and coverage of the legal and regulatory framework The legal and regulatory body of norms complies with the following conditions:	
Assessment criterion 1(a)(a): Is adequately recorded and organized hierarchically (laws, decrees, regulations, procedures), and precedence is clearly established.	
Conclusion:	Substantive gap
Red flag:	No
Qualitative analysis The governing legislative document is the Balochistan Public Procurement Regulatory Authority Act 2009, as amended up to 2019 (the Act). This not only sets up the Balochistan Public Procurement Regulatory Authority (BPPRA) but also provides for secondary legislation, namely Rules to be adopted by the Government (section 27) and Regulations to be adopted by BPPRA (section 28). Section 28 of the Act establishes the hierarchy in so far as BPPRA Regulations shall not be inconsistent with the Act or the Rules made under it. Rules known as the BPPRA Rules (the Rules) were adopted by the Government under section 27 of the Act in 2014 and have been amended a couple of times with the last amendments being in 2022. There are currently three BPPRA Regulations in force on blacklisting, on framework agreements, respectively and on the PRC appeals procedure. There are currently no regulations on records (s. 9(2) of the Act); e-GP guidelines (Rule 11-A); price preference policy (Rule 28(2)); integrity pact (Rule 79), although the integrity pact is also foreseen in the e-PPS. Donor rules will take precedence in the case of funded procurement whenever there is a conflict.	
Gap analysis It appears, based on the Act, that there are a number of intended Regulations which have not yet been adopted.	
Recommendations Complete the suite of intended Regulations, i.e. for records (s. 9(2) of the Act); e-GP guidelines (Rule 11-A); price preference policy (Rule 28(2)); and the integrity pact (Rule 79	
Assessment criterion 1(a)(b): It covers goods, works and services, including consulting services for all procurement using public funds.	
Conclusion: Minor gap	
Red flag: No	
Qualitative analysis The Act and the Rules cover goods, works and services which include consulting services. The legal framework applies to all Government Departments, attached departments and any office of Government, and extends to any authority, corporation, body, or organisation established by or under Provincial law or which is owned by any percentage or controlled by the Government. They cover procurement financed wholly or partly out of public funds which means the Provincial Consolidated Fund and Public Account of the Province. Public finds include funds of enterprise which are owned or	

controlled by the Provincial Government. There are currently, however, no SOEs operating in Balochistan.
Gap analysis There is some lack of clarity on the definition of State-owned enterprises (SOEs), namely the extent of ownership or control that brings them within the coverage of the Act. It is also not clear how much public funding is required to engage the Act.
Recommendations Provide clarifications through amendments to the Act or Rules. This could be done either by specifying a minimum percentage ownership or, preferably, by defining the ability of a government department to manage or control the SOE where it does not operate in a competitive environment.
Assessment criterion 1(a)(c): PPPs, including concessions, are regulated.
Conclusion: No gap
Red flag: No
Qualitative analysis PPPs, including concessions, are regulated separately under the Balochistan Public Private Partnership Act, 2021. This requires open competitive bidding for the selection of partners.
Gap analysis The PPP Act has not been separately analysed.
Recommendations None
Assessment criterion 1(a)(d): Current laws, regulations and policies are published and easily accessible to the public at no cost.
Conclusion: No gap
Red flag: No
Qualitative analysis The Act and Rules have been gazetted and are available, together with all amendments, online on BPPRA website free of charge: www.bppra.goc.pk
Gap analysis No gaps identified.
Recommendations None.
Sub-indicator 1(b) **Procurement methods** **The legal framework meets the following conditions:**
Assessment criterion 1(b)(a): Procurement methods are established unambiguously at an appropriate hierarchical level, along with the associated conditions under which each method may be used.
Conclusion: Minor gap
Red flag: No
Qualitative analysis The Rules set out the permitted procurement methods making open competitive bidding the default method. International competitive bidding is required for contracts with a value in excess of USD10m equivalent. This appears a little high (*cf*. EU and GPA where international bidders must be accepted for values above about USD5m). Open competitive bidding may be preceded by a pre-qualification

procedure and may be conducted in two stages. A series of alternative procurement methods are permitted under conditions which are set out in the Rules.

There is also provision for the award of framework agreements in the Rules which was added in 2019 as well as specific Regulations to cover the procedure for their award. Whilst latter these contain some clear provisions on the conduct of the procedure; the general description of framework agreements and their conditions of use are less clear. Reference is made to both open and closed agreements, but their appropriateness is not explained. Notably, an open framework agreement requires more detail on how it is to be used. Also, a one-year maximum duration is very short for a framework agreement. It is unlikely that its flexibility will be used and that the economies of scale necessary to cover the cost of its establishment achieved over such a short period.

Gap analysis
Whilst the methods are set out clearly together with their conditions of use, there are some minor shortcomings explained under sub-indicator 1(b)(b).

In the case of framework agreements, there is a lack of clarity on the use of open and closed frameworks and some doubt as to whether their benefits could be achieved over a maximum one-year period.

Recommendations
The Regulations on framework agreements could be revised to address the issues raised in this assessment above.

Assessment criterion 1(b)(b):
The procurement methods prescribed include competitive and less competitive procurement procedures and provide an appropriate range of options that ensure value for money, fairness, transparency, proportionality, and integrity.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
These procurement methods included in the legal framework are:

- Request for Quotations: this is available for standard goods, works and services (excluding consulting services) with a value of less than PKR200,000 (approx. USD 725). At least three quotations must be *obtained*.
- Direct Contracting: this is designed for cases where only *one bidder* is available and covers things like natural extensions of civil works (but without conditions); procurement through government organisations (provided no private sector entity is involved); where a change of supplier would result in technical incompatibility (with appropriate conditions – for no more than three years); in the case of emergencies (subject to appropriate conditions – approval, limited to what is required and for three months only); for foreseen contract variations (provided it does not exceed 15% of the original contract)
- Negotiated Tendering: this is available where there are more than possible bidders for things like research and development contracts, contracts where there is only one bidder (!) due to technical or artistic reasons or reasons connected to the protection of intellectual property rights; situations of extreme urgency (properly defined)
- Force Account: in cases where the procuring agency uses its own personnel and equipment under appropriate conditions.
- Petty Purchases: this is permitted for purchases of less than PKR100,000 (approx. USD 360) and is exempted from requirements of competition and the submission of quotations

- Repeat Orders: procurement of additional quantities from the original bidder provided it was awarded by a competitive process (subject to appropriate conditions – only in the same year, not to exceed 15% of the original contract and does not amount to fractioning)
- Petty Grant Repair Works: similar to petty purchases but for works, below a threshold of PKR500,000 (approx. USD 1,800) to be carried out by *seeking* at least three quotations.

Gap analysis

Under the RFQ procedure, the requirement is to obtain rather than seek a minimum of three quotations when competition lies in the seeking of those quotations; it is unreasonable to force entities to obtain at least three **and** this may lead to abuse (e.g. asking bidders to provide falsified quotations to make up numbers). It is also not clear why consulting services are excluded – it may have to do with the low value threshold but there is no reason, in principle, whey they should be excluded. USD725 does seem rather low. The figure is historical and was set in 2014. Consideration has been given to increasing this amount, but this will be done as part of the improvements to the e-PPS (e.g. replacing with e-catalogue) but this has not yet been done.

In the case of contract variations, this is misplaced since it is not a ground for using direct contracting. It is contract issue. A variation should be subject to contract provisions dependent on circumstances (some variations may be covered by a price escalation provision but that is based on an agreed formula. Beyond that, the contract itself should provide for variations in respect of circumstances that were unforeseen at the time of signature and these variations should not be subject to a 15% maximum, indeed cannot be because they are, by definition, unforeseen and the implications of the price increase will also not be known. Restricting the level of variations may mean that the contract cannot be completed.

It also does not make sense to allow for more than one bidder in those cases whereas Rule 51(1)(c)(ii) correctly states, the supplies may be manufactured or delivered by a particular supplier.

Recommendations

The provisions would benefit from some improvement and consolidation. In the case of the RFQ method, it is *suggested* (not recommended) that the condition should be *seeking* rather than *obtaining* at least three quotations; that it should also be available for consulting services and that thought should be given to increasing the threshold.

In respect of direct contracting and negotiated tendering, it is recommended that conditions be placed on natural extensions of civil works (as with the other situations); the provisions on emergency be deleted in favour of retaining the situation of 'extreme urgency' (to avoid unnecessary duplication) which is properly defined; that the provision relating to variations (51(b)(v)) be removed (and a suitable provision included in the standard bidding documents); and that the provision based on technical, artistic and IP reasons be moved to the direct contracting method.

Ensure that threshold of PKR 200,000 is increased.

In the case of repeat orders, it is *suggested* (not recommended) that this could be moved to the direct contracting method. It is similar to the extensions referred to there.

Assessment criterion 1(b)(c):

Fractioning of contracts to limit competition is prohibited.

Conclusion: Minor gap

Red flag: No

Qualitative analysis Section 12 of the Rules limits the splitting or packaging of contracts (in the plan) with the intention of shortening or facilitating the procurement process and approval mechanism. It foresees the possibility of awarding lots (packages) in appropriate cases.
Gap analysis The provision does not explicitly prohibit fractioning with a view to limiting competition which would still be possible notwithstanding the provision.
Recommendations The provision should be amended to state explicitly that requirements should not be split with a view to limiting competition.
Assessment criterion 1(b)(d): Appropriate standards for competitive procedures are specified.
Conclusion: No gap
Red flag: No
Qualitative analysis The methods identified in the Rules include an appropriate range of methods which prioritise competitive methods of procurement and allow for less competitive methods only under specifies conditions.
Gap analysis None
Recommendations None
Sub-indicator 1(c) **Advertising rules and time limits** **The legal framework meets the following conditions:**
Assessment criterion 1(c)(a): The legal framework requires that procurement opportunities are publicly advertised unless the restriction of procurement opportunities is explicitly justified (refer to indicator 1(b)).
Conclusion: No gap
Red flag: No
Qualitative analysis All procurement between a value of PKR200,000 (approx. USD725) and PKR2m (approx. USD72,000) must be advertised in the BPPRA website and may be advertised in print media according to formats provided by BPPRA. All procurement above PKR2m (approx. USD72,000) must be advertised both on the BPPRA website and in prescribed newspapers. In practice, this means that all procurement above a value of PKR200,000 (approx. USD725) is advertised through BPPRA's electronic Public Procurement System (e-PPS) which has been in operation since 2022. In the case of international competitive bidding, procurement must also be advertised in two newspapers of wide circulation in Pakistan, in at least one international magazine or journal with wide circulation as well as on a publicly accessible website or any widely circulated English language international newspaper.
Gap analysis None
Recommendations None
Assessment criterion 1(c)(b): Publication of opportunities provides sufficient time, consistent with the method, nature, and complexity of procurement, for potential bidders to obtain documents and respond to the advertisement. The

minimum time frames for submission of bids/proposals are defined for each procurement method, and these time frames are extended when international competition is solicited.

Conclusion: Minor gap

Red flag: No

Qualitative analysis
The Procuring Agency is required to consider the scope, magnitude and nature of procurement when setting time for the submission of bids. In the case of national competitive bidding, the minimum time period must not be less than fifteen calendar days from the date of publication of Notice Inviting Tender in newspapers or on the website. In the case of international competitive bidding, that period must not be less than thirty calendar days.

There is an exception in the case of procurement related to National Security and advertising may be waived by the Head of Department where publication could jeopardize national security objectives.

Gap analysis
The provision applies to open competitive bidding. Though Rule 16 is referred to in the case of pre-qualification (Rule 19(a)), no minimum time periods are established for the pre-qualification process (from invitation to application and for subsequent bid). No minimum time periods are set either for two stage procedures or for the receipt of quotations.

Recommendations
Minimum bid submission periods should be established for all relevant procurement methods.

Assessment criterion 1(c)(c):
Publication of open tenders is mandated in at least a newspaper of wide national circulation or on a unique Internet official site where all public procurement opportunities are posted. This should be easily accessible at no cost and should not involve other barriers (e.g. technological barriers).

Conclusion: No gap

Red flag: No

Qualitative analysis
See assessment criterion 1(c)(a) above for analysis

Gap analysis
None

Recommendations
None

Assessment criterion 1(c)(d):
The content published includes enough information to allow potential bidders to determine whether they are able to submit a bid and are interested in submitting one.

Conclusion: No gap

Red flag: No

Qualitative analysis
In addition to providing contact details and availability of the bidding documents, the notice inviting tenders will include information relating to the purpose and scope of the project, the broad qualification and eligibility criteria to be applied and any other relevant information.

Gap analysis
None

Recommendations
None

Sub-indicator 1(d)
Rules on participation
The legal framework meets the following conditions:

Assessment criterion 1(d)(a): It establishes that participation of interested parties is fair and based on qualification and in accordance with rules on eligibility and exclusions
Conclusion: Minor gap
Red flag: No
Qualitative analysis The provisions on pre-qualification are more detailed than those on qualification. They state in Rule 18(2), for example, that the pre-qualification of bidders must be based entirely upon the capability, competence, and resources of the bidders relevant to the particular assignment and takes account of such things as the experience and past performance on similar assignments; capabilities with respect to construction or manufacturing facilities; financial capability etc. There is no such explicit statement in respect of qualifications that would apply separately from pre-qualification. The rules do, nevertheless, state, in section 21, that a procuring agency may, at any stage of the procurement proceedings, require the suppliers or contractors (whether already pre-qualified or not) to provide information concerning their professional, technical, financial, legal or managerial competence where they have credible reasons for or prima facie evidence of any defect in supplier's or contractor's capacities. This sets up a form of post-qualification (as in the case of the MDBs) but appears not to require qualification to take place, even in the case of the successful bidder.
Gap analysis Where pre-qualification does not apply (and it is available only in, appropriate, specified circumstances), there is no explicit provision setting out equivalent participation rules, although this appears to be assumed. The application of equivalent requirements is not, however, mandated.
Recommendations It is recommended that the rules on participation be clarified to ensure that, in the absence of pre-qualification, bidders or, at least the successful bidder, are assessed against the same objective qualification criteria as indicated for pre-qualification.
Assessment criterion 1(d)(b): It ensures that there are no barriers to participation in the public procurement market.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The Rules provide that both national and international bidders may participate in international competitive bidding. National competitive bidding which is the principal method of procurement with an estimated value below USD10 million is open only to interested national firms, companies, or parties. International firms, companies or parties are not invited for the bidding. At the same time, section 28(1) provides that Procuring agencies must allow all interested bidders to participate in procurement procedure without regard to nationality, except in cases in which any Procuring Agency decides to limit such participation to national bidders only or prohibit participation of bidders of some nationalities, in accordance with these rules or policy of the Federal Government. Further, the Rules allow procuring agencies to apply a preference for domestic or national bidders but only in accordance with the policies of the Government. The margin or preference must be mentioned in the bidding documents. The Rules also state there will be no enlistment or registration of contractors, suppliers, and consultants by any Procuring Agency (other than registration with professional institutions in respective fields as required by the law) and that bidding shall not be restricted in any manner except as provided in the Rules.

Rule 20(4) provides: "For the purposes of Part II of these rules, bidders shall include all those contractors or suppliers and providers of services related thereto or consultants that are registered or incorporated in Pakistan, irrespective of the nationality of their owners and of their professional staff." Thus, foreign bidders have to be registered in Pakistan even under ICB.

Gap analysis

Whilst ostensibly free of restrictions, there appears to be a strong disincentive for foreign bidders who are only invited to bid for contracts with a value in excess of USD10m equivalent and must then be registered in Pakistan to qualify. The Government currently has no defined domestic preference policy.

Recommendations

Consideration should be given to lowering the ICB threshold and removing the registration requirement. A domestic preference policy should be drafted, if required.

Assessment criterion 1(d)(c):

It details the eligibility requirements and provides for exclusions for criminal or corrupt activities, and for administrative debarment under the law, subject to due process or prohibition of commercial relations.

Conclusion: Minor gap

Red flag: No

Qualitative analysis

Provisions are in place to ensure the disqualification of bidders where the Procuring Agency finds at any stage of the proceedings that a bidder has committed any corrupt and fraudulent practices, as defined in the Rules. A disqualification decision in these terms may be challenged through the grievance redressal mechanism. Bidders that have been blacklisted will also be ineligible to bid. Blacklisting is a process subject to due process and is governed both by Rule 23 and a separate set of Regulations. These Regulations are fairly drafted to ensure due process and the process itself is mostly clearly explained.

Competition may also be restricted where, as a matter of law or official regulations, commercial relations are prohibited with the bidder's country by the Federal Government.

Gap analysis

There are some issues with the blacklisting regulations:

- the terms debarment, blacklisting and suspension appear to be used interchangeably which reduces the clarity.
- the grounds for debarment could be made more explicit, e.g. 'willful' failure to perform is overly broad and could be abused; as a side note, the sample document for small goods appears to allow for blacklisting for mere late delivery (as well as imposition of liquidated damages)
- blacklisting appears to be used simultaneously with forfeiture of bid or performance securities and imposition of liquidated damages (whereas these are separate solutions to different problems)
- there is no mechanism to take account of mitigating circumstances
- there is no provision for rehabilitation
- it is also not clear how the Head of a Department can blacklist a bidder from the whole of Government

In addition, it may be worth considering the centralisation of blacklisting rather than allowing each Department to do it. Centralisation has the benefit of ensuring consistency and transparency as well as of improving enforcement. This would imply a central agency such as BPPRA acting as the body to impose debarment decisions rather than leaving it to the discretion of procuring agencies. This would avoid any abuse by procuring agencies by providing a common process of due diligence and would be based on common grounds consistently applied. As a centrally created and administered list, it would be more easily enforced at the level of procuring agencies throughout the Province.

Recommendations
Thought should be given to amending the blacklisting regulations to remedy the shortcomings identified above in the analysis. Consideration should also be given to centralising the backlisting procedure and not only a centralised list of debarred entities as is done through the e-PPS.

Assessment criterion 1(d)(d):
It establishes rules for the participation of state-owned enterprises that promote fair competition.

Conclusion: No gap

Red flag: No

Qualitative analysis
Government owned enterprises or institutions may participate in procurement only if they can establish that they are (a) legally and financially autonomous; and (b) operate under commercial laws. The Rules do allow, however, Government owned universities or research centers in the country to participate if they are of a unique and exceptional nature and their participation is critical to project implementation.

Gap analysis
None

Recommendations
None

Assessment criterion 1(d)(e):
It details the procedures that can be used to determine a bidder's eligibility and ability to perform a specific contract.

Conclusion: Minor gap

Red flag: No

Qualitative analysis
As explained under assessment criterion 1(d)(a), there is some ambiguity over the procedures to determine eligibility. Whilst the pre-qualification procedures are used in defined circumstances and establishes very clearly the conditions of eligibility and qualification, the same cannot be said for the qualification procedure where there is no pre-qualification. What appears to be a post-qualification procedure is unclear and incomplete.

The conditions for use of multistage procedures (in this case a two-stage open bidding) are appropriate and clearly set out. There are also provisions relating to one and two envelope procedures which may promote economy and efficiency in the circumstances defined.

Gap analysis
See assessment criterion 1(d)(a).

Recommendations
See assessment criterion 1(d)(a).

Sub-indicator 1(e)
Procurement documentation and specifications
The legal framework meets the following conditions:

Assessment criterion 1(e)(a):
It establishes the minimum content of the procurement documents and requires that content is relevant and sufficient for suppliers to respond to the requirement.

Conclusion: No gap

Red flag: No

Qualitative analysis
Section 15 of the Rules establish the minimum content of the procurement notice to be published and section 27 sets out the minimum content of the bidding documents to be issued. Conditions of the neutrality of technical specifications are also covered by section 13.

Gap analysis None
Recommendations None
Assessment criterion 1(e)(b): It requires the use of neutral specifications, citing international norms when possible, and provides for the use of functional specifications where appropriate.
Conclusion: Minor gap
Red flag: No
Qualitative analysis The Rules require objective and non-discriminatory specifications but do not refer to any preference to international norms or standards nor to the use of functional specifications.
Gap analysis The failure to refer to internationals norms and standards may mean that domestic bidders are preferred in practice notwithstanding the non-discriminatory nature of the methods permitted. The absence of a requirement to use functional specifications may make it difficult for procuring entities to maintain the neutrality otherwise protected by Rule 13 (see 1(e)(c) below) deprive procuring entities of the ability to procure what they need.
Recommendations The legal framework should be amended to prefer both international standards and functional specifications, the latter as a means of preserving the neutrality of specifications already required.
Assessment criterion 1(e)(c): It requires recognition of standards that are equivalent when neutral specifications are not available.
Conclusion: No gap
Red flag: No
Qualitative analysis Rule 13 adequately imposes neutrality, although the absence of any directions in respect of using functional requirements may make this difficult to follow.
Gap analysis None
Recommendations None, although the issue is addressed under 1(e)(b) above.
Assessment criterion 1(e)(d): Potential bidders are allowed to request a clarification of the procurement document, and the procuring entity is required to respond in a timely fashion and communicate the clarification to all potential bidders (in writing).
Conclusion: No gap
Red flag: No
Qualitative analysis The right to request clarifications and to receive a written response in a timely manner is adequately provided in Rule 32.
Gap analysis None
Recommendations None
Sub-indicator 1(f) **Evaluation and award criteria** **The legal framework mandates that:**

Assessment criterion 1(f)(a):
The legal framework mandates that the evaluation criteria are objective, relevant to the subject matter of the contract, and precisely specified in advance in the procurement documents, so that the award decision is made solely on the basis of the criteria stipulated in the documents.

Conclusion: No gap

Red flag: No

Qualitative analysis
The Rules are clear on ensuring that only those award criteria that have been disclosed in advance (in the bidding documents). They require that the criteria be appropriate and stated clearly and unambiguously and that methods of assessing price be set out in the bidding documents.

Gap analysis
None

Recommendations
None

Assessment criterion 1(f)(b):
The legal framework allows the use of price and non-price attributes and/or the consideration of life cycle cost as appropriate to ensure objective and value-for-money decisions.

Conclusion: Minor gap

Red flag: No

Qualitative analysis
The Rules foresee award based on the lowest evaluated price and provide that this need not be the lowest price. In addition, the definitions refer to 'value for money' which sets out a number of elements that might be expected to be included in the list of what might constitute an 'evaluated' price, including whole life cost.

Gap analysis
Whilst all the elements are included in the Rules, no explicit link is made between 'evaluated' price and 'value for money' so that procuring entities may not always be clear on what the award criteria might be. The absence of any explanation of how to calculate life cycle costs may also mean that these may not be taken into account properly during evaluation.

Recommendations
Consideration should be given to expanding in the definition of 'evaluated price' to take account of the elements defined under the term 'value for money' and, in addition, to explain further how to calculate whole life costs.

Assessment criterion 1(f)(c):
The legal framework mandates that quality is a major consideration in evaluating proposals for consulting services, and clear procedures and methodologies for assessment of technical capacity are defined.

Conclusion: No gap

Red flag: No

Qualitative analysis
The procurement of consulting services is the subject of a discrete Part in the Rules and is closely modelled on the rules of the MDBs. They provide for an acceptable method of selecting consultants and for various method of assessing quality and price depending on the nature of the services required.

Gap analysis
None

Recommendations
None

Assessment criterion 1(f)(d):
The legal framework mandates that the way evaluation criteria are combined and their relative weight determined should be clearly defined in the procurement documents.

Conclusion: Minor gap
Red flag: No
Qualitative analysis The Rules set out the conditions and procedure for competitive bidding to be conducted in one or two stages and with one or two envelopes (technical and financial). In terms of technical evaluation, the requirement is simply to follow the evaluation criteria set out in the bidding documents without specifying what those should be based on pass/fail criteria or on thresholds (e.g. meeting a given percentage).
Gap analysis Whilst the procedures appear sound, the lack of detail in terms of what needs to be taken into account in terms of the technical evaluation stage (where that is conducted separately) means that there is room for too much discretion.
Recommendations It is recommended that the criteria to be applied to the technical evaluation stage be made more explicit.
Assessment criterion 1(f)(e): The legal framework mandates that during the period of the evaluation, information on the examination, clarification and evaluation of bids/proposals is not disclosed to participants or to others not officially involved in the evaluation process.
Conclusion: No gap
Red flag: No
Qualitative analysis Rule 47 requires confidentiality of all information relating to bidding until such time as contract award is announce and published on the website.
Gap analysis None
Recommendations None
Sub-indicator 1(g) **Submission, receipt, and opening of tenders** **The legal framework provides for the following provisions:**
Assessment criterion 1(g)(a): Opening of tenders in a defined and regulated proceeding, immediately following the closing date for bid submission.
Conclusion: No gap
Red flag: No
Qualitative analysis Bid opening must take place within one hour of the time for submission of bids.
Gap analysis None
Recommendations None
Assessment criterion 1(g)(b): Records of proceedings for bid openings are retained and available for review.
Conclusion: Substantive gap
Red flag: No

Qualitative analysis Procuring entities are required to maintain records of their procurement proceedings and all associated documents for a period of 5 years.
Gap analysis The Rules do not, however, provide details of the information and documentation to be retained so that procuring g entities do not know what "all" those documents might be. Rule 9(2) states that the maintenance of records will be subject to regulations, but these have not yet been adopted though they are in process. The Government of Balochistan also has rules related to record keeping under the Rules of Business 2012. For e-PPS, records are stored by BPPRA.
Recommendations It is recommended that regulations be adopted as stated on the Rules and that these should contain a detailed list of the records and documents to be maintained.
Assessment criterion 1(g)(c): Security and confidentiality of bids is maintained prior to bid opening and until after the award of contracts.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The Rules do not provide explicitly for the security of bids following bid opening. Under the e-PPS, access is limited to assigned roles, i.e. procuring agency. It is a simple matter of downloading and copying.
Gap analysis Security of bids not guaranteed. Security protocols need to be developed for the e-PPS.
Recommendations The Rules should be amended to secure the confidentiality of bids following submission. Develop security protocols for the e-PPS.
Assessment criterion 1(g)(d): The disclosure of specific sensitive information is prohibited, as regulated in the legal framework.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis There are no explicit provisions safeguarding the confidential and commercially sensitive information of bidders. Indeed, upon contract award, procuring entities are required to publish the results of the evaluation reports with no mention of the possibility of redacting them to avoid disclosing commercially sensitive information.
Gap analysis There is thus no guarantee that the legitimate needs of bidders for the protection of trade secrets and proprietary information and other privacy concerns would not be disclosed and no provision which seeks to avoid disclosing information that can be used by interested parties to distort competition in the procurement process.
Recommendations Provisions need to be made in the Rules protecting the proprietary information of bidders and limiting their disclosure. No proprietary information is contained in the evaluation reports; there is only a reference to the points awarded. In practice, technical and financial reports are published but this is not currently written into the Rules.
Assessment criterion 1(g)(e): **The modality of submitting tenders and receipt by the government is well defined, to avoid unnecessary rejection of tenders.**
Conclusion: No gap

Red flag: No
Qualitative analysis **Bid submission, receipt and opening are adequately set out in section 33 of the Rules.**
Gap analysis **None**
Recommendations **None**
Sub-indicator 1(h) **Right to challenge and appeal** **The legal framework provides for the following:**
Assessment criterion 1(h)(a): **Participants in procurement proceedings have the right to challenge decisions or actions taken by the procuring entity.**
Conclusion: Minor gap
Red flag: No
Qualitative analysis The Rules set up a two-tier review mechanism. Under rule 56, in the first level of review, a complaint may be made to the Grievance Redressal Committee (GRC) which is established for each procurement and is made up of an odd number of members: a chairman who shall be the head of the procuring agency or one of its officers (at least one rank higher than the chair of the procurement committee) and other members, at least one third of whom must be from outside the procuring entity. A complaint may be lodged by any bidder who is aggrieved by any act or decision of the procuring agency. The lodging of a complaint does not warrant the suspension of the procurement proceedings. The GRC may reject a complaint where it considers it to have been made on frivolous grounds, although these are not explained. Otherwise, the GRC may prohibit the Procurement Committee from acting or deciding in a manner inconsistent with the rules and regulations; annul in whole or in part, any unauthorized act or decision of the Procurement Committee; recommend to the Head of Department that the case may be declared a mis-procurement if a material violation of the Act, rules, regulations, orders, instructions or any other law relating to public procurement, has been established; and reverse any decision of the Procurement Committee or substitute its own decision for such a decision. The GRC shall not make any decision to award the contract. The procuring agency may do so following the decision of the GRC. The GRC must make its decision within 15 days and notify its decision to the complainant and the procuring agency within 3 days (total of 18 days).
Gap analysis This sets up a rather formal process for redressal by the procuring entity, although the details of the process are largely absent. It is not clear who the members of the committee should be other than the chairperson and no indications of their qualifications or experience are indicated. It is also not clear why a third of the members should be taken from outside the procuring agency (this echoes the make-up of the procurement committee and suggests officers of other procuring agencies), especially since their required qualifications and experience are not established. The first level of challenge is usually a mechanism which provides an opportunity for the procuring agency to acknowledge or deny any mistake and correct it, where appropriate. The process foreseen is more like a formal review.
Recommendations A clearer indication of the members of the GRC should be provided and a mechanism for lodging of the complaint set out in the rules, i.e. to whom the complaint should be made, in what format and providing what documents/evidence. Consideration might also be given to making this a simpler process, although that would depend on the strength and effectiveness of the second-tier review mechanism.

Assessment criterion 1(h)(b): **Provisions make it possible to respond to a challenge with administrative review by another body, independent of the procuring entity that has the authority to suspend the award decision and grant remedies, and also establish the right for judicial review.**
Conclusion: Substantive gap
Red flag: No
Qualitative analysis As a second-tier review, under rule 56(7), a bidder may appeal the decision of the GRC to the Procurement Review Committee (PRC) which is established for each reference. This is comprised of the Managing Director of BPPRA (who is the chairperson), procurement specialists from BPPRA and a private member and technical expert nominated by the Managing Director. The bidder commences the appeal by filing a review application with the PRC supported with complete set of documents of the reference, including at least the bidding documents, the previously submitted grievance, and the decision of the GRC (if received). The appeal is subject to payment of review fee at a rate prescribed by the Authority from time to time. Once the appeal is filed, the chair of the PRC will call a meeting of the Committee and dispose of the reference within two weeks from the date of receipt of application. Frivolous cases will be rejected. Otherwise, the PRC may uphold or revoke the decision of the GRC or declare mis-procurement. Though the link between rule 56A(5)(d) (decision of mis-procurement) and rule 57 (consequence of mis-procurement) is not clear, the result of a decision of mis-procurement (by whomsoever made) would appear to be a reference to the Competent Authority for initiation of disciplinary proceedings against the officials of the Procuring Agency responsible for mis-procurement as well as (presumably, but not indicated, where potential corruption has been identified) to the Balochistan Anti-Corruption Establishment for initiating action against such officials. Where the PRC is of the view that proceedings before it may be rendered irrelevant if the procurement proceedings subject to the appeal are not suspended, it may notify the concerned procuring agency suspending the procurement proceedings until the PRC makes a decision on the matter. Interlocutory applications may be made once an appeal has been filed and will be considered in a "conferencing session" which precedes a hearing (called a 'trial' in the PRC Regulations 2020)
Gap analysis As with the GRC, it is not clear who the members of the PRC should be other than the chairperson and no indications of their qualifications or experience are indicated. Given that this is technically a legal appeal, one would expect to see some members with legal qualifications. The PRC Regulations 2020 indicate that the private member will be selected from an approved panel of external members (which is approved by the Chief Secretary) but there is no indication of who may or should be admitted to this panel. There is no detailed procedure for the appeal and no mention of the possibility of hearings or any guarantee of due process. The remedies available are few and there is little in the way of incentives for the complainant: for example, no recovery of fee in the event of success; no compensation for the costs of bidding. There are few penalties for the procuring agency either. It thus appears to be a rather weak appeals mechanism. The PRC Regulations 2020 provide a procedure which allows for due process, but these are not operational. Though the GRC is independent of the procuring agency (a key requirement), it is also mostly made up of BPPRA members. As indicated elsewhere, BPPRA is integrally involved in procurement processes and

would appear to become involved in decision making (through various approvals). It is not clear, therefore, that it is sufficiently independent of the procurement process to be considered an appropriately independent administrative appeals body.
Recommendations A number of elements could be improved in the yet to be implemented PRC Regulations 2020, e.g. identity of panel members, level of fee, the process of seeking, applying and removing suspensions and for imposing remedies should be strengthened. If the incidence of frivolous cases is (or becomes) an issue, then additional provisions should be included to minimise this risk. The PRC Regulations 2020 allow the Registrar to reject claims which are not properly lodged and do not refer to precise grounds of appeal. This may be enough provided it is made more explicit. Generally, the PRC Regulations 2020 is overly legal and based on court proceedings. The point of an administrative review procedure is to simplify the process and provide efficiencies. The requirement to provide multiple (7) hard copies of numerous documents is probably onerous, especially because complaints may be submitted online through the e-PPS. It is also recommended that there be established a permanent PRC with at least some legally qualified members and, if the chairmanship of the BPPRA is to remain, that there be a mechanism put in place to separate its functions from those of the rest of BPPRA so that implied involvement in decision making (through advisory functions) does not negatively affect the independence of the PRC. Removal of the BPPRA from the PRC would be preferable for this reason.
Assessment criterion 1(h)(c): **Rules establish the matters that are subject to review.**
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The grounds for review would appear to be overly broad: any material violation of the Act, rules, regulations, orders, instructions or any other law relating to public procurement. In addition, rule 58 also states what is not subject to either review or appeal, namely (i) the selection method adopted by the Procurement Committee; *and* (b) the decision by the Procuring Agency under rule 38 to cancel the bidding process.
Gap analysis The exclusion from review of the choice of selection method may have been taken from the UNCITRAL Model of 1994. This ground for exclusion was removed in the 2011 Model following much criticism. The choice of the selection method (usually for direct contracting) is one of the most frequent breaches in practice.
Recommendations It is recommended that the exclusion of rule 58(a) be removed.
Assessment criterion 1(h)(d): **Rules establish time frames for the submission of challenges and appeals and for issuance of decisions by the institution in charge of the review and the independent appeals body.**
Conclusion: Minor gap
Red flag: No
Qualitative analysis Timeframes are appropriately established. The decision of the GRC is to be made and communicated within 18 days. An appeal lies within 5 days after the decision of the GRC or within the 18 days period for that decision where none is made. The PRC makes its decision within 2 weeks of the date of the application.

Gap analysis
It would be clearer if days or weeks were consistently used and defined to provide more clarity and certainty.

Recommendations
Use either days or weeks consistently and define whether these are calendar or working days/weeks.

Assessment criterion 1(h)(e):
Applications for appeal and decisions are published in easily accessible places and within specified time frames, in line with legislation protecting sensitive information.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
There is no indication of whether decisions are published. The information provided is that they are not.

Gap analysis
There is a lack of transparency due to the lack of publication.

Recommendations
Decisions (and applications for review and appeal) of the GRC and PRC should be published in easily accessible places and within specified time frames, in line with legislation protecting sensitive information.

Assessment criterion 1(h)(f):
Decisions by the independent appeals body can be subject to higher-level review (judicial review).

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
This is not indicated in the legal framework, although in practice, bidders freely take cases to court.

Gap analysis
The legal framework fails to provide for this possibility and thus fails to control the flow of cases to court (e.g. by restricting that to appeals from the PRC or to points of law only). By establishing an appeal process to the court *after* the decision of the PRC, courts would be able to reject cases that have not followed the legal procedure and so strengthen the role of the PRC in solving pre-contractual disputes.

Recommendations
Establish in the rules a clearly defined appeal route to the courts. This needs also to be indicated in the PRC Regulations 2020.

Sub-indicator 1(i)
Contract management
The legal framework provides for the following:

Assessment criterion 1(i)(a):
Functions for undertaking contract management are defined and responsibilities are clearly assigned.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
The revised Rule 54 makes the procuring agency responsible for contract administration and management. These tasks include all administrative, financial, managerial, and technical tasks to be performed from contract award until it is successfully concluded or terminated, payment is made and disputes of any claim under it are resolved. The Procuring Agency is also responsible for ensuring that the goods, works, and services conform to the technical requirements set forth in the contract agreement and it should also arrange for inspection of their quality and quantity. In addition, the Rules allow the procurement committee to engage a third party such as team of technical experts, testing facility or use of laboratories for the required verifications. The procuring agency must also ensure compliance of maintenance guarantees, after-sales services, and warranty obligations.

Gap analysis

Whilst overall responsibility for contract management and administration is given to the procuring agencies, the precise functions, and responsibilities for managing contracts are not elaborated and it is not clear who, within the procuring agency, will have responsibility. The Procurement Committee appears to have the ability to engage third parties, but its responsibilities are not otherwise elaborated. As indicated above, the role of the Procurement Committee is ambiguous, but its role could conceivably extend to oversight of contract implementation, though this is not articulated. In most systems, contract management is conducted by a committee or individuals which are different to those conducting the procurement. Oversight of the procurement process would also usually end at the award of contact. Responsibilities for contract management are carried out by different officers.

There are no specific provisions relating to the examination of invoices or to manage their timely payment other than a general requirement that they should be paid on time (rule 55). In practice, late payment is a frequent occurrence and there are no provisions in place detailing bidders' rights in case of late payment. Given the absence of sustainability requirements, there are also no provisions for the monitoring of contract performance clauses designed to ensure social or environmental standards.

Recommendations

The functions of contract administration and management should be set out more clearly and fully and responsibilities should be specifically assigned. This should include rules on late payment of invoices.

Assessment criterion 1(i)(b):

Conditions for contract amendments are defined, ensure economy and do not arbitrarily limit competition.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis

The legal framework is silent on the conditions that apply to contract amendments and extensions. There is no indication of who issues them, who, if anyone, reviews proposed amendments and whether or not they are published.

Gap analysis

The legal framework should determine the conditions for contract amendments and extensions.

Recommendations

Set out rules determining the conditions for contract amendments and extensions (who proposes, who reviews and on what basis) as well as for their publication.

Assessment criterion 1(i)(c):

There are efficient and fair processes to resolve disputes promptly during the performance of the contract.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis

There is a reference to unsettled claims being resolved through arbitration is rule 55 but this is not articulated further. The PEC SBD for works does, however, refer to contract dispute by way of the Arbitration Act 1940.

Under Pakistan's Constitution, it appears that the federal legislature has competence to legislate on international arbitration and the provincial legislatures have competence to legislate on domestic arbitration. Having said that, it appears that the Arbitration Act 1940 covers the whole country. Nevertheless, the law and practice of domestic arbitration in Pakistan is in a state of flux and the Government has recently proposed a new Bill for an Arbitration Act 2024, which aims to address existing gaps, streamline procedures, and align Pakistan's arbitration framework with international standards.

Gap analysis
Whilst arbitration for unsettled claims appears to be foreseen, there is no mention of arbitration or other forms of alternative dispute resolution (ADR) being used for other forms of contract dispute and no requirement that provisions on dispute resolution would be included in the contract.

Recommendations
A provision needs to be introduced into the legal framework clearly setting out a requirement for contracts to include an appropriate dispute resolution clause based on arbitration or other form of ADR.

Assessment criterion 1(i)(d):
The final outcome of a dispute resolution process is enforceable.

Conclusion: Substantive gap

Red flag: Yes

Qualitative analysis
In 2011, Pakistan ratified the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards, 1958 (the "New York Convention") by enacting the Recognition and Enforcement (Arbitration Agreements and Foreign Arbitral Awards) Act, 2011, though this makes foreign arbitral award enforceable, not necessarily domestic awards. The 1940 Act is outdated by the Supreme Court has, over the years, clarified legal ambiguities within the arbitration framework, upheld the validity and enforceability of arbitration agreements, and promoted alignment with international standards such as those established by the New York Convention.

The Bill has been drafted to cover both international and domestic arbitration across all of Pakistan. This will, in turn, require the provincial legislatures to pass resolutions delegating their legislative and executive powers regarding domestic arbitration to the federation as provided by Articles 144 and 147 of Pakistan's Constitution. Importantly, the Bill does not make any distinction between domestic and international arbitral awards for the purpose of enforcement of the award. The Bill removes the current requirement under the 1940 Act to have an award made "rule of the court" i.e. having a judgment being entered in terms of the award. Instead, the Bill makes an award automatically enforceable unless it is either set aside or its enforcement is temporarily suspended during setting aside proceedings.

Gap analysis
Though the Supreme Court seems to have upheld the enforceability of domestic arbitral (and is required to ensure the enforceability of foreign awards), the legislative situation is still unclear. A red flag is assigned because resolution of this issue is outside the control of those legislating in the field of public procurement. A favourable outcome depends on the adoption of the Bill for a new Arbitration Act 2024 and the steps taken by the provincial legislatures to accept it as their own.

Recommendations
Once the Arbitration Act 2024 is adopted, ensure that its provisions are reflected in the Rules and in the SBDs.

Sub-indicator 1(j)
Electronic Procurement (e-Procurement)
The legal framework provides for the following:

Assessment criterion 1(j)(a):
The legal framework allows or mandates e-Procurement solutions covering the public procurement cycle, whether entirely or partially.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
BPPRA launched its Electronic Public Procurement System (E-PPS) in 2019 to digitize government procurement processes. In support of this, the Balochistan cabinet approved amendments to the BPPRA

Act and Rules of 2014. These amendments, enacted through the Balochistan Public Procurement Regulatory Authority (Amendment) Act of 2022, mandate using E-PPS for all government contracts. The system was introduced with the creation, publication, and distribution of electronic bidding documents in 2021, and its e-bidding functionality was implemented in 2022. E-bidding is required for services over 1 million PKR, goods over 5 million PKR, and works over 50 million PKR. The BPPRA e-PPS covers the procurement process, from publishing plans to announcing contract awards. It features modules for creating and managing procurement plans, creating bidding documents from standard bidding document templates, supplier management, online registration, bid submission, evaluation, and award publication. Modules for contract management and e-payment are still under development.

The system supports procurement for goods, services, works, and consulting services using open or limited tendering processes in national and foreign currencies. It is aligned with the Rules and can accommodate various bidding processes, including one- and two-envelope systems, pre- or post-qualification, and multi-stage procurement. The website includes access to the governing regulations, procurement guidelines and standard bidding documents that should be applied along with online help and training options.

Gap analysis

Bidders expressed some challenges in uploading documents as part of their submission or completing the electronic submission process. BPPRA indicated that many of these issues were addressed. However, it will be prudent to continually review the submission process and make the bidder aware of any item that may be missing to ensure a smooth submission process.

The BPPRA e-PPS is a provincial system design the meet the needs of the province. The system environment employs geo-fencing rules for users accessing the website with some information and functions not working if the user is not in Pakistan. Foreign users need to set the region and clock on the system to Pakistan and apply a VPN to Pakistan to access the system properly. Suppose BPPRA intends to use the system for international competition. In that case, the geo-fencing rules should be relaxed to allow foreign users to access the system freely without adjusting their system. BPPRA is updating the vendor registration process to allow foreign firms to register using corporate registration and tax certificates from their home country in the system registration process.

The system provides limited reporting and analytics options. The BPPRA e-PPS collects valuable information that should enable BPPRA to analyse procurement activity and price trends. BPPRA should examine all data to ensure data fields properly capture expected data. Some fields remained blank when data was expected. The system also does not capture or incorporate socio-economic data to enable analysis of socio-economic procurement activity or outcomes.

Recommendations

A more explicit error message system should be introduced to highlight missing items. Additionally, the system should offer a checklist of required information specific to each package. Currently, this feature is available for vendor qualifications, financials, and experience but not for other technical and financial documents.

BPPRA should revisit its geo-location verification policy, especially if it intends to engage foreign firms in procurement activities. Expecting firms to adjust their region and time settings to access a web-based system may pose unnecessary challenges.

BPPRA should explore reporting options to analyse cost trends over time, enabling better cost estimation for future procurement planning and evaluations. Analytics could also help identify patterns in bidder behaviour and bid evaluation, allowing BPPRA to address potential issues or foster increased market participation. BPPRA should expand vendor profile information to incorporate socio-economic information for small and medium businesses, women-owned businesses, or other data markers to be analysed.

Assessment criterion 1(j)(b):
The legal framework ensures the use of tools and standards that provide unrestricted and full access to the system, taking into consideration privacy, security of data and authentication.

Conclusion: Minor gap

Red flag: No

Qualitative analysis
All provincial and local government organizations are required to publish procurement plans and tender announcements in the BRRPA e-PPS system. The BPPRA e-PPS public website provides open access to procurement information, including current and past procurement plans, bidding documents, award announcements, and contracts. As of September 2024, the system has processed 131,517 tenders and provides access to 76,476 evaluation reports and 6,008 contracts. It also offers access to procurement rules, standard bidding documents, training materials, and a grievance filing service. The system also provides visual statistics to allow users to view where procurement activity occurs on a map by type of procurement, commodities, departments or procuring entities.

BPPS system facilitates the creation of the bidding document from standard bidding document templates reflective of the different procurement processes and methods established in the BPPRA procurement regulations and guidelines, ensuring all published tenders follow the regulations and guidelines. BPPRA can incorporate new bidding documents and processes as required, ensuring that it can adapt to the evolving needs of the procurement landscape.

2,130 procuring agencies and 4,980 vendors have participated in tenders published in the system. While most vendors are based in Balochistan, 3-4% are from other parts of Pakistan, increasing their numbers as awareness of the system grows. No foreign firms are registered, although local agents often represent them. Any firm or individual with a national tax number, including foreign firms, can register. The vendor registration process is being updated to allow foreign firms to register using their home country tax or corporate registration numbers, with the new process expected in Q4 2024.

Gap analysis
The BPPRA system requires users access the system using devices configured with country and time settings set the Pakistan or tender information is not displayed, limiting access to potential international vendors.

For 2022-2024, less than 25% of published tenders have associated contract award information and only 12% of tenders are conducted electronically.

Recommendations
BPRPA should issue directives to procuring entities to ensure are processes are duly completed in the system. Most manual processes do not include award data or award information is not recorded in a timely manner. The system could display performance indicators to the procurement entities which could include time to bid opening, time to evaluate and time to issuance of award to re-enforce the need to record information in a timely manner.

Constant communication and information sessions could also be applied to instil the need to update the information in the system.

Assessment criterion 1(j)(c):

The legal framework requires that interested parties be informed which parts of the processes will be managed electronically.

Conclusion: Minor gap

Red flag: No

Qualitative analysis

Use of the e-PPS is mandated for procurement over the stated thresholds by the amended Act and Rules as discussed (above) in Assessment criterion 1(j)(a) and procuring entities are transitioning from manual to electronic processes as a new system and process.

Gap analysis

In 2023-2024, e-bidding only accounts for 12% of the procurement transactions but 67% of the allocated budget, as e-bidding is only mandated over the stated thresholds.

Process	TSE Pub	TSE Cancelled	TSE Awarded	Bidders	Avg Bidders	Procuring Agency	Awarded Vendors	Total Budget	Total Awarded
E-Bid	2408	551	515	6258	3	403	675	PKR 395,433,832,038.00	PKR 119,354,941,733.00
Manual	23066	2486	2287	34005	1	1,910	1528	PKR 193,935,634,497.00	PKR 23,003,681,808.00
Grand Total	**25472**	**3,037**	**2,802**	**40,263**	**2**	**1,974**	**1,885**	**PKR 589,369,466,535.00**	**PKR 142,358,623,541.00**

Recommendations

Efforts are required to ensure that all procuring entities are complying with the requirement to use the e-PPs, including updating the system with evaluation results and contract award information in a timely manner.

Sub-indicator 1(k)

Norms for safekeeping of records, documents and electronic data

The legal framework provides for the following:

Assessment criterion 1(k)(a):

A comprehensive list is established of the procurement records and documents related to transactions including contract management. This should be kept at the operational level. It should outline what is available for public inspection including conditions for access.

Conclusion: Substantive gap

Red flag: Yes

Qualitative analysis

Rule 9(1) requires all procuring agencies to maintain a record of their respective procurement proceedings along with all associated documentation for a minimum period of five years or date of completion of audit whichever is later. Rule 9(2) foresees regulations to govern the maintenance of records, but these have not yet been adopted. There is thus no full list of matters to be recorded, although the rules do mention a few elements that need to be recorded, e.g. reasons for using national competitive bidding; negotiated tendering; and framework agreements.

Gap analysis

The lack of a list of documents and decisions to be maintained in the procurement record is a serious deficiency and needs to be remedies to ensure transparency and verifiability of the process. This applies to both paper and electronic records, although the e-PPS will contain records of the process conducted electronically.

At the same time, even where electronic procurement is used, not all of the records would be available electronically: the payment process, for example, is conducted on a separate system and does not appear automatically in the e-PPS. It needs to be entered manually. A key challenge for the system is collecting award information, specifically with manual processes, as procuring entities do not appear to complete the evaluation and awarding in the system. E-bidding has 27% of the transactions awarded whereas manual procurement only lists about 10% of the transactions with award information.

Recommendations
The Regulation for record keeping needs to be adopted (or included as part of the Rules) so that a list of recording requirements is established.

Links will need to be established between e-PPS and the payment system in order to provide a full view of the procurement process. Since this is outside the control of the procurement authorities and requires coordination with those responsible for the electronic systems applicable to PFM, this assessment criterion has been accorded a red flag.

BPPRA will also need to expand the capacity development and training for procuring entities and develop a communication strategy to ensure compliance with recording all information in the system.

Assessment criterion 1(k)(b):
There is a document retention policy that is both compatible with the statute of limitations in the country for investigating and prosecuting cases of fraud and corruption and compatible with the audit cycles.

Conclusion: No gap

Red flag: No

Qualitative analysis
The five-year retention period is consistent with national procedures.

Gap analysis
None

Recommendations
None

Assessment criterion 1(k)(c):
There are established security protocols to protect records (physical and/or electronic).

Conclusion: Minor gap

Red flag: No

Qualitative analysis
Security and integrity of the electronic processes are managed through an encrypted database to store and retrieve information and the use of one-timecodes (OTC) to verify the user when initiating procurement activities such as publishing a new procurement, submitting or withdrawing a bid, opening bids, approving evaluations or posting an award. OTCs are sent to the user's registered email address and mobile number and must be entered within a few minutes to validate the transaction. BPPRA has initiated the security management and third-party audit by recruiting a security specialist to lead the process.

Gap analysis
A third-party security audit/assessment of the electronic system is still outstanding, although is now said to be underway. Security protocols for manual processing are lacking.

Recommendations
A third party verification of the electronic system is needed to ensure its integrity and security. Third-party verification should be part of the system operations conducted regularly, especially with significant system releases, to ensure no security faults were introduced to the system or the system environment. Security protocols for manual processing need to be developed.

Sub-indicator 1(l)
Public procurement principles in specialized legislation
The legal and regulatory body of norms complies with the following conditions:

Assessment criterion 1(l)(a):
Public procurement principles and/or the legal framework apply in any specialised legislation that governs procurement by entities operating in specific sectors, as appropriate.

Conclusion: No gap
Red flag: No
Qualitative analysis There are no special rules governing public procurement in specific sectors (such as energy, water, transport, postal services) or areas governed by specific public policies such as health, internal security, and safety in Balochistan. All procuring agencies in these sectors are government departments and funded by the government.
Gap analysis None
Recommendations None
Assessment criterion 1(l)(b): **Public procurement principles and/or laws apply to the selection and contracting of public private partnerships (PPP), including concessions as appropriate.**
Conclusion: No gap
Red flag: No
Qualitative analysis The award of PPPs is covered by the Balochistan Public Private Partnership Act 2021 and the Balochistan Public Private Partnership Rules 2022 which apply the rules to the selection of concessionaires. The Act refers to the private partners as concessionaires and this is the modality used, although the term 'concession' is not properly defined in terms of payment and risk allocation. The Rules themselves apply open competitive bidding (with pre-qualification) to the selection of concessionaires and these Rules are consistent the public procurement principles outlined in the BPPRA Rules.
Gap analysis **None**
Recommendations **None**
Assessment criterion 1(l)(c): **Responsibilities for developing policies and supporting the implementation of PPPs, including concessions, are clearly assigned.**
Conclusion: No gap
Red flag: No
Qualitative analysis The Balochistan Public Private Partnership Act 2021 provides on the establishment of the Public Private Partnership (PPP) Board and institutional arrangement that shall be constituted to promote, approve, and supervise PPP projects in the Province. The Act further elaborates on the functions of the PPP Board and establishment of the PPP Unit and Authority and allocation of PPP Authority fund. The PPP Authority is responsible for initiating, developing, and executing PPP Agreements with concessionaires, following a structured process that involves project identification, prioritization based on value for money, technical, financial, and socio-economic viability over the expected duration of the project, environmental impact assessment analysis, risk assessment and approval by the Executive Committee or PPP Board.
Gap analysis **None**
Recommendations **None**

Pillar I. Legal, Regulatory, and Policy Framework

Indicator 2. Implementing regulations and tools support the legal framework

Sub-indicator 2(a) **Implementing regulations to define processes and procedures**
Assessment criterion 2(a)(a): There are regulations that supplement and detail the provisions of the procurement law, and do not contradict the law.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The Act is primarily implemented by the BPPRA Rules made under it and these have been amended a couple of times with the last amendments being in 2022. There are in addition two BPPRA Regulations in force on blacklisting and on framework agreements, respectively. The Act foresees additional regulations to cover appeals procedures (s. 25(3) of the Act); records (s. 9(2) of the Act); e-GP guidelines (Rule 11-A); price preference policy (Rule 28(2)); and the integrity pact (Rule 79), not all of which have yet been adopted.
Gap analysis The regulations that have been adopted are generally consistent with the Act and the Rules. They are clearly drafted but some of the provisions need strengthening. For example, under assessment criterion 1(d)(c) above, some of the weaknesses of the regulation on blacklisting are set out in detail.
Recommendations The full suite of regulations foreseen by the Act needs to be prepared and adopted and published on the website of BPPRA. The current regulations would benefit from redrafting to strengthen their provisions.
Assessment criterion 2(a)(b): The regulations are clear, comprehensive and consolidated as a set of regulations readily available in a single accessible place.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The current regulations are clearly drafted. They are both available, along with the Act and the Rules on the BPPRA website
Gap analysis Not all of the regulations foreseen in the Act have been adopted so the suite of implementing regulations cannot be said to be comprehensive.
Recommendations The full suite of regulations foreseen by the Act needs to be prepared and adopted and published on the website of BPPRA
Assessment criterion 2(a)(c): Responsibility for maintenance of the regulations is clearly established, and the regulations are updated regularly
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Responsibility for preparing and maintain the implementing regulations is clearly established in the Act. The Rules have been updated to improve the provisions, but the regulations have not yet been updated. A number of regulations are yet to be established.

Gap analysis
None in addition to those identified under indicator 2(a)(a) and 2(a)(b)

Recommendations
None in addition to those recommended under indicator 2(a)(a) and 2(a)(b)

Sub-indicator 2(b)
Model procurement documents for goods, works and services

Assessment criterion 2(b)(a):
There are model procurement documents provided for use for a wide range of goods, works and services, including consulting services procured by public entities.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
Neither the Act nor the Rules refer to the adoption of standard bidding documents, i.e. no organisation is given responsibility for establishing or maintaining them. BPPRA's website does, however, include a number of 'sample' bidding documents. These include:

- Sample Bidding Doc Works under PKR 25 million (USD 90,000)
- Sample Bidding Document for the purchase of Goods and Services up to PKR 5 million (USD 18,000)
- Sample Bidding Documents for the procurement of furniture
- Sample Bidding Documents for the procurement of IT equipment
- NIT Sample for Works (this is a template for the procurement notice)
- NIT Sample for Goods and Services (this is a template for the procurement notice)

In practice, for works contracts above the stated threshold, procuring entities will rely on the Bidding Document prepared by the Pakistan Engineering Council (PEC). At the same time, the sample documents for small works refer to BPPRA Standard Bidding Documents for Large Works although these cannot be found on the website, although the link is currently broken so that the document cannot be reviewed.

The BPPRA website also includes a Standard Procedure for Evaluation of Proposals for Procurement of Engineering Services (First Edition) August 31, 2006 (dated March 2009). This is also a PEC document.

Gap analysis
Whilst there are some sample documents available on the BPPRA, they do not appear to be mandatory 'standard' bidding documents, and they do not offer a complete suite of documents. They include 'small' works and good/services, although the Goods/Services sample is rather brief. There is no reference to a document to larger works on the website though, in practice as mentioned, the PEC document is used. There are no documents (e.g. Request for Proposals) for consultancy services.

The biggest issue, however, is that responsibility for the establishment and maintenance of the standard bidding documents is not assigned. To the extent that they exist, they appear consistent with the provisions of the legal framework.

Recommendations
The authority to establish and maintain the standard bidding documents needs to be included in the Act or, at least, in the Rules. The obvious authority to do this is BPPRA, as the regulatory body for public procurement. Once this is done, BPPRA should establish a complete suite of bidding documents to cover the types of procurement and methods of procurement envisaged by the Act.

Assessment criterion 2(b)(b):

At a minimum, there is a standard and mandatory set of clauses or templates that reflect the legal framework. These clauses can be used in documents prepared for competitive tendering/bidding.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Though not formally established, the sample documents found on the website and the PEC works document are generally consistent with the legal framework. The clauses can be used in documents prepared for competitive bidding.
Gap analysis The sample clauses/documents are not mandatory although Rule 27(3) does state that procuring agencies 'shall use bidding documents as and when notified by the Authority'. Whilst BPPRA is of the view that the uploading of sample documents on the website amounts to 'notification' and thus makes them mandatory, this is not made explicit (and therefore actionable) under the legal framework.
Recommendations The sample documents should be established as standard bidding documents as per the analysis above. They should be made clearly mandatory in the legal framework.
Assessment criterion 2(b)(c): The documents are kept up to date, with responsibility for preparation and updating clearly assigned.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Responsibility for the preparation and updating of standard bidding documents is not assigned in the legal framework. The documents do not appear to have been updated.
Gap analysis Responsibility for the preparation and updating of standard bidding documents is not assigned in the legal framework.
Recommendations Responsibility for the preparation and updating of standard bidding documents should be assigned in the legal framework and the documents should be kept up to date as appropriate.
Sub-indicator 2(c) **Standard contract conditions used**
Assessment criterion 2(c)(a): There are standard contract conditions for the most common types of contracts, and their use is mandatory.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis There are standard contract conditions only for those sample documents identified on the BPPRA website. They are not mandatory.
Gap analysis There are standard contract conditions only for those sample documents identified on the BPPRA website. They are not mandatory.
Recommendations Based on the above recommendation of **assessment criterion 2(b)(c)** to have a comprehensive suite of standard bidding documents established by as assigned authority, it is imperative that these should also contain standard contract conditions that reflect the legal framework. They should be made mandatory.
Assessment criterion 2(c)(b):

The content of the standard contract conditions is generally consistent with internationally accepted practice.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis In respect of those sample and standard bidding documents that are in circulation and are being used, the contract conditions would appear to be generally consistent with internationally accepted practice. The PEC Standard Form of Bidding Documents (Civil Works), dated June 2007, is based on the equivalent documents of, *inter alia*, the Multilateral Development Banks and incorporates FIDIC General Conditions of Contract Part-I (1987 reprinted in 1992 with further amendments), Particular Conditions of Contract Part-II, Instructions to Bidders and sample appendices required for bidding. The Sample Bidding Doc Works under PKR 25 million issued by BPPRA closely reflect the PEC document for smaller contracts and in both cases, are generally consistent with internationally accepted practice. The Sample Bidding Document for the purchase of Goods and Services up to PKR 5 million contains a much shorter set of instructions and only some general contract clauses. These are generally acceptable but insufficient/incomplete.
Gap analysis The Sample Bidding Document for the purchase of Goods and Services up to PKR 5 million need to be completed to ensure consistency with internationally accepted practice. Other standard bidding documents need to be established and must include contract conditions that are generally consistent with internationally accepted practice.
Recommendations Revise the Sample Bidding Document for the purchase of Goods and Services up to PKR 5 million and establish a full suite of standard bidding documents which contain contract conditions that are generally consistent with internationally accepted practice.
Assessment criterion 2(c)(c): Standard contract conditions are an integral part of the procurement documents and made available to participants in procurement proceedings.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The procuring agencies are required to provide the bidding documents to all interested bidders in accordance with the procedures and requirements specified in the Notice Inviting Tender. Rule 27(1)(i) states that the bidding documents will include "terms and conditions of the contract agreements, as far as already known by the Procuring Agency". This is ambiguous. Where there are standard bidding documents which contain standard contract clauses, the procuring agency will know what they are, and they will be included in the documents. Where these standard bidding documents do not exist, then the terms and conditions will not be known.
Gap analysis The absence of (i) a provision making standard bidding documents and contract clauses mandatory and (ii) a full set of standard bidding documents (prepared by an assigned authority) means that it is possible that contract clauses are not communicated to bidders. This is not inevitable because Rule 27(3) also allows procuring agencies to rely on bidding documents already in use to the extent they are not inconsistent with these rules and until such time that the authority's bidding documents are notified. In the current situation, however, this cannot be assured.
Recommendations As analysed above at Assessment criterion 2(b)(c) , a full suite of standard bidding documents, including conditions of contract, needs to be established by a clearly assigned authority in the legal framework and made mandatory.

Sub-indicator 2(d) User's guide or manual for procuring entities
Assessment criterion 2(d)(a): There is (a) comprehensive procurement manual(s) detailing all procedures for the correct implementation of procurement regulations and laws.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis There is a one-page document which is published on the BPPRA website which is entitles: General Guidelines for Procurement Officers. This sets out in tabular form the mandatory steps to be taken by the procurement officer under the Act and the Rules.
Gap analysis There is no comprehensive Manual which takes procurement officers through the procurement process. The one-page document is insufficient.
Recommendations Establish a Manual/ User's Guide as an implementation tool to provide procurement officers with information that incorporates the law, policy and procedures and helps turn policy into practice.
Assessment criterion 2(d)(b): Responsibility for maintenance of the manual is clearly established, and the manual is updated regularly.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis There is no Manual and no responsibility is assigned.
Gap analysis There is no Manual and no responsibility is assigned.
Recommendations Amend the Rules to provide for a Manual together with responsibility for its establishment and maintenance.

Indicator 3. The legal and policy frameworks support the sustainable development of the country and the implementation of international obligations

Sub-indicator 3(a) Sustainable Public Procurement (SPP)
Assessment criterion 3(a)(a): The country has a policy/strategy in place to implement SPP in support of broader national policy objectives
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis Balochistan does not have a policy/strategy in place to implement SPP in support of broader provincial policy objectives.
Gap analysis Balochistan does not have a policy/strategy in place to implement SPP in support of broader provincial policy objectives.

Recommendations
The establishment of such a policy/strategy needs to be addressed at a higher government level and a red flag is assigned because it is outside the scope of BPPRA.

Assessment criterion 3(a)(b):
The SPP implementation plan is based on an in-depth assessment; systems and tools are in place to operationalise, facilitate and monitor the application of SPP.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
In the absence of such a policy/strategy, no SPP implementation has taken place in the context of public procurement.

Gap analysis
No SPP implementation has taken place in the context of public procurement.

Recommendations
Once an SPP strategy/policy is in place, the legal framework will need to be amended to provide for the requisite implementation methods.

Assessment criterion 3(a)(c):
The legal and regulatory frameworks allow for sustainability (i.e. economic, environmental and social criteria) to be incorporated at all stages of the procurement cycle.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
The legal and regulatory framework does not currently allow for sustainability (i.e. economic, environmental, and social criteria) to be incorporated at all stages of the procurement cycle.

Gap analysis
The legal and regulatory framework does not currently allow for sustainability (i.e. economic, environmental, and social criteria) to be incorporated at all stages of the procurement cycle.

Recommendations
Once an SPP strategy/policy is in place, the legal framework will need to be amended to allow for sustainability (i.e. economic, environmental, and social criteria) to be incorporated at all stages of the procurement cycle.

Assessment criterion 3(a)(d):
The legal provisions require a well-balanced application of sustainability criteria to ensure value for money.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
This cannot be assessed in the absence of SPP provisions.

Gap analysis
This cannot be assessed in the absence of SPP provisions.

Recommendations
Once an SPP strategy/policy is in place, the legal framework will need to be amended to require a well-balanced application of sustainability criteria to ensure value for money.

Sub-indicator 3(b)
Obligations deriving from international agreements
Public procurement-related obligations deriving from binding international agreements are:

Assessment criterion 3(b)(a):
Clearly established

Conclusion: Substantive gap

Red flag: No
Qualitative analysis Such obligations are not clearly established in the public procurement legal framework. At the same time, the Rules give precedence to obligations deriving from international treaties.
Gap analysis Such obligations are not clearly established in the public procurement legal framework.
Recommendations Such obligations need to be clearly established in the public procurement legal framework
Assessment criterion 3(b)(b): Consistently adopted in laws and regulations and reflected in procurement policies**.**
Conclusion: Substantive gap
Red flag: No
Qualitative analysis These are not reflected in the legal framework
Gap analysis These are not reflected in the legal framework
Recommendations The legal framework should reflect international obligations.

Pillar II. Institutional Framework and Management Capacity

Indicator 4. The public procurement system is mainstreamed and well-integrated into the public financial management system

Sub-indicator 4(a) **Procurement planning and the budget cycle** The legal and regulatory framework, financial procedures and systems provide for the following:
Assessment criterion 4(a)(a): Annual or multi-annual procurement plans are prepared, to facilitate the budget planning and formulation process and to contribute to multi-year planning.
Conclusion: Minor gap
Red flag: No
Qualitative analysis There are no provisions relating to the way in which procurement needs are integrated into the budget requests of the procuring agencies in the Act or Rules. Formally, budgeting is covered by the Finance Department and works as follows: The budget is split into salary and non-salary budgets and further development and current budget. The Government of Balochistan prepares the budget by adhering to the budget calendar. A budget call letter is issued by the Finance Department. Subsequently, the budget is prepared by the provincial departments which are scrutinized by the Provincial Finance Department and the entire budget has evolved as an outcome of this process. The line department are requested to submit budget demand on this basis. There may or may not be cuts, but generally it goes forward since it is based on the strength of provincial government employees under various departments. Then, depending on the size of the Public Sector Development Program (PSDP), the development budget is allocated which included new development schemes, as well as 'throw forward' funding for ongoing schemes that have a multi-year allocation or have been delayed due to a variety of reasons, including non-availability of funds or contracting issues etc. While the planning and development departments of the procuring agencies are in practice involved in budget planning at an early stage but, in respect of procurement, it appears that planning for procurement is in many cases commenced only after the budget is appropriated. This may well have to do with the lack of organised procurement responsibility within procuring agencies (see, further, indicator 6) since, without defined responsibilities, it is not clear who will be in a position to define annual procurement needs and feed that information to the planning and development departments. Construction and Works, on the other hand, appears to establish a budget request based on annual demand provided by its various units and consolidated into an annual plan. The plans are more in the way of expenditure plans rather than procurement plans. They are not referred by the procuring agencies as a means of measuring performance. Once budgets are made available and the requisite planning document (PC-1) is approved, detailed procurement plans are developed and uploaded on the e-PPS website
Gap analysis Budgeting is a top-down rather than a bottom exercise, which then makes it difficult for departments to plan procurement activities because they are dependent on the budgetary allocation and actual disbursement of allocated funds before commencing any activities. Ther is a lag of several months before the availability of funds becomes clear leaving only a part of the year to complete projects, again creating a throw-forward in the budget.

Recommendations Change budgeting process to include realistic bottom-up procurement plans that feed into the budget.
Assessment criterion 4(a)(b): Budget funds are committed or appropriated in a timely manner and cover the full amount of the contract (or at least the amount necessary to cover the portion of the contract performed within the budget period).
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Budget funds are appropriated on an annual basis but not committed, although this is supposed to happen on a quarterly basis. There appears to be a significant shortfall in public funds and funds are often not forthcoming within the budgetary year leading to significant delays in procurement. It is said that there is a requirement that one third of the funds needs to be committed before procurement is commenced, but that there is a lack of compliance with this requirement. We have not been able to locate this requirement – it may be in an administrative instruction of a department.
Gap analysis Budget funds are often not available when foreseen putting procurement in jeopardy.
Recommendations Encourage better procurement planning and provide better integration with PFM processes.
Assessment criterion 4(a)(c): A feedback mechanism reporting on budget execution is in place, in particular regarding the completion of major contracts.
Conclusion: No gap
Red flag: No
Qualitative analysis. There is a well-documented process for project planning and feedback put in place by the Planning Commission which is also followed at the provincial level. The **PC-1, PC-2, PC-3, and PC-4** are forms used by the Planning Commission for the preparation and approval of development projects: 1. **PC-1**: This is the initial project proposal form used to outline the details of a proposed project, including objectives, scope, cost estimates, and justification. It is the first step in the project approval process1. 2. **PC-2**: This form is used for the revision of PC-1, typically when there are changes in the project scope, cost, or other significant aspects that were not included in the original proposal. 3. **PC-3**: This form is used for the mid-term review of a project. It assesses the progress and performance of the project to ensure it is on track and meeting its objectives1. 4. **PC-4**: This form is used for the completion report of a project. It provides a final assessment of the project's outcomes, including achievements, challenges, and lessons learned.
Gap analysis None
Recommendations None
Sub-indicator 4(b) **Financial procedures and the procurement cycle** The legal and regulatory framework, financial procedures and systems should ensure that:
Assessment criterion 4(b)(a): No solicitation of tenders/proposals takes place without certification of the availability of funds.
Conclusion: Substantive gap

Red flag: No
Qualitative analysis There is no requirement in the Act of Rules for funds to be available before tenders/ proposals are solicited. There is *apparently* a requirement that one third of the funds needs to be committed before procurement is commenced but this is not complied with, and procurement is often commenced before funds are available (see indicator 4(a)(b) above).
Gap analysis There is no requirement in the Act of Rules for funds to be available before tenders/ proposals are solicited.
Recommendations The Rules should be amended to require funds to be available before tenders/ proposals are solicited.
Assessment criterion 4(b)(b): The national regulations/procedures for processing of invoices and authorisation of payments are followed, publicly available and clear to potential bidders. *
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis The payment invoices are presented to the Controller General Accounts (CGA) office, which is responsible for disbursements and payments against contracts. A rigorous pre-audit is carried out to ensure that invoices comply with all aspects of the contract including goods received and inspection information. The payments are made when the funds against a particular project are released by the Finance Department. Once the releases are confirmed. The invoice information is entered into the payment system and cheques are released within three to four days or less. The process is well known to vendors.
Quantitative analysis No data on time taken to pay invoices available *Source: PFM systems.*
Gap analysis The procedure is known but the lack of integration between the payment system and the e-PPS means that the information is not sufficiently transparent.
Recommendations Integrate e-PPS with CGA payment system and put in place processes to record invoices as soon as they are received

Indicator 5. The country has an institution in charge of the normative/regulatory function

Sub-indicator 5(a) **Status and legal basis of the normative/regulatory institution function** The legal and regulatory framework, financial procedures and systems provide for the following:

Pillar II. Institutional Framework and Management Capacity

Assessment criterion 5(a)(a): The legal and regulatory framework specifies the normative/regulatory function and assigns appropriate authorities' formal powers to enable the institution to function effectively, or the normative/regulatory functions are clearly assigned to various units within the government.
Conclusion: Minor gap
Red flag: No
Qualitative analysis The Act establishes the BPPRA with the specific objective of conducting the purposes of the Act. It is foreseen as a body corporate, so separate from the administration, although in reality it is set up as a department of the Ministry of Finance. It has the authority take such measures and exercise such powers as may be necessary for improving governance, management, transparency, accountability, and quality of public procurement of goods, services and works in the public sector. It is headed by a Managing Director (MD), as Chief Executive Officer of the Authority, appointed by the Government. The power to issue general directions and administration of the Authority and its affairs are vested in a Board which exercises all the powers and functions of the Authority. The Board is chaired by the Chief Secretary of Balochistan and fifteen other members, most of them are Secretaries of the departments. Included in the membership, however, is a nominee of the Chamber of Commerce, a nominee of the Pakistan Engineering Council, a 'renowned' professional from the management and finance sector nominated by the Government and two members from civil society nominated by the Government. The MD is both a member and secretary of the Board.
Gap analysis The BPPRA is not, as the Act prescribes, a separate corporate entity independent of Government. The majority of the Board members are the most senior government officials in the province, and it is not clear how independent it can be. The inclusion of members from the private sector acts as a counterbalance but there is always the question of how they will be able to ensure the independence of the Board.
Recommendations It would be preferable to establish the BPPRA as foreseen in the Act to ensure that it is able to function effectively.
Sub-indicator 5(b) **Responsibilities of the normative/regulatory function** The following functions are clearly assigned to one or several agencies without creating gaps or overlaps in responsibility:
Assessment criterion 5(b)(a): providing advice to procuring entities
Conclusion: Minor gap
Red flag: No
Qualitative analysis Section 5(2) sets out a number of functions which may amount to advice top procuring entities. These include the provision and coordination of assistance to the procuring agencies (sub-section (g)) but the aim of this is to develop and improve their institutional framework and public procurement activities. It is not clear that this function is designed to provide ongoing advice to procuring entities in respect of procurement procedures. Similarly, BPPRA is able to monitor (i) the overall performance of the procuring agencies and make recommendations for improvements in their institutional setup (sub-section (f)) and (ii) monitor public procurement practices and make recommendations to improve governance, transparency, accountability, and quality of public procurement (sub-section (e)).
Gap analysis The wording of section 5(2) does not make it clear that BPPRA can provide advice to procuring entities

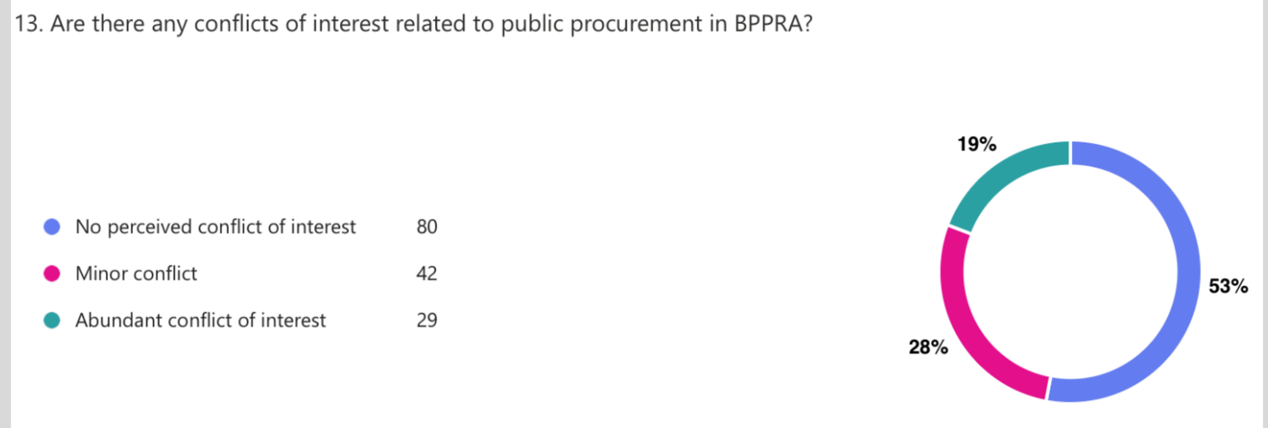
in respect of procurement proceedings. At the same time, as explained under indicator 1(h)(b), the Procurement Review Committee which provides the second tier of complaints review is chaired by the MD and includes procurement specialists from BPPRA and technical expert nominated by the Managing Director. Providing advice which influences the course of a procuring agency's procurement decisions could thus remove the key element of independence from BPPRA as Review Body and create a conflict of interest since it could be implicated in the decision-making process. This could further undermine trust in the complaints review process.
Recommendations It would be preferable to spell out the precise nature of the advisory functions foreseen to avoid such conflicts of interest.
Assessment criterion 5(b)(b): drafting procurement policies
Conclusion: Minor gap
Red flag: No
Qualitative analysis BPPRA is given the mandate to recommend to the Government revisions in or formulation of new laws, rules, and policies in respect of or related to the public procurement.
Gap analysis Though assumed, the provision does not explicitly require BPPRA to prepare drafts of such laws, rules, and policies.
Recommendations It would be preferable if BPPRA were explicitly mandated to draft the laws, rules, and policies.
Assessment criterion 5(b)(c): proposing changes/drafting amendments to the legal and regulatory framework
Conclusion: Minor gap
Red flag: No
Qualitative analysis As stated above in assessment criterion 5 (b) (b), BPPRA is given the mandate to recommend to the Government revisions in or formulation of new laws, rules, and policies in respect of or related to the public procurement.
Gap analysis As stated above in assessment criterion 5 (b) (b), though assumed, the provision does not explicitly require BPPRA to prepare drafts of such laws, rules, and policies.
Recommendations As stated above, in assessment criterion 5 (b) (b)it would be preferable if BPPRA were explicitly mandated to draft the laws, rules, and policies.
Assessment criterion 5(b)(d): monitoring public procurement
Conclusion: No gap
Red flag: No
Qualitative analysis BPPRA is given the mandate to monitor: • the application of the laws, rules, regulations, policies, and procedures in respect of, or relating to the public procurement • the implementation of laws, rules, regulations, policies, and procedures in respect of, or relating to inspection or quality of goods, services and works • public procurement practices • overall performance of the procuring agencies

Gap analysis None, subject to indicator 5(c)(c)
Recommendations None
Assessment criterion 5(b)(e): providing procurement information
Conclusion: Minor gap
Red flag: No
Qualitative analysis Section 5(2) (g-b), which derives from amendments made to the Act in 2013, provides that BPPRA will maintain a website which enables the procuring agencies to upload and disseminate the information of their procurement activities as prescribed. This refers to a limited category of information, but the website created by BPPRA does, in fact, contain procurement information.
Gap analysis The Act does not require procurement information to be published, even if it is in fact.
Recommendations It would be preferable to make the requirement to publish procurement information explicit on the part of BPPRA.
Assessment criterion 5(b)(f): managing statistical databases
Conclusion: Substantive gap
Red flag: No
Qualitative analysis As operator of the e-PPS, BPPRA has access to the data collected in that system and would thus be able to obtain relevant statistics on procurement conducted electronically. Such information is not currently readily retrievable, although this can be done on a case-by-case basis. Relevant databases are not therefore systematically built from the information available and do provide useable data feeds.
Gap analysis Statistical databases are not routinely built and used to provide useable reports.
Recommendations The Act needs to mandate the creation and management of relevant statistical databases for the purposes of better monitoring.
Assessment criterion 5(b)(g): preparing reports on procurement to other parts of government
Conclusion: No gap
Red flag: No
Qualitative analysis BPPRA is mandated to submit reports to the Government.
Gap analysis None
Recommendations None
Assessment criterion 5(b)(h): developing and supporting implementation of initiatives for improvements of the public procurement system
Conclusion: Substantive gap
Red flag: No
Qualitative analysis There is no such function assigned.

Gap analysis There is no such function assigned.
Recommendations Functions should be assigned to BPPRA to allow them to develop and support implementation initiatives such as creating standard bidding documents, a practical manual etc.
Assessment criterion 5(b)(i): providing tools and documents, including integrity training programmes, to support training and capacity development of the staff responsible for implementing procurement
Conclusion: Minor gap
Red flag: No
Qualitative analysis The 2013 amendments to the Act included the mandate to develop, promote and support the capacity building of personnel of procuring agencies. In addition, BPPRA has the mandate to lay down codes of ethics.
Gap analysis The broad lines of what BPPRA can do are set out in the Act but there are no details and, therefore, no guidance as to what could be achieved.
Recommendations The Act could be amended to be more precise as to the support that could be offered, such as a comprehensive and ongoing capacity budling programme for procuring entities for various types of procurement as well as for bidders; the development of guidance notes and implementation tools such as electronic mechanisms for the creation of framework agreements, completion of bidding documents et.
Assessment criterion 5(b)(j): supporting the professionalisation of the procurement function (e.g. development of role descriptions, competency profiles and accreditation and certification schemes for the profession)
Conclusion: Substantive gap
Red flag: No
Qualitative analysis This task could conceivably be seen as part of the previous task developing, promoting, and supporting the capacity building of personnel of procuring agencies but professionalisation is a specific approach to capacity building and needs to be made explicit.
Gap analysis There is no mandate or indication of how professionalisation could be pursued or achieved.
Recommendations The Act needs to be amended to define a professionalisation programme based on a competency framework to be created for Balochistan and BPPRA needs to be given the task of liaising with the necessary authorities, i.e. the civil service and educational authorities.
Assessment criterion 5(b)(k): designing and managing centralised online platforms and other e-Procurement systems, as appropriate
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The only reference in the Act to electronic platforms is to the maintenance of website which may enable the procuring agencies to upload and disseminate the information of their procurement activities as prescribed. 2022 amendments to the Rules, however, includes a provision (Rule 11-A) requiring procuring agencies to carry out procurement process by using the Electronic Public Procurement System *developed by the Authority* in accordance with the regulations or guidelines to be prescribed by the Authority from time to time. It is thus envisaged, through the combination of these provisions that BPPRA has the task of

designing and managing centralised online platforms and other e-Procurement systems. This is, in fact, what is happening, although no regulations or guidelines have yet been issued. These are a work in progress.	
Gap analysis The legal framework does not reflect the practice and the extent of BPPRA's functions and obligations in this regard are not clearly set out.	
Recommendations The Act should be amended to provide explicitly for this function on the part of BPPRA.	
Sub-indicator 5(c) **Organisation, funding, staffing, and level of independence and authority**	
Assessment criterion 5(c)(a): The normative/regulatory function (or the institutions entrusted with responsibilities for the regulatory function if there is not a single institution) and the head of the institution have a high-level and authoritative standing in government.	
Conclusion: Minor gap	
Red flag: No	
Qualitative analysis The MD of BPPRA is at a level similar to that of a Secretary. In the Service Regulations, the position is equivalent to grade 20 which is regarded as Secretary and MDs tend to be promoted to the grade of Secretary during their tenure. The position thus commands respect. The Board is made up of senior members of Government. Though not formally established as a separate corporate body as foreseen in the Act, BPPRA appears to operate as a department of Government and is not obviously subordinate to other departments.	
Gap analysis BPPRA has not been established as a separate corporate body as foreseen in the Act, something that would provide it with substantial independence.	
Recommendations BPPRA should be established as a separate corporate body as foreseen in the Act.	
Assessment criterion 5(c)(b): Financing is secured by the legal/regulatory framework, to ensure the function's independence and proper staffing.	
Conclusion: Minor gap	
Red flag: No	
Qualitative analysis Financing for BPPRA is assured through the Balochistan Public Procurement Regulatory Authority Fund which is vested in the Authority for the conduct of its activities. Monies are credited to the fund from, for example, sums the Government allocates to it, from time to time, in the annual budget; grants;] and income from investment by the Authority.	
Gap analysis It is not clear from the Act whether funds must be regularly allocated in the budget; terminology suggests that it may be at the discretion of the Government which could undermine the independence of action of BPPRA which may need to canvass financial support.	
Recommendations The Act may need to clarify the regularity and sufficiency of funds to ensure the efficiency and independence of action of BPPRA.	
Assessment criterion 5(c)(c): The institution's internal organisation, authority and staffing are sufficient and consistent with its responsibilities.	
Conclusion: Substantive gap	
Red flag: No	

Qualitative analysis BPPRA has sixty-four allocated posts, twenty-two of which are at an executive level. However, a large number of posts are vacant, currently seventeen in total, of which eight are at executive level. It is not clear whether this is due to a shortage of funds since these posts have been created and, it is understood, advertised. It may well be due to a failure of the recognition that these posts need to be filled in order to carry out the functions of the BPPRA. This will become more problematic if the recommendations of this assessment are taken on board.
Gap analysis Almost a third of the executive posts are vacant and BPPRA has also recently taken on the role of managing the e-PPS. Though it has the function of monitoring, this has not been carried out comprehensively. This may, in part be the result of an unclear understanding of 'monitoring' and of a lack of monitoring tools, but it would seem that there are insufficient number of staff (and trained staff), to carry out all of the functions. To the extent that additional functions are assigned (as will be recommended given the findings of indicator 5(b), current staffing levels will be insufficient to meet BPPRA's responsibilities.
Recommendations In the first place, the vacant positions should be filled. Secondly, consideration should be given to increasing the executive staffing levels taking into account the e-PPS responsibilities and the need to address additional functions, if assigned.
Sub-indicator 5(d) **Avoiding conflict of interest**
Assessment criterion 5(d)(a): The normative/regulatory institution has a system in place to avoid conflicts of interest. *
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The functions of BPPRA are not always clearly defined in the Act, notably in respect of advice. Given that BPPRA will also have a significance presence in the complaints review process (making up the majority of the members of the PRC), there is a danger that its objectivity and independence will be comprised if it engages too closely with procuring entities as part of its advisory function. BPPRA officers should not be directly involved in any decision-making operations of the procuring entities, especially in respect of evaluation and, at the same time, be involved in the monitoring of procurement practices or being part of an appeals body. With so few staff and with an unclear division of responsibilities, there is a significant danger that BPPRA will be considered to have (even if it is only a perception) a conflict of interest which would diminish its authority.
Quantitative analysis *Source: Survey.*



Gap analysis
There is a potential conflict in respect of the functions of BPPRA, although 81% of the bidders surveyed felt that there was no (53%) or only a minor conflict (28%) overall. The perception was not limited to the conflict between the advisory and review roles.

Recommendations
There is a need to ensure an absence of conflict either by limiting the advisory role or removing BPPRA from the review process making it independent.

Indicator 6. Procuring entities and their mandates are clearly defined

Sub-indicator 6(a)
Definition, responsibilities and formal powers of procuring entities
The legal framework provides for the following:

Assessment criterion 6(a)(a):
Procuring entities are clearly defined.

Conclusion: No gap

Red flag: No

Qualitative analysis
Procuring agencies are defined in the Act as any department, attached department or any office of the Government; and any authority, corporation, body or organization established by or under a Provincial law or which is owned or controlled by the Government.

Gap analysis
None

Recommendations
None

Assessment criterion 6(a)(b):
Responsibilities and competencies of procuring entities are clearly defined.

Conclusion: Minor gap

Red flag: No

Qualitative analysis
The responsibilities and competencies of procuring agencies are clearly established in the legal framework from planning to execution.

Gap analysis
As indicated in the next indicator, those responsibilities are not clearly assigned within the procuring agency and for that reason, this indicator is assigned a minor gap.

Recommendations
Internal responsibilities need to be properly and clearly assigned.

Assessment criterion 6(a)(c):
establish a designated, specialised procurement function with the necessary management structure, capacity and capability. *

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
A specialised procurement function is not clearly assigned. Under the 2019 amendments to the Rules, procuring agencies are required to establish a Procurement Committee (PC). This must comprise an odd number of senior officers and, critically, a third of its members must come from agencies or departments other than the procuring agency. This may be reasonable where the function of the PC is oversight because it provides for a certain amount of independence. And, indeed, the primary function of the PC, according to Rule 8(a) would appear to be oversight ("ensuring consistency of the procurement proceedings with the rules"). This is, however, inconsistent with some of its other functions, e.g. carrying out technical and financial evaluation and conducting post-qualification. These functions appear to consist of decision-making and oversight so that, for example, those evaluating bids are also overseeing the consistency of the evaluation with the rules. This represents an unacceptable conflict of interest.

On the other hand, in the case of technically complex procurement which requires expertise of domain expert, the PC may, with the approval of the Head of the Department, constitute a subcommittee named Bids Evaluation Committee (BEC) which will comprise of at least three technical experts having required professional knowledge and be assigned the overall responsibility of managing the technical aspect of the procurement which include but are not limited to preparation of bidding documents and technical evaluation. This comes closer to establishing procurement responsibility but applies in relatively limited circumstances.

Further, as there is no designated procurement function, the PC is often (in almost all of the agencies interviewed) the entity that conducts the procurement as if it were some forms of procurement unit. Where an individual is designated as procurement specialist (and only one department interviewed actually had a 'Procurement specialist'), that person was a member of the PC. In most departments, the person with responsibility for procurement, *in practice* but not under the legal framework, is the Executive Engineers who in larger departments will also have staff to assist. He will also generally be the chair of the PC. To the extent, therefore, that the Executive Engineer has staff, the procurement function may be carried out by a number of people within a hierarchical structure. But this is not established in the Act, or the Rules and individual responsibilities are not set out.

Quantitative analysis
Through the interview process, it was not possible to identify any procuring agency with a designated, specialised procurement function (in % of total number of procuring entities).

Gap analysis
There is no established procurement function within procuring agencies and responsibilities for various aspects of the procurement process are not assigned. Each procuring agency appears to operate differently but none have a clear management structure in place. It is impossible to assess the capacity and capability of a procurement function (unit) that does not exist. In terms of capacity building also, if there is no means of identifying those responsible for conducting procurement, there is also no means of identifying potential, candidates for training. According to the Rules, the PC is responsible for oversight and evaluation, so they may be suitable candidates for training on oversight and evaluation

but, beyond that, there is a need to identify those who need training on planning, procedures, selection, document preparation, contact with bidders, advertising, debriefing, contract management etc.

Recommendations
It is strongly recommended that the Rules be amended to ensure the establishment of a designated, specialised procurement function with the necessary management structure, capacity, and capability.

Assessment criterion 6(a)(d):
Decision-making authority is delegated to the lowest competent levels consistent with the risks associated and the monetary sums involved.

Conclusion: No gap

Red flag: No

Qualitative analysis
Approval of recommendations made by the PC will be made by the competent authority in accordance with the Delegation of Powers under the Financial Rules and the Power of Reappropriation Rules 2008 issued by Finance Department Government of Balochistan. These were replaced in 2019 and, in the case of the purchase of goods and civil works (which includes repair and maintenance) establish various levels of authority (by classification of officer) based on the value of the procurement (headings H-J). Services do not appear to be covered explicitly, although some will be covered under other rubrics.

Gap analysis
None

Recommendations
None

Assessment criterion 6(a)(e):
Accountability for decisions is precisely defined.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
Given the lack of assigned responsibilities stated in a**ssessment criterion 6(a)(b)** (above), accountability for decisions is also not precisely defined. The procuring agency is responsible, but it is not clear who within the procuring agency is responsible for any particular decision, other than for approval through the delegated authorities.

Gap analysis
Accountability for decisions is not precisely defined.

Recommendations
The Rules need to be amended to identify the responsibilities of individuals or a unit for specific decisions and to make them accountable for such decisions.

Sub-indicator 6(b)
Centralized procurement body

Assessment criterion 6(b)(a):
The country has considered the benefits of establishing a centralised procurement function in charge of consolidated procurement, framework agreements or specialised procurement.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
The legal framework does not refer to centralised procurement and the introduction of the possibility of using framework agreements (rule 2(1) (oa)) relates only to their use by individual procuring agencies. It is thus not clear that the benefits of centralised procurement have been considered.

Gap analysis
The country does not appear to have considered the benefits of establishing a centralised procurement system.

Recommendations
Consideration should be given to introduce centralised procurement for common use items and to evaluate the advantaged of doing so through the achievement of scale economies.

Assessment criterion 6(b)(b):
In case a centralised procurement body exists, the legal and regulatory framework provides for the following:
• Legal status, funding, responsibilities and decision-making powers are clearly defined.
• Accountability for decisions is precisely defined.
• The body and the head of the body have a high-level and authoritative standing in government.

Conclusion: Choose an item.

Red flag: No

Qualitative analysis
Not applicable

Gap analysis
Not applicable

Recommendations
Not applicable

Assessment criterion 6(b)(c):
The centralised procurement body's internal organisation and staffing are sufficient and consistent with its responsibilities.

Conclusion: Choose an item.

Red flag: No

Qualitative analysis
Not applicable

Gap analysis
Not applicable

Recommendations
Not applicable

Indicator 7. Public procurement is embedded in an effective information system

Sub-indicator 7(a)
Publication of public procurement information supported by information technology
The country has a system that meets the following requirements:

Assessment criterion 7(a)(a):
Information on procurement is easily accessible in media of wide circulation and availability. Information is relevant, timely and complete and helpful to interested parties to understand the procurement processes and requirements and to monitor outcomes, results, and performance.

Conclusion: Minor gap

Red flag: No

Qualitative analysis
The BPPRA public procurement portal provides online access to all procurement-related information, including procurement plans, tender announcements, evaluation reports, contract awards, procurement laws, supporting regulations, policies, procurement processes and standard bidding documents applied.

The BPPRA portal and e-procurement system were launched in 2021, and the e-bidding option was added in 2022. From the launch of e-bidding to June 2024, the system had processed 25,745 tenders (TSE). The system also includes historical information providing access to 148,728 tender details, 85,200 evaluation reports and 7,318 contract awards.

Number of TSE	Method		
Fiscal Year	E-Bid	Manual	Grand Total
2022-2023	1,445	15,723	17,168
2023-2024	984	7,593	8,577
Grand Total	**2,429**	**23,316**	**25,745**

Gap analysis

The BPPRA system is a provincial system supporting provincial and local government procurement activity in Balochistan. The system appears to apply location filters. Users must have the computer settings and location in Pakistan for tender information to be displayed on the procurement portal. External or foreign users can access the portal but would need to set region and time settings to Pakistan and apply a VPN to view all public and register user information.

Recommendations

BPPRA should open the web portal and e-PPS application to be accessible by all users including potential users from other geographic locations to provide a more open procurement environment.

Assessment criterion 7(a)(b):

There is an integrated information system (centralised online portal) that provides up-to-date information and is easily accessible to all interested parties at no cost.

Conclusion: Minor gap

Red flag: No

Qualitative analysis

The BPPRA e-PPS portal is a centralized portal for all provincial and local government organizations to prepare and publish their procurement plans, tenders, evaluation reports and contract award notice. The system includes current and historical data before the launch of the initial system in 2021.

The e-PPS system supports electronic and manual bidding. Electronic bidding processes must be used for tenders above established thresholds. Current thresholds are:

Goods: > 1M PAK
Services: > 5M PAK
Works: > 50M PAK
Consulting Services > 5M PAK

Gap analysis

While the system provides functionality to publish tenders, evaluation reports, awards, and contracts not all procurement transactions include all information. Only around 23% of procurement transactions (Cancelled and Awarded) appear to have award information published.

Process	Procuring Entity	TSE Pub	TSE Cancelled	TSE Awarded	Bidders	Avg Bidders	Awarded Vendors	Total Budget	Total Awarded
E-Bid	403	2408	551	515	6258	3	675	PKR 395,433,832,038.00	PKR 119,354,941,733.00
Manual	1,912	23070	2486	2288	34035	1	1530	PKR 194,002,334,497.00	PKR 23,033,681,808.00
Grand Total	**1,976**	**25476**	**3,037**	**2,803**	**40,293**	**2**	**1,887**	**PKR 589,436,166,535.00**	**PKR 142,388,623,541.00**

Recommendations

BPPRA should develop directives and guidelines to ensure procuring entities perform and record all information in the system including evaluation reports and contract awards in a timely manner.

Performance indicator reports could be used as tool to identify procuring entities who do not complete recording evaluation and contract announcements in the system. On-going communication and training should be conducted to ensure all procuring entities fully understand their obligations when using the e-PPS system to ensure compliance with the procurement guidelines.

Assessment criterion 7(a)(c):

The information system provides for the publication of: *

• procurement plans

• information related to specific procurements, at a minimum, advertisements or notices of procurement opportunities, procurement method, contract awards and contract implementation, including amendments, payments, and appeals decisions

• linkages to rules and regulations and other information relevant for promoting competition and transparency.

Conclusion: Substantive gap

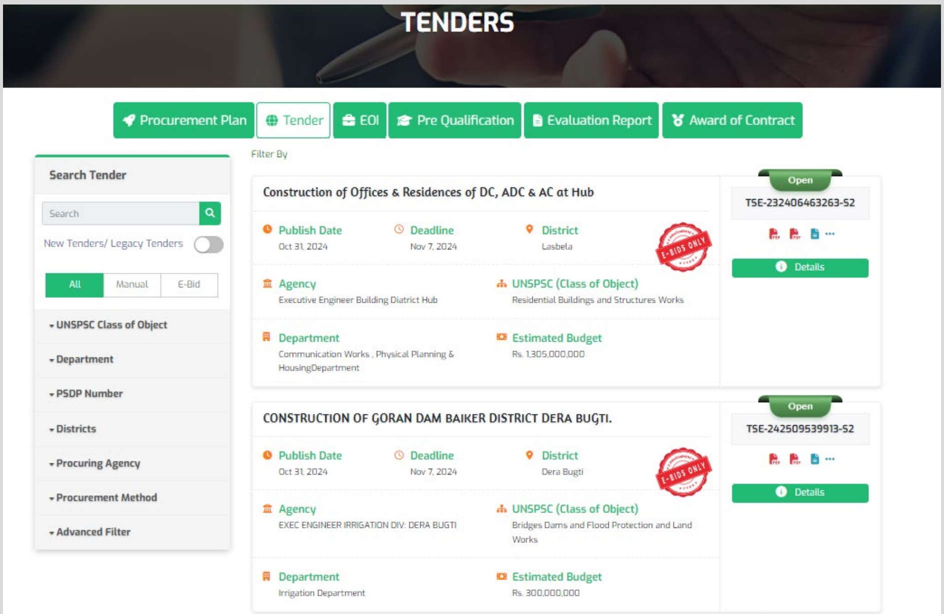
Red flag: No

Qualitative analysis

The BPPRA e-PPS is the central source for procurement information in Balochistan. The portal provides access to governing regulations, procurement guidelines, standard bidding documents and related tender information. The tender information includes procurement plans, tender announcements and associated bidding documents, evaluation reports and contract award announcements.

Procurement plans are for information purposes and are created and managed by the respective procurement authorities from the registered organizations and procuring entities. All tenders must be linked to published procurement plans. Users to view procurement activities from the plan to contract when all steps of the procurement are published.

The following is a contemporary snapshot of a sample page taken from the BPPRA e-PPS website which shows a number of calls for tender in the works sector.



Gap analysis

Only 12% of contract awards of procedures conducted under the e-PPS are published. Most of the procurement activity (89%) is conducted with manual submission and evaluation. Procuring entities need to record the results of the evaluation and contract information in the e-pps. The e-PPS system currently does not facilitate contract management or payment. These activities are conducted in a separate financial management system which is not integrated or connected to the e-pps at this time. Contract management and payment functions are part of future development plans for the e-PPS

Recommendations

BPPRA should implement monitoring tools and performance indicator reports to identify and track procuring entities the do not record all information associated with the procurement transactions in the systems including evaluation reports and contract award in a timely manner.

Procurement Method	Procuring Agency	TSE Pub	TSE Awarded	Bidders	Avg Bidders	Awarded Vendors	Total Budget	Total Awarded
Single Stage One Envelope Bidding Procedure	1,682	22319	2107	27351	1	1745	PKR 245,987,273,792.00	PKR 33,781,185,369.00
Single Stage Two Envelope Bidding Procedure	1,418	9335	1449	21540	2	1782	PKR 682,803,109,889.00	PKR 128,258,612,942.00
Two Stage Bidding Procedure	8	13	0	20	2	1	PKR 703,494,300.00	PKR 0.00
Two Stage Two Envelope Bidding Procedure	21	44	1	89	2	6	PKR 11,533,869,600.00	PKR 16,000,000.00
Grand Total	**2,081**	**31,708**	**3,557**	**49,000**	**2**	**2,759**	**PKR 941,027,747,581.00**	**PKR 162,055,798,311.00**

Procuring entities should be made aware of incomplete procurement activity in the e-pps and examine options to force the recording of evaluation and contract award information. The system could highlight key performance indicators to the procuring entities based on timelines for the completion of the evaluation and posting of an award information from the bid closing. The indicators could highlight good or pour performers in the system.

BPPRA could also improve communication programs with the procuring entities to reinforce their role in the procurement and the need to record procurement information promptly to improve performance indicators.

BPPRA may wish to re-examine the threshold level for e-bidding to encourage more procurement to be conducted primarily through the E-PPS system with e-bidding. Receiving bids electronically should lead to recording evaluation results and contract awards.

Assessment criterion 7(a)(d):

In support of the concept of open contracting, more comprehensive information is published on the online portal in each phase of the procurement process, including the full set of bidding documents, evaluation reports, full contract documents including technical specification and implementation details (in accordance with legal and regulatory framework).

Conclusion: Substantive gap

Red flag: No

Qualitative analysis

The system provides the facilitates the generation of the bidding documents and announcements for all procurement which becomes available once the procurement is published to vendors and the public. Bidding documents are created in the system in accordance with the established procurement guidelines established in the governing regulations to ensure all processes and required information are published and collected.

Gap analysis

As noted in 7(a)(b) not all evaluation reports and contract award information are recorded in the system. Complete transaction information would provide BPPRA with data to analyse and monitor activity.

Recommendations
BPPRA should ensure all data fields contain the correct information. Data provides include some blank or Null data elements when data would be expected.

Vendor data should incorporate socio-economic information and be include with procurement and award transactions to facilitate analysis of procurement transactions by socio-economic factors.

BPPRA is collecting detailed pricing information for common commodities. This information would be useful to provide pricing trends for future cost estimates and evaluating current procurement.

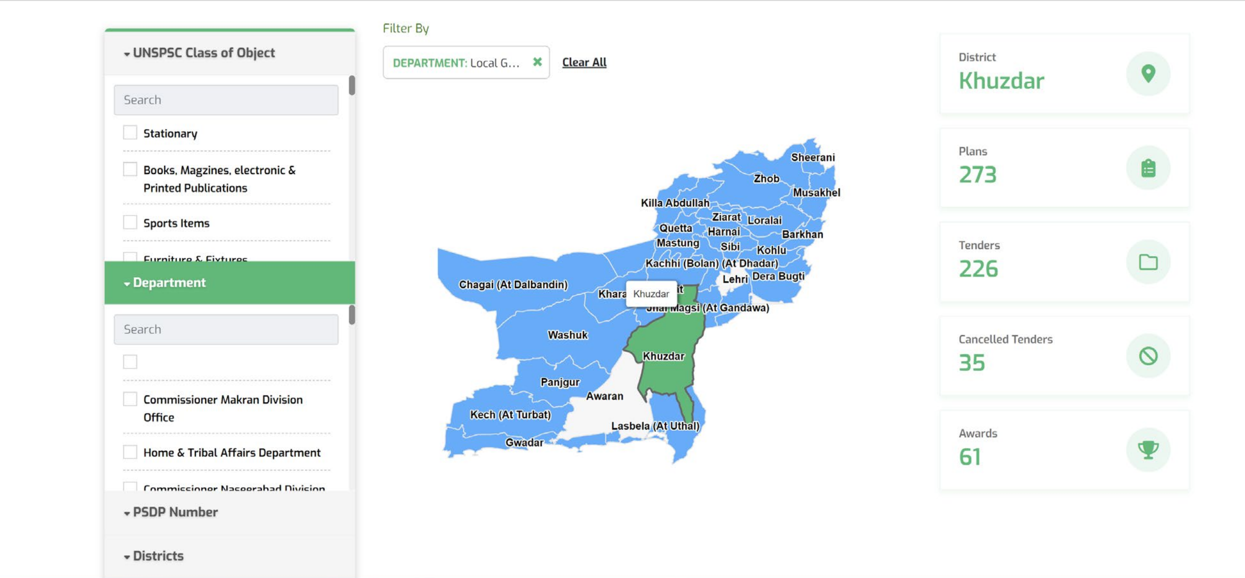
Assessment criterion 7(a)(e):
Information is published in an open and structured machine-readable format, using identifiers and classifications (open data format). *

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
Information is published as summary records with associated reports attached to the record when applicable. Search options are limited, and a user may only view one record at the time.

Quantitative analysis



Gap analysis
System reports are limited to system administration. Options to download data are not readily available external users to perform data analytics or custom data reports.

Recommendations
Provide access to online reports highlighting procurement activity by commodity codes and methods. Offer data extraction options to allow the download of data sets that would allow users to do alternate data analytics and reports.

Assessment criterion 7(a)(f):
Responsibility for the management and operation of the system is clearly defined.

Conclusion: Minor gap

Red flag: No

Qualitative analysis
BPPRA has an established project team to oversee the management and operation of the system

including a communication unit to provide support and training to users. The e-PPS team is composed of 16 dedicated resources which include 8 resources from BPPRA and 8 resources from the firm contracted to develop and maintain the system.
Gap analysis The developer was required to provide a secure system application and system environment. The verification of the system has yet to be conducted aside from internal testing of the application by BPPRA and the developer. BPPRA has not yet concluded an independent third-party security audit of the system or implemented a security management operational plan to ensure the integrity and security of the system delivered by the developer. At the time of the assessment, BPPRA was in the process of recruiting a system security expert to assist the development of security guidelines and policies and manage a third-party security assessment of the system
Recommendations BPPRA should complete the third-party security assessment of the system to ensure the system meets all security requirements. BPPRA has initiated a process for a security assessment of the system with the recruitment of a security specialist to lead the security assessment by a third party and development a security management policy and operation plan for the system to ensure the integrity and security of the system and the resources managing the operation of the system.
Sub-indicator 7(b) **Use of e-Procurement**
Assessment criterion 7(b)(a): E-procurement is widely used or progressively implemented in the country at all levels of government. *
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The introduction of e-procurement is still relatively new. e-bidding was introduced to the e-PPS system in 2022 and is only required for procurement activity above established thresholds. Given the applicable thresholds, it covers only around 11% of all procurements. The e-PPS system supports manual and e-bidding processes, and all bidding documents and announcements are created in the e-PPS system regardless of the method applied to ensure they are created in accordance with the procurement guidelines established in the procurement law.
Quantitative analysis The following table provides a snapshot of e-PPS activity setting out the information currently available from the database.

Pillar II. Institutional Framework and Management Capacity

Commodities	TSE Pub	TSE Cancelled	TSE Awarded	Bidders	Avg Bidders	Procuring Agency	Awarded Vendors	Total Budget		Total Awa	
E-Bid											
Agricultural Forest Tourism Fisheries Livestock Works	11	1	6	40	4	6	8	PKR	892,180,000.00	PKR	588,5
Animal Food & Medicine	47	7	8	103	2	21	21	PKR	669,147,851.00	PKR	86,2
Books, Magzines, electronic & Printed Publications	2	0	2	3	2	2	2	PKR	75,000,000.00	PKR	56,0
Bridges Dams and Flood Protection and Land Works	57	11	6	260	5	23	34	PKR	61,837,209,245.00	PKR	62,944,4
Cleaning & Jenitorial Supplies	3	1	0	4	1	2	3	PKR	199,785,000.00	PKR	
Clothinig & Liveries	63	7	6	119	2	46	10	PKR	1,595,415,650.00	PKR	765,5
Crockery, Cutlery	2	1	1	2	1	2	2	PKR	92,500,000.00	PKR	4,4
Earth Moving Machinery	5	2	1	12	2	2	4	PKR	3,319,352,000.00	PKR	693,4
Electrical & Electronic items	20	4	6	75	4	14	13	PKR	3,204,871,790.00	PKR	95,9
Engineering and Research and Technology Based Services	20	7	3	30	2	9	9	PKR	886,668,000.00	PKR	20,7
Environmental Services	2	1	0	5	3	1	2	PKR	263,065,026.00	PKR	
Financial and Insurance Services	1	1	0	0	0	1	1	PKR	1,000,000.00	PKR	
Financial Instruments, Products, Contracts and Agreements	1	0	1	1	1	1	1	PKR	292,500,000.00	PKR	292,5
Food Items	34	2	15	120	4	7	11	PKR	544,929,200.00	PKR	310,1
Fuels and Fuel Additives and Lubricants and Anti corrosive Mat	3	1	0	8	3	2	3	PKR	18,700,000.00	PKR	
Furniture & Fixtures	113	12	21	378	3	78	20	PKR	1,355,112,300.00	PKR	317,6
Healthcare Services	10	7	0	10	1	5	4	PKR	59,654,350.00	PKR	
ICT Equipment(Network, surveillance devices, storage devices,	143	57	34	306	2	41	47	PKR	10,641,226,002.00	PKR	1,988,9
Industrial Cleaning Services	17	5	4	63	4	9	7	PKR	145,295,840.00	PKR	21,8
Industrial Manufacturing and Processing Machinery and Access	3	1	0	3	1	2	3	PKR	953,950,000.00	PKR	
Invitation of Management/Event Management	32	0	1	40	1	4	13	PKR	147,215,000.00	PKR	1,3
Live Animals	6	0	0	19	3	3	4	PKR	57,662,894.00	PKR	
Live Plants & Seeds	23	5	10	45	2	6	7	PKR	1,053,830,000.00	PKR	269,9
Machiney & Power Plant	21	7	8	43	2	13	9	PKR	2,470,117,979.00	PKR	207,5
Management and Business Professionals and Administrative Se	16	7	3	37	2	8	8	PKR	165,702,000.00	PKR	19,6
Manufactured Vehicles & Accessories	129	27	26	287	2	62	35	PKR	12,476,843,040.00	PKR	1,328,3
Material Handling and Conditioning and Storage Machinery anc	7	3	2	10	1	3	4	PKR	1,291,000,000.00	PKR	327,9
Medical Equipment and Accessories	184	40	60	758	4	32	98	PKR	20,243,390,966.00	PKR	3,118,7
Medicine & related items	69	16	13	324	5	22	45	PKR	16,876,730,350.00	PKR	350,2
National Defense and Public Order and Security and Safety Ser	25	9	5	67	3	15	8	PKR	179,819,825.00	PKR	16,3
Non Residential Buildings and Structures Works	17	2	0	28	2	13	12	PKR	3,116,195,935.00	PKR	
OPERATION AND MAINTENANCE	38	7	9	74	2	13	16	PKR	524,016,000.00	PKR	36,6
Politics and Civic Affairs Services	1	0	1	2	2	1	1	PKR	1,800,000.00	PKR	1,7
Power Supply Solar and Energy Works	15	2	6	54	4	8	8	PKR	1,764,738,535.00	PKR	678,8
PRODUCTION, MARKETING AND DISTRIBUTION	1	1	0	1	1	1	1	PKR	400,000.00	PKR	
PROJECT DESIGN AND EXECUTION	23	2	0	17	1	6	5	PKR	37,140,387.00	PKR	
PROJECT SURVEYS AND STUDIES	6	3	0	14	2	5	3	PKR	1,011,983,154.00	PKR	4,6
Public Utilities and Public Sector Related Services	2	0	0	0	0	2	1	PKR	8,575,000.00	PKR	
Repair, Renovation Beautification & Dismantling Works	11	2	0	39	4	5	10	PKR	916,111,252.00	PKR	
Research and Educational Lab Equipment	42	4	17	95	2	22	13	PKR	1,161,735,416.00	PKR	435,2
Residential Buildings and Structures Works	18	6	1	27	2	9	10	PKR	8,831,083,966.00	PKR	734,1
Road Works	136	51	25	360	3	33	57	PKR	45,549,768,268.00	PKR	3,205,1
Security Equipment , Ammunition , Protective Clothing & relate	15	2	7	46	3	6	12	PKR	1,771,760,344.00	PKR	992,3
Softwares (off the shelf)	2	1	0	1	1	2	2	PKR	20,328,000.00	PKR	
Specialized Lab Equipent	3	2	1	3	1	2	2	PKR	217,200,000.00	PKR	7,5
Sports Items	30	1	0	47	2	16	7	PKR	2,049,766,000.00	PKR	
Stationary	86	9	21	156	2	54	21	PKR	9,648,450,000.00	PKR	3,263,0
Testing Services	3	1	1	4	1	2	3	PKR	4,600,000.00	PKR	1,8
Tools and General Machinery	25	7	8	41	2	11	12	PKR	1,633,979,000.00	PKR	637,1
Transportation and Storage and Mail Services	31	7	10	67	2	16	18	PKR	1,676,529,800.00	PKR	1,025,4
Travel and Food and Lodging and Entertainment Services	20	14	3	23	1	10	6	PKR	82,914,100.00	PKR	17,5
Water Supply & Municipality Works	13	4	0	55	4	6	7	PKR	4,228,182,786.00	PKR	
works	824	181	163	1932	2	197	238	PKR	169,166,699,787.00	PKR	34,487,1
Manual											
Agricultural Forest Tourism Fisheries Livestock Works	181	37	48	677	4	48	62	PKR	857,207,276.00	PKR	228,3
Animal Food & Medicine	81	9	26	134	2	42	30	PKR	134,768,475.00	PKR	47,2
Books, Magzines, electronic & Printed Publications	50	3	3	88	2	37	16	PKR	23,203,372.00	PKR	7
Bridges Dams and Flood Protection and Land Works	236	17	80	700	3	30	105	PKR	5,387,965,732.00	PKR	1,623,5
Business intelligence consulting services	1	1	0	0	0	1	1	PKR	10,000,000.00	PKR	
Chemical Items	8	0	0	13	2	8	6	PKR	8,240,000.00	PKR	
Cleaning & Jenitorial Supplies	14	2	5	23	2	9	9	PKR	26,600,000.00	PKR	9,5
Clothinig & Liveries	1195	65	192	2124	2	713	93	PKR	472,462,558.00	PKR	95,0
Crockery, Cutlery	14	2	5	19	1	8	8	PKR	16,371,000.00	PKR	5,1
Earth Moving Machinery	6	2	1	8	1	4	5	PKR	10,090,000.00	PKR	2,0
Editorial and Design and Graphic and Fine Art Services	5	3	0	5	1	2	4	PKR	4,573,000.00	PKR	
Education and Training Services	7	0	1	14	2	6	3	PKR	2,492,000.00	PKR	6
Electrical & Electronic items	99	16	14	137	1	58	36	PKR	131,025,236.00	PKR	17,7
Engineering and Research and Technology Based Services	5	1	0	11	2	4	3	PKR	3,560,000.00	PKR	
Environmental Services	2	0	0	4	2	1	1	PKR	1,000,000.00	PKR	
Farming and Fishing and Forestry and Wildlife Contracting Serv	122	24	32	234	2	34	42	PKR	266,325,777.00	PKR	46,4
Financial and Insurance Services	3	2	0	1	0	2	2	PKR	1,600,000.00	PKR	
Food Items	76	11	15	199	3	19	24	PKR	169,847,000.00	PKR	38,8
Fuels and Fuel Additives and Lubricants and Anti corrosive Mat	5	0	1	10	2	4	4	PKR	8,972,000.00	PKR	2,6
Furniture & Fixtures	1782	95	251	3351	2	978	153	PKR	1,217,135,059.00	PKR	190,6
Healthcare Services	1	1	0	0	0	1	1	PKR	500,000.00	PKR	
ICT Equipment(Network, surveillance devices, storage devices,	221	29	40	366	2	106	78	PKR	402,055,652.00	PKR	75,6
Industrial Cleaning Services	6	1	0	7	1	4	3	PKR	4,630,000.00	PKR	
Industrial Manufacturing and Processing Machinery and Access	7	1	0	11	2	7	3	PKR	10,550,000.00	PKR	
INFORMATION SYSTEMS	3	1	0	0	0	1	1	PKR	28,000,000.00	PKR	
Invitation of Management/Event Management	18	0	1	24	1	11	8	PKR	11,103,000.00	PKR	2
Live Animals	18	2	3	30	2	11	8	PKR	25,500,000.00	PKR	4,4
Live Plants & Seeds	69	7	18	150	2	39	29	PKR	91,698,250.00	PKR	26,3
Machiney & Power Plant	36	5	8	70	2	24	20	PKR	65,559,780.00	PKR	11,9
Management and Business Professionals and Administrative Se	2	3	0	0	0	2	1	PKR	1,920,000.00	PKR	
MANAGEMENT SYSTEMS	1	1	0	0	0	1	1	PKR	2,500,000.00	PKR	
Manufactured Vehicles & Accessories	88	15	18	145	2	44	42	PKR	198,779,596.00	PKR	43,9
Material Handling and Conditioning and Storage Machinery anc	3	0	0	11	4	3	2	PKR	7,580,000.00	PKR	
Medical Equipment and Accessories	56	12	10	80	1	37	26	PKR	125,846,500.00	PKR	27,9
Medicine & related items	133	18	8	171	1	62	32	PKR	205,541,889.00	PKR	14,3
National Defense and Public Order and Security and Safety Ser	15	0	0	34	2	8	6	PKR	13,370,000.00	PKR	
Non Residential Buildings and Structures Works	92	22	14	247	3	40	57	PKR	1,107,588,923.00	PKR	168,1
OPERATION AND MAINTENANCE	59	8	8	111	2	26	12	PKR	48,107,818.00	PKR	7,1
Politics and Civic Affairs Services	1	0	0	2	2	1	1	PKR	938,000.00	PKR	
Power Supply Solar and Energy Works	102	12	8	377	4	34	36	PKR	1,376,410,026.00	PKR	132,5
PROJECT DESIGN AND EXECUTION	91	23	0	9	0	44	16	PKR	5,955,623,216.00	PKR	122,1
PROJECT SURVEYS AND STUDIES	50	13	0	11	0	27	17	PKR	1,823,275,899.00	PKR	71,6
Public Utilities and Public Sector Related Services	1	0	0	2	2	1	1	PKR	-	PKR	
Repair, Renovation Beautification & Dismantling Works	377	18	30	690	2	241	98	PKR	807,275,910.00	PKR	48,9
Research and Educational Lab Equipment	332	22	48	640	2	169	66	PKR	334,044,012.00	PKR	69,9
Residential Buildings and Structures Works	58	14	6	604	10	28	24	PKR	424,135,544.00	PKR	47,7
Road Works	309	70	47	718	2	39	104	PKR	8,740,844,602.00	PKR	1,646,8
Security Equipment , Ammunition , Protective Clothing & relate	25	4	2	20	1	21	9	PKR	22,574,500.00	PKR	9
Softwares (off the shelf)	2	0	1	2	1	2	2	PKR	4,400,000.00	PKR	3,6
Specialized Lab Equipent	8	0	3	9	1	7	6	PKR	10,500,000.00	PKR	4,0
Sports Items	152	8	10	264	2	78	25	PKR	76,634,696.00	PKR	4,9

Gap analysis
The thresholds for use of the e-PPS are so high as to limit its coverage significantly.

Recommendations
Use of the e-PPS should be extended, at least through the lowering of the current thresholds.

Assessment criterion 7(b)(b):
Government officials have the capacity to plan, develop and manage e-Procurement systems.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
BPPRA has an established management and operations team to manage, plan, and support the e-PPS system. In addition to BPPRA resources, BPPRA retains technical resources from contracted firms to provide technical and operational expertise to support the system's ongoing maintenance, development, and operation.
BPPRA also retains other expert resources as needed to guide and assist in the development and implementation of the e-PPS system, including a system security expert to assist with the development and a security and operation plan to guide the system's operation and security.

Gap analysis
BPPRA did not yet have an established security and operation management plan for the e-PPS system, and no third-party security audit has been completed.

Recommendations
Develop a security and operational plan for the system and complete the third security audit. BPPRA initiated these recommendations with the initial recruitment of a security expert.

Assessment criterion 7(b)(c):
Procurement staff is adequately skilled to reliably and efficiently use e-Procurement systems.

Conclusion: No gap

Red flag: No

Qualitative analysis
BPPRA provides procurement staff with ongoing training on using the e-PPS system and online resources to support self-study.

Gap analysis
All staff and officers using the system are given initial training prior to use of the system.

Recommendations
While online help and training is available, BPPRA can look at alternative system options that may improve online help and training options as well as interaction with users to provide interactive support with online chat or messages to request assistance.

Assessment criterion 7(b)(d):
Suppliers (including micro, small and medium-sized enterprises) participate in a public procurement market increasingly dominated by digital technology. *

Conclusion: Minor gap

Red flag: No

Qualitative analysis
Any vendor can readily register in the system with basic contact information and supporting documentation to validate the information including corporate registration documents and a Pakistan national tax number.

Quantitative analysis

BPPRA has 4,902 registered vendors in the system. 94% of vendors are from Balochistan, the other 6% are from other provinces in Pakistan. There are no foreign vendors at this time, but foreign vendors can register.

As most procurement (89%) is conducted manually, the level of participation on average is still relatively low. The following table reflects the number of procurements (TSE) by type.

Category	TSE	Bidders	Distinct Bidders	Average Bidders
Consulting Services	231		1	0
Goods	8,856	6,142	2,359	2
Services	538	397	282	2
Works	23,200	15,955	6,486	1
Grand Total	**32,825**	**22,494**	**8,932**	**2**

The following table reflects number of bidders per procurement project with distinct winners and bid groups (same bidders bidding a on procurement activity)

Number of Bidders	TSE	Distinct Awardees	Distinct Bid Groups
0	98	1	30
1	5,343	1,090	1,090
2	2,761	1,750	885
3	2,993	1,350	705
4	581	540	369
5	311	266	208
6	171	168	143
7	122	117	97
8	75	75	61
9	61	58	54
10	40	40	37
11	36	36	31
12	19	19	18
13	22	22	22
14	15	15	13
15	13	13	13
16	7	7	5
17	5	5	5
18	7	7	7
19	1	1	1
20	2	2	2
21	1	1	1
22	1	1	1
23	1	1	1
25	2	2	2
26	1	1	1
27	1	1	1
37	1	1	1
48	1	1	1
Grand Total	**12,692**	**5,591**	**1,884**

Gap analysis

BPPRA does not collect any socio-economic or other type of data to identify the types of vendors in the system. Lack of socio-economic data or other information will limit the type of analysis that can be conducted in the system such as participation by small and medium businesses.

Foreign vendors can register in the system; they also require a Pakistan national tax number. BPPRA is updating the e-PPS system in Q4 2024 to allow foreign vendors to register using documents from their home country including a national tax certificate.

Recommendations

BPPRA should expand vendor information in vendor profiles to identify types of vendor groups, such as small and micro businesses, women-owned businesses, and other socio-economic groups. Including socio-economic indicators will enable BPPRA to improve analytics and reporting of vendor participation in public procurement.

Assessment criterion 7(b)(e):

If e-Procurement has not yet been introduced, the government has adopted an e-Procurement roadmap based on an e-Procurement readiness assessment.
Conclusion: No gap
Red flag: No
Qualitative analysis E-procurement has been introduced in Balochistan and is supported by the governing procurement regulation. BPPRA continues to enhance the system to improve the user experience and efficiencies in the system. BPPRA has a long-term plan for the system, which will include contract management and payment processing and improved reporting and analytics. BPPRA was the first to introduce e-GP in Pakistan. In 2024, FPPRA has also released a national e-GP service that will be made available to all provincial PPRA organizations to facilitate e-GP across the country. Punjab province is launching a provincial e-GP using the federal platform.
Gap analysis It was reported that some venders experienced challenges uploading all required information in an e-bidding process. BPPRA indicated some early challenges with the initial release of the system, however, all issues have since been addressed.
Recommendations BPPRA should continuously review its existing processes with users to improve the user experience and make processes more efficient and streamlined. Any users' issues could affect the perceived integrity of the system. Users require training on the system and strong knowledge of the governing regulations and procurement guidelines to properly prepare a bidding document. BPPRA does provide initial training however training should be an on-going activity with constant communication and targeted workshops or seminars. BPPRA should review and monitor the federal e-GP system and look for future integration with the national platform for vendor registration and advertisement of BPPRA tender notices. BPPRA should also research and review other systems and processes they may have applied to help with the improvement and future development plans of their own system.
Sub-indicator 7(c) **Strategies to manage procurement data**
Assessment criterion 7(c)(a): A system is in operation for collecting data on the procurement of goods, works and services, including consulting services, supported by e-Procurement or other information technology.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The e-PPS captures significant data to analyse the types of procurement activity conducted in the system for works, goods, services, and consulting services. However, due to the threshold, not all procurement data are captured in the e-PPS.
Gap analysis The system has limited reporting tools available to analyse the data collected. The system data can provide BPPRA with various options to analyse procurement activity, including patterns of bidders participating in different regions and options to develop price monitoring and cost estimates for future procurement.

The system has limited information on vendors in the system. This would limit the ability to apply any socio-economic analysis of the vendors participating in the procurement process. It appears procuring entities do not return to the system to record the results of the evaluation and award for manual procurement transactions and many of e-bidding transactions in a timely manner or at all. Based on the data from the e-PPS only 12% of procurement announcements have an associated award notice.
Recommendations BPPRA should re-examine the information and reporting needs and ensure the system incorporates sufficient data fields to support those needs. BPPRA should use the e-PPS system to highlight procurement transactions that require evaluation reports and award notices to the PE on their dashboard when the login to the system. BPPRA should provide regular communication and training when needed to ensure full compliance by procuring entities and the need to record evaluation reports and contract award information in the system.
Assessment criterion 7(c)(b): The system manages data for the entire procurement process and allows for analysis of trends, levels of participation, efficiency and economy of procurement and compliance with requirements.
Conclusion: No gap
Red flag: No
Qualitative analysis The e-PPS system collects sufficient information to analyse procurement trends, such as price monitoring or levels of participation. Standard price tables available for various commodities would enable further analysis of pricing information and trends; however, the current reporting and data extraction options are limited and only available to system administrators.
Gap analysis The information is limited to procurement activity. Data is not available to analyse socio-economic factors.
Recommendations BPPRA plans to expand the system's reporting and analytic tools, including better options for extracting data for further analysis. BPPRA should provide a collection of standard reports to vendors and the general public to help them view the types of activity conducted in the system.
Assessment criterion 7(c)(c): The reliability of the information is high (verified by audits).
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis The system collects a variety of data elements to analyse the procurement activity as mentioned in (c)(a), however the data could be expanded to offer expanded analysis for socio economic factors. BPPRA may also wish to consider including data elements to analyse green procurement or life cycle costing.
Gap analysis Some data elements include blank or zero where a data element is expected (method of procurement). BPPRA should examine instance of data to ensure all data elements are properly collected.

Complete transaction data is not recorded by procuring entities with only 11% of tender announcements having evaluation reports and contract award notices.

Recommendations

Review reporting needs and determine what data elements should be incorporated into the system. Presently, there is limited data to properly analyse socio-economic factors such as small and medium businesses participating in the procurement activity.

Assessment criterion 7(c)(d):

Analysis of information is routinely carried out, published and fed back into the system. *

Conclusion: Minor gap

Red flag: No

Qualitative analysis

The BPPRA e-PPS is a new system. Reporting and analysis tools are limited currently. BPPRA has plans to expand the reporting functions of the system and to support broader analytics of the information collected.

Quantitative analysis

The system provides some reports to analyse the number and types of transactions.

Commodities	Procuring Agency	TSE Pub	TSE Cancelled	TSE Awarded	Bidders	Avg Bidders	Awarded Vendors	Total Budget	Total Awarded
E-Bid									
(blank)	76	234	9	0	612	2	1	PKR 502,999,011.00	PKR -
0	9	25	4	0	0	0	7	PKR 546,524,530.00	PKR 4,650,000.00
Single Stage One Envelope Bidding Procedure	128	431	98	131	894	2	193	PKR 62,272,956,296.00	PKR 16,931,360,782.00
Single Stage Two Envelope Bidding Procedure	294	1696	433	383	4720	3	577	PKR 320,045,497,301.00	PKR 102,402,930,951.00
Two Stage Bidding Procedure	4	8	1	0	4	1	1	PKR 663,542,000.00	PKR -
Two Stage Two Envelope Bidding Procedure	6	14	6	1	28	2	6	PKR 11,402,312,900.00	PKR 16,000,000.00
Manual									
(blank)	124	305	22	0	1228	2	1	PKR 231,535,000.00	PKR -
0	61	136	34	0	0	0	28	PKR 7,587,864,115.00	PKR 193,761,886.00
Single Stage One Envelope Bidding Procedure	1,520	16889	1679	1383	20841	1	1120	PKR 108,640,586,836.00	PKR 12,088,333,055.00
Single Stage Two Envelope Bidding Procedure	1,144	5722	745	904	11922	2	922	PKR 77,332,238,546.00	PKR 10,721,586,867.00
Two Stage Bidding Procedure	3	3	1	0	6	2	1	PKR 39,002,000.00	PKR -
Two Stage Two Envelope Bidding Procedure	5	13	5	0	8	1	1	PKR 104,408,000.00	PKR -
Grand Total	1,974	25472	3,037	2,802	40,263	2	1,885	PKR 589,369,466,535.00	PKR 142,358,623,541.00

Gap analysis

Limited data and data extraction options to analyse procurement activity or socio-economic considerations.

BPPRA should re-examine the types of reporting and analytics required and any additional data elements that should be incorporated in the vendor and transaction data to ensure they can meet the reporting requirements. No socio-economic vendor information is collected nor is the system taking advantage of the commodity pricing information collected.

BPPRA needs to ensure all data elements record the expected information. It was noted that some fields include “blank” or one where other standard data should have been applied.

Recommendations

Review reporting needs and ensure the system incorporates the necessary data elements to support those needs. Vendor information should be expanded to include socio-economic classifications.

Price tables associated with various commodities offer BPPRA very useful data to analyse the commodities being procured and price trends. BRRPA should be able to present PEs and Vendors with time series pricing data for various commodities, which could assist with preparing cost estimates for future procurement activity.

Pillar II. Institutional Framework and Management Capacity

Indicator 8. The public procurement system has a strong capacity to develop and improve

Sub-indicator 8(a) **Training, advice and assistance** There are systems in place that provide for:
Assessment criterion 8(a)(a): Substantive permanent training programmes of suitable quality and content for the needs of the system.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Substantial training has taken place and conducted by BPPRA. To date seventy-four training sessions (from 2014 to 2023) have been conducted on the BPPRA Rules for procuring agencies and attracting over 2,000 officers; and two sessions have been provided to around 150 vendors (in 2015 and 2018). Training has also been provided on the e-PPS: to over eight hundred procuring agency officers between 20121 and 2023; and to almost three hundred vendors between 2022 and 2023. In addition, BPPRA conducted a 3-week training of trainers (with thirty-eight participants) to help establish Diploma in Procurement and Supply Chain Management in 2023 for various universities and colleges. The universities of Turbat and Loralai have since introduced modules on public procurement. There are a number of CIPS trained staffed in Balochistan – 1 FCIPS, 2 MCIPS and three level 3 CIPS. The training list is appended in Appendix IV
Gap analysis The training needs to be continued (there has been no training in 2024). Funding has been an issue and, although BPPRA has requested a fee to cover the cost of the training, most participants (and their employers) are reluctant to pay, resulting in less training in 2024 (only two sessions). BPPRA is the main training organisation, but this could also be provided by universities and other providers. It is also not clear whether then training is provided based on a skills and training needs basis. It appears to be mainly focussed on Rules training and rolled out as extensively as possible. There is no indication that more specific training is provided to address any particular identified needs, e.g. for specific categories of contract or for various parts of the procurement process, e.g. Planning, evaluation of contract management.
Recommendations The training needs to be continued and provided within a permanent and sustainable framework. It needs to be based on a training needs assessment identifying skills gaps that need to be addressed.
Assessment criterion 8(a)(b): Routine evaluation and periodic adjustment of training programmes based on feedback and need.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Given the type of training provided, there is no ongoing evaluation and adjustment of the training.
Gap analysis There is no ongoing evaluation and adjustment of the training.
Recommendations This would need to be part of a more comprehensive training programme.
Assessment criterion 8(a)(c): Advisory service or help desk function to resolve questions by procuring entities, suppliers, and the public.
Conclusion: Minor gap

Red flag: No	
Qualitative analysis Whilst advice is given when sought, there is no formal helpdesk mechanism in place. Advice is given mainly to procuring agencies.	
Gap analysis There is an issue with the advice given which tends to be close to the decision-making process. As mentioned previously, there is a risk of a serious conflict of interest where the regulatory body is also responsible for the second-tier grievance mechanism.	
Recommendations Consideration should be given to establishing a formal help desk manned with appropriate staff which should be separate from any involved in policy making or complaints review.	
Assessment criterion 8(a)(d): A strategy well-integrated with other measures for developing the capacity of key actors involved in public procurement.	
Conclusion: Substantive gap	
Red flag: No	
Qualitative analysis As stated in sub-indicator 8 (a) above, the training is focussed primarily on the Rules and is provided mostly to procuring entities. Some training has been provided to bidders. With the introduction of e-PPS, training on that system has also been provided thus addressing an urgent need.	
Gap analysis The focus on rules means that means that the current training is not linked to broader capacity development (which would require identification of skills gaps) or strategic procurement which could emphasise planning and contract management as well as key procedural elements of the process. There is no evidence that BPPRA's training programme is linked to or coordinated with procurement training for other key actors such as auditors or anti-corruption officials.	
Recommendations A broader capacity building programme needs to be developed which takes a more strategic approach to procurement based on a full training needs assessment. It should also encompass training for all relevant stakeholders providing targeted training for their needs.	
Sub-indicator 8(b) **Recognition of procurement as a profession** The country's public service recognises procurement as a profession:	
Assessment criterion 8(b)(a): Procurement is recognised as a specific function, with procurement positions defined at different professional levels, and job descriptions and the requisite qualifications and competencies specified.	
Conclusion: Substantive gap	
Red flag: Yes	
Qualitative analysis Procurement is not at all recognised as a specific function and the lack of any defined procurement functions within the procuring agencies demonstrates that there are no defined procurement positions at different professional levels and job descriptions which could be used to specify the requisite qualifications and competencies. In many departments, the Executive Engineer takes responsibility for procurement, but this is as part of his/her other duties and not as someone trained up for the role of senior procurement officer. In most cases, procurement is carried out by a Procurement Committee of non-procurement specialists whose stated function is oversight and not procurement.	
Gap analysis Procurement appears to be seen as a clerical function. There are no defined procurement positions in Government, no career path, and no competency framework.	

Recommendations It is recommended that BPPRA begin by creating a competency framework in order to populate a specific procurement function within each procuring agency. A red flag is assigned, however, because realising a competency framework and the qualifications that need to be provided to make it successful requires the intervention and support of those responsible for the civil service and educational qualifications. It is not something that can be achieved by BPPRA alone.
Assessment criterion 8(b)(b): Appointments and promotion are competitive and based on qualifications and professional certification.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis Appointments and promotion are generally made on the basis of seniority. Given the absence of identified procurement positions, there is no competitive promotion based on qualifications.
Gap analysis Appointments and promotion are not competitive or based on qualifications and professional certification.
Recommendations This needs to be addressed through the development of a competency framework. However, a red flag is assigned because it is those responsible for the civil service that need to be engaged to allow for this to happen.
Assessment criterion 8(b)(c): Staff performance is evaluated on a regular and consistent basis, and staff development and adequate training is provided.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis Given the absence of identified procurement positions, there is no evaluation on basis of a procurement competency framework
Gap analysis As per analysis at a**ssessment criterion 8(b)(a) above**
Recommendations This needs to be addressed through the development of a competency framework.
Sub-indicator 8(c) **Monitoring performance to improve the system**
Assessment criterion 8(c)(a): The country has established and consistently applies a performance measurement system that focuses on both quantitative and qualitative aspects.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Some monitoring is carried out by BPPRA, but this is more by way of auditing and investigation when issues are discovered. It mostly concerns the 'monitoring' of individual cases. It is not a question of system performance monitoring which is not carried out. Moreover, there is insufficient data collection to conduct appropriate system monitoring. Even with the e-PPS, relevant information is available within the system, but it is not routinely collected and aggregated in a way that supports system monitoring.
Gap analysis No performance measurement is in place.

Recommendations A performance measurement system needs to be developed using qualitative and quantitative data and which provides for an adequate reporting mechanism from the procuring agencies to BPPRA which should be equipped with the tools necessary to monitor and consolidate the performance data and provide an evaluation of system performance to drive further improvements.
Assessment criterion 8(c)(b): The information is used to support strategic policy making on procurement.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis There is insufficient data to underpin the development of strategic policy.
Gap analysis As stated above that in absence of data such gap analysis cannot be undertaken.
Recommendations The development of a performance measurement system should identify the information required to enable collection of appropriate data to form the basis of analysis and input into strategic procurement planning. Capacity building is required to ensure a full understanding of strategic procurement policy planning.
Assessment criterion 8(c)(c): Strategic plans, including results frameworks, are in place and used to improve the system.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Monitoring is currently not used to develop strategic plans.
Gap analysis As stated above, no such mechanisms are in place
Recommendations Capacity building should focus on how to develop a strategic to structure initiatives to improve the system. As part of this process a template should be prepared of a results framework to supplement the strategic plan to monitor the implementation of the planned improvements. A results framework typically includes goals, actions, indicators with baselines and targets, and timelines for reform. Performance targets should be presented in a format that is clear about what is being measured and how it is being measured.
Assessment criterion 8(c)(d): Responsibilities are clearly defined.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Since monitoring for system performance and strategic planning and policy purposes are missing, no responsibilities for such actions have been assigned.
Gap analysis As stated above, no such mechanisms are in place
Recommendations Responsibilities and necessary resources need to be defined. Appropriate monitoring tools need to be provided or developed.

Pillar III. Public Procurement Operations and Market Practices

Indicator 9. Public procurement practices achieve stated objectives

Sub-indicator 9(a) Planning
Assessment criterion 9(a)(a): Needs analysis and market research guide a proactive identification of optimal procurement strategies.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The market analysis is sporadic and there is no specified process for conducting this in the BPPRA Rules PEs rely on existing market information or informal contacts with prospective bidder to gather information.
Gap analysis There is a section that requires procurement planning (Rule 11) but there is no specific tool or process that requires market analysis or for the writing of procurement strategies prior to launching a procurement process. In the absence of a systematic market analysis to inform a procurement strategy, the approach to market
Recommendations The Rules should be amended to include market surveys that lead to procurement strategies prior to approaching the market. Every procurement has a Procurement Committee, and it would be useful to have this aspect added to their ToRs and train committees on this.
Assessment criterion 9(a)(b): The requirements and desired outcomes of contracts are clearly defined.
Conclusion: No gap
Red flag: No
Qualitative analysis The requirements and desired outcomes of contracts are described in the procurement documents. The PEs specify the procurement requirements in specifications (Rule 13) for works, goods, and non-consulting services, terms of reference for consulting services, and bills of quantities works, as appropriate. Rule 27 (1)(a) to (o) describe the requirements of the bidding documents in this respect
Gap analysis None
Recommendations None
Assessment criterion 9(a)(c): Sustainability criteria, if any, are used in a balanced manner and in accordance with national priorities, to ensure value for money.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis There are no requirements or criteria in the Rules or the bidding documents regarding sustainability
Gap analysis The Government has implemented the Balochistan Environmental Act 2012, that aspires to achieve environmental conservation and promotion by protecting the biodiversity of the province through collective efforts by sustainable projects and expenditure on environmental sector. and addressing climate change, but these do not translate into any requirement in the Procurement Rules.

Recommendations Consider including sustainability criteria in the Rules and Standard Bidding Documents in line with stated government policy.
Sub-indicator 9(b) **Selection and contracting**
Assessment criterion 9(b)(a): Multi-stage procedures are used in complex procurements to ensure that only qualified and eligible participants are included in the competitive process.
Conclusion: No gap
Red flag: No
Qualitative analysis The BPPRA and the PEC have a suite of bidding documents that can be used for all types of procurements, including complex procurement. In actual practice using a two-stage process is the process of choice to prevent any allegations of favouritisms during evaluation. In addition, there are specified documents for pre-qualification, where such processes are deemed necessary
Gap analysis None
Recommendations None
Assessment criterion 9(b)(b): Clear and integrated procurement documents, standardized where possible and proportionate to the need, are used to encourage broad participation from potential competitors.
Conclusion: No gap
Red flag: No
Qualitative analysis Between the BPPRA and the PEC there is a broad set of Biding documents available. For more complex or high value procurement, the PEC uses FIDIC documents. The documents available including ones for Small and Large Civil works, EPC Turnkey contracts, Works for BOT, Procurement of Goods, Consultancies Time-Based and Lump Sum, Consultancies for Smaller projects. In addition, there are documents available for Pre-Qualification and complete guidance on the use of these documents is also available.
Gap analysis None
Recommendations None
Assessment criterion 9(b)(c): Procurement methods are chosen, documented, and justified in accordance with the purpose and in compliance with the legal framework.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis There are no defined processes for justifying selection of procurement processes
Gap analysis There is no process in place for the justification of the method chosen. Although there are procurement committees notifies for each procurement, and there are discussions on the type of procurement, there is no evidence of justification for choice of procurement methods.

Recommendations The Procurement Committee's role should be amended to include a requirement to document the justification for the selection of a particular procurement method.	
Assessment criterion 9(b)(d): Procedures for bid submission, receipt and opening are clearly described in the procurement documents and complied with. This means, for instance, allowing bidders or their representatives to attend bid openings, and allowing civil society to monitor bid submission, receipt and opening, as prescribed.	
Conclusion: Minor gap	
Red flag: No	
Qualitative analysis Rules 25, 33 (4) and (5) describe the requirement for the submission and opening respectively of bidding documents. The bids are required to be opened publicly in the presence of all the bidders or their representative. The requirements are also repeated in the relevant sections of the standard bidding documents.	
Gap analysis While there are well defined procedures for public opening of bids, there are no requirements for the presence of any members of civil society	
Recommendations The additional layer of oversight and observation by the inclusion of civil society representatives at various stages of the bidding process. is always an innovative idea. The BPPRA could consider revision of the relevant rule to include this.	
Assessment criterion 9(b)(e): Throughout the bid evaluation and award process, confidentiality is ensured.	
Conclusion: No gap	
Red flag: No	
Qualitative analysis Rule 47 requires that the Procuring Agency shall keep all information regarding the bid evaluation confidential until the time of announcement of evaluation report. No evidence was provided during the assessment mission that information was not confidential during this time.	
Gap analysis None	
Recommendations None	
Assessment criterion 9(b)(f): Appropriate techniques are applied, to determine best value for money based on the criteria stated in the procurement documents and to award the contract.	
Conclusion: Substantive gap	
Red flag: No	
Qualitative analysis Whilst the Rules appear to allow for evaluation criteria other than price (as set out in the bidding documents), the practice would appear to rely on the lowest evaluated price. The Rules refer to value for money (including whole life costs) in the definitions but there is no evidence that this is taken into account in evaluating bids.	
Gap analysis The practice appears to be to rely on traditional price evaluation and does not take account of other evaluation criteria. The Rules are permissive (though not detailed) and do not link the concept of value for money or techniques such as life cycle costing (both referred to in the definitions) to the evaluation process.	

Recommendations The Rules could be expanded to provide a clearer link between value for money and evaluation but, to improve the practice, this requires additional guidelines and appropriate training.
Assessment criterion 9(b)(g): Contract awards are announced as prescribed
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis Rule 40 requires Procuring agencies upload bid evaluation reports to the Authority's website in the form of a report giving justification for acceptance of lowest evaluated bid, and reasons for non-acceptance of all other bids or rejection of each bid at least three working days prior to the award of procurement contract. This is happening in 100% of the procurements. Rule 49 states that within forty-five (45) days of the award of contract, Procuring Agency shall publish on the website of the Authority and on its own website, if such a website exists, the results of the bidding process. This announcement will include the evaluation report, Letter of award and form of contract and the BOQ or schedule of requirements.
Gap analysis While 100 % of the Bid Evaluations are uploaded (containing the information of lowest evaluated responsive bidder), the award of the contract is not necessarily announced as required by roe forty-nine. This number averages approximately 25% for the past 3 years, across all types of procurement, including e-bidding and simple paper-based bidding.
Recommendations Authority should take steps to ensure that contract awards are announced without exception in compliance with Rule 49.
Assessment criterion 9(b)(h): Contract clauses include sustainability considerations, where appropriate
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis Contract clauses do not include sustainability considerations.
Gap analysis There are no clauses in the contracts that include sustainability considerations.
Recommendations The Authority should work with the relevant government departments to include sustainable procurement considerations in the rules and reflect these in bidding documents as well.
Assessment criterion 9(b)(i): Contract clauses provide incentives for exceeding defined performance levels and disincentives for poor performance
Conclusion: Minor gap
Red flag: No
Qualitative analysis Rule 53 lays out the procedure for Liquidated Damages to be levied for non-performance or delays. Similarly, contracts contain clauses for Performance Security, normally 5%-10% of the contract value. These deal more specifically with non-delivery rather than non-performance but are applied in that sense too.
Gap analysis There are no incentives for exceeding defined performance levels in the rules or contracts
Recommendations Incentives should be included in the standard terms of contract.

Assessment criterion 9(b)(j): The selection and award process are carried out effectively, efficiently and in a transparent way*
Conclusion: Minor gap
Red flag: No
Qualitative analysis Rules 25- 49 describe how the selection process is carried out, which seem to be followed reasonably well, with exception to rule 49 requirements of publication of contract award. All of the procurement processes are carried out in accordance with these rules as the Authority reviews procurement transaction and any deviations are pointed out to the PAs for ensuring compliance.

Quantitative analysis

Average Procurement Completion Times

	2021-2022					2022-2023					2023-2024				
	Goods					Goods					Goods				
Goods	TSE-21221123931	TSE-21220333151	TSE-212205104751	TSE-21220461351	TSE-21220470901	TSE-222305308321	TSE-222302239851	TSE-222307116741	TSE-222308118221	TSE-222310129671	TSE-222306341281	TSE-232409352721	TSE-232401371231	TSE-232407342841	TSE-232409352151
Date Activity Published	16/11/2021	05/04/2022	30/05/2022	26/04/2022	07/05/2022	03/05/2023	06/02/2023	22/07/2022	12/08/2022	13/10/2022	19/07/2023	19/09/2023	12/01/2024	01/08/2023	21/09/2023
Date Notification of Awarded	17/01/2022	21/06/2022	27/06/2022	23/05/2022	28/06/2022	13/06/2023	10/03/2023	23/08/2022	21/09/2022	23/11/2022	27/09/2023	19/10/2023	10/05/2024	27/12/2023	03/06/2024
Award Amount	539,030,968	86,918,496	107,325,000	1,903,400	3,289,650	998,974,976	14,985,000	27,000,000	18,999,000	469,398,592	148,854,224	501,880,000	280,000,000	551,659,840	400,000,000
Diff in Dates	62	77	28	27	52	41	32	32	40	41	70	30	119	148	256
Average time to procure goods	**70.33333333**														
	Works					Works					Works				
Works	TSE-21220597483	TSE-21220465213	TSE-21220587633	TSE-21220596003	TSE-21220595963	TSE-222303279183	TSE-222301213993	TSE-222305322013	TSE-222309122683	TSE-222312188503	TSE-232404400383	TSE-232410358903	TSE-232401373313	TSE-232411361033	TSE-232403387003

Date Activity Published	05/06/2022	26/04/2022	17/05/2022	22/05/2022	22/05/2022	21/03/2023	06/01/2023	01/06/2023	13/09/2022	15/12/2022	26/04/2024	25/10/2023	31/01/2024	08/11/2023	27/03/2024
Date Notification of Awarded	24/06/2022	02/06/2022	14/06/2022	02/11/2022	27/09/2022	30/03/2023	17/02/2023	13/07/2023	01/11/2022	27/02/2023	10/06/2024	13/11/2023	13/03/2024	02/01/2024	17/04/2024
Award Amount	630,000,000	109,708,424	34,220,476	4,978,000	9,896,000	30,503,040	140,112,800	205,516,000	18,765,000	27,590,000	38,068,396	11,188,800	492,550,752	21,066,308	14,997,750
Diff in Dates	19	37	28	164	128	9	42	42	49	74	45	19	42	55	21
Average time to procure Works	**51.6**														
	Services					**Services**					**Services**				
Services	TSE-21221225092	TSE-21220227452	TSE-21220126812	TSE-21220582562	TSE-21221225082	TSE-222301234392	TSE-222301230562	TSE-222302248042	TSE-222305315002	TSE-222312181932	TSE-232407342872	TSE-232412364822	TSE-232407342772	TSE-232407343442	TSE-232411362622-P2
Date Activity Published	14/01/2022	02/02/2022	26/01/2022	16/05/2022	09/04/2022	01/02/2023	02/02/2023	22/02/2023	10/05/2023	06/12/2022	18/07/2023	04/12/2023	19/07/2023	21/07/2023	30/01/2024
Date Notification of Awarded	04/02/2022	01/03/2022	04/03/2022	17/06/2022	31/05/2022	01/05/2023	20/02/2023	07/04/2023	13/06/2023	25/01/2023	28/08/2023	05/02/2024	01/09/2023	28/08/2023	21/02/2024
Award Amount	4,999,500	1,245,000	2,986,768	1,375,000	4,999,000	13,581,600	260,000,000	600,000,000	9,600,000	943,872	16,992,000	1,275,000	1,180,000	2,148,000	1,184,400

Diff in Dates	21	27	37	32	52	89	18	44	34	50	41	63	44	38	22
Average time to procure services	**40.8**														

Number (and %) of successful processes (successfully awarded; failed; cancelled; awarded within defined time frames

Goods					
Goods	**2021-2022**	**2022-2023**	**2023-2024**	**Total**	**%**
Total No. of Tenders	1326	3506	4024	8856	
Total Value to Tenders	216,760,000,000	55,245,082,512	45,492,088,898	317,497,171,410	
Cancelled no. of Tenders	131	357	320	808	9%
Value of Tenders	3,374,660,074	23,073,358,859	15,027,250,357	41,475,269,290	13%
Number of responsive bids	1195	3149	3704	8048	91%
Value of responsive bids	213,385,339,926	22,555,294,203	14,459,221,100	250,399,855,229	79%
Works					

Works	2021-2022	2022-2023	2023-2024	Total	%
Total No. of Tenders	5536	13364	4300	23200	
Total Value to Tenders	114,505,000,000	320,169,000,000	228,516,513,481	663,190,513,481	
Cancelled no. of Tenders	369	1487	731	2587	11%
Value of Tenders	25,662,917,913	83,163,391,901	48,458,658,630	157,284,968,444	24%
Number of responsive bids	5167	11877	3569	20613	89%
Value of responsive bids	88,842,082,087	237,005,608,099	180,057,854,851	505,905,545,037	76%

Services					
Services	2021-2022	2022-2023	2023-2024	Total	%
Total No. of Tenders	111	208	219	538	
Total Value to Tenders	829,573,965	2,585,395,888	2,388,448,024	5,803,417,877	

Cancelled no. of Tenders	13	55	46	114	21%
Value of Tenders	95,950,000	580,085,800	561,452,963	1,237,488,763	21%
Number of responsive bids	98	153	173	424	79%
Value of responsive bids	733,623,965	2,005,310,088	1,826,995,061	4,565,929,114	79%

Consulting Services					
Consulting Services	**2021-2022**	**2022-2023**	**2023-2024**	**Total**	**%**
Total No. of Tenders	58	110	70	238	
Total Value to Tenders	1,050,104,676	9,450,544,918	3,649,317,738	14,149,967,332	
Cancelled no. of Tenders	13	30	15	58	24%
Value of Tenders	417,833,196	463,726,470	508,748,000	1,390,307,666	10%

Number of responsive bids	45	80	55	180	76%
Value of responsive bids	632,271,480	8,986,818,448	3,140,569,738	12,759,659,666	90%

Gap analysis
No award information per rule 49 is published, nor are there any measurements or alerts for exceeding time limits for evaluation and award

Recommendations
Establish processes for measuring and reporting time taken to complete procurement processes.

Sub-indicator 9(c)
Contract management

Assessment criterion 9(c)(a):
Contracts are implemented in a timely manner. *

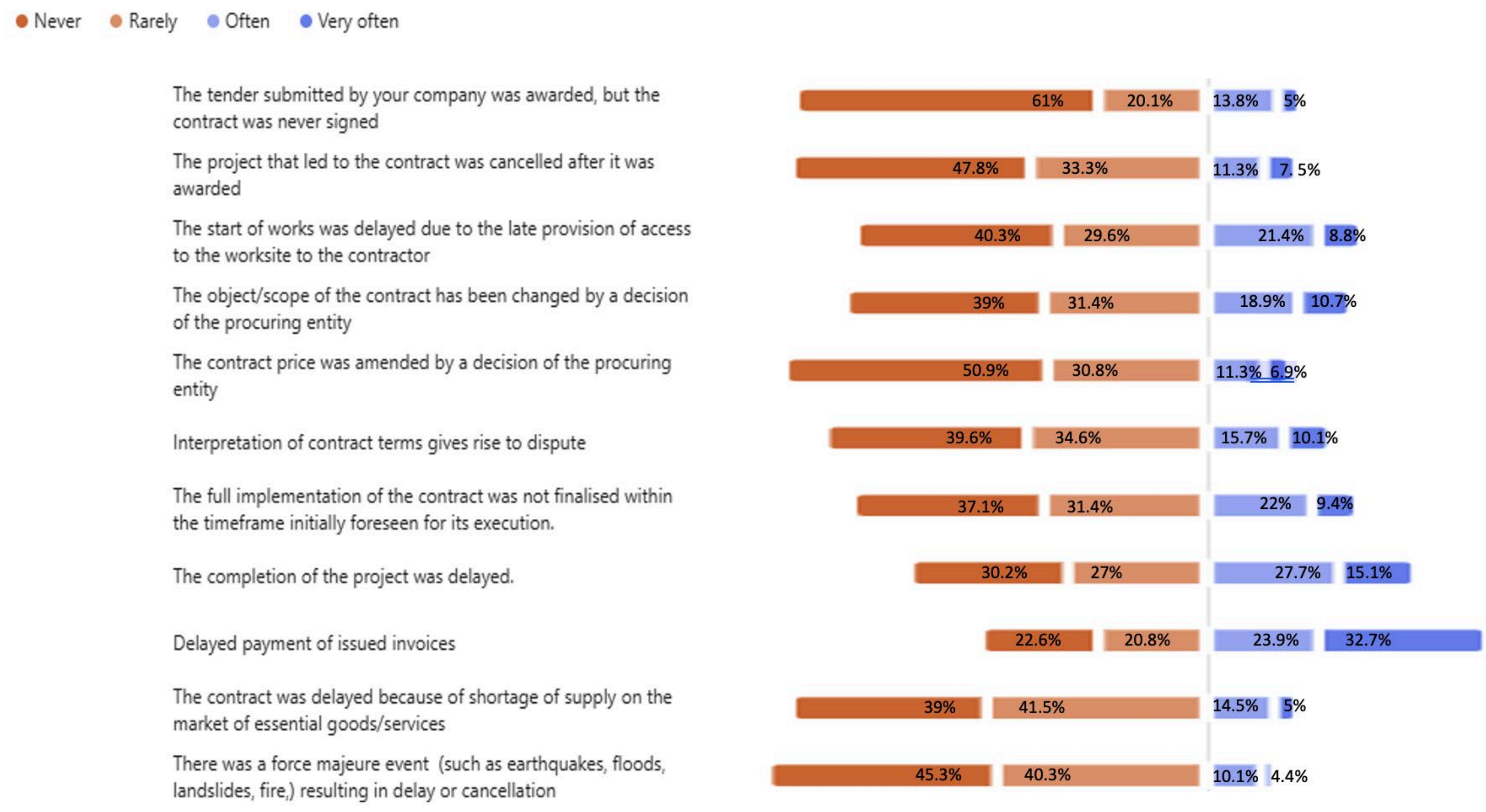
Conclusion: Substantive gap

Red flag: Yes

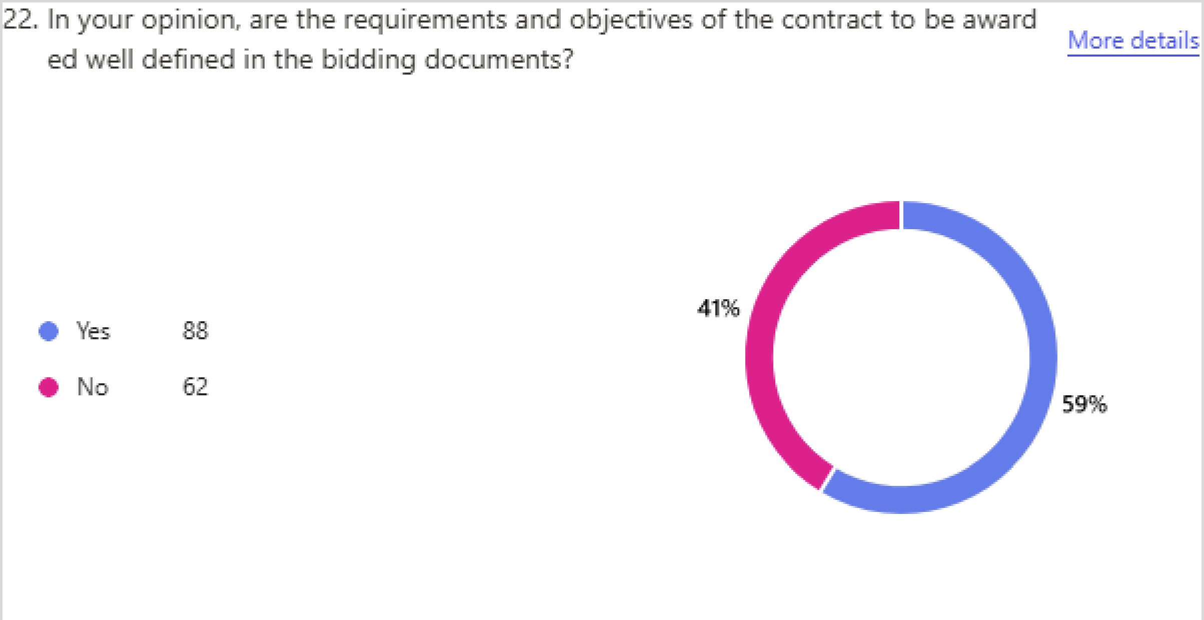
Qualitative analysis
Rule 54 (2) states that contract administration and management shall be the responsibility of the Procuring Agency, which shall include all administrative, financial, managerial and technical tasks to be performed from contract award until it is successfully concluded or terminated, payment is made and disputes of claim under it are resolved. The contract management activities are carried out at the district levels, where all expenditures are devolved. Each district may have several PA that conduct procurement and manage contracts.

Quantitative analysis

35. How often has your company/organisation experienced the situations described below?

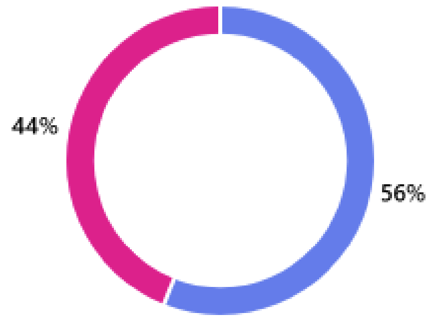


Although the various steps in the procurement process are well laid out and appear to have been followed, a survey of suppliers and contractors paint an interesting picture of their perception of how the procurement system performs in practice. The responses below are from about 150 respondents made up of manufacturers/suppliers, service providers and contractors. These respondents were approached directly by the assessment team through a web-based survey toll, with the option for anonymous responses. While over half- 57% average - the respondents felt the requirements and objectives in the bidding documents were well defined, were easy to interpret with bidding and evaluation procedures well defined, 43 percent felt they were not. This is a fairly high negative perception that the BPPRA needs to take note of. But perhaps more worrying is the perception of 58% of the respondents that bid opening and award processes are not faithfully followed.



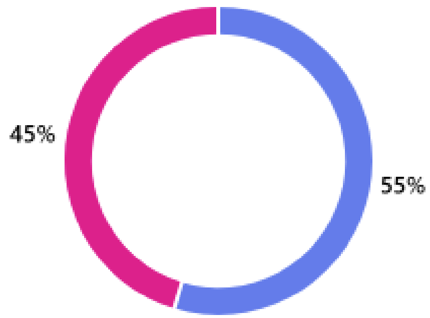
23. In your opinion, are the bidding documents clear and easy to interpret? More details

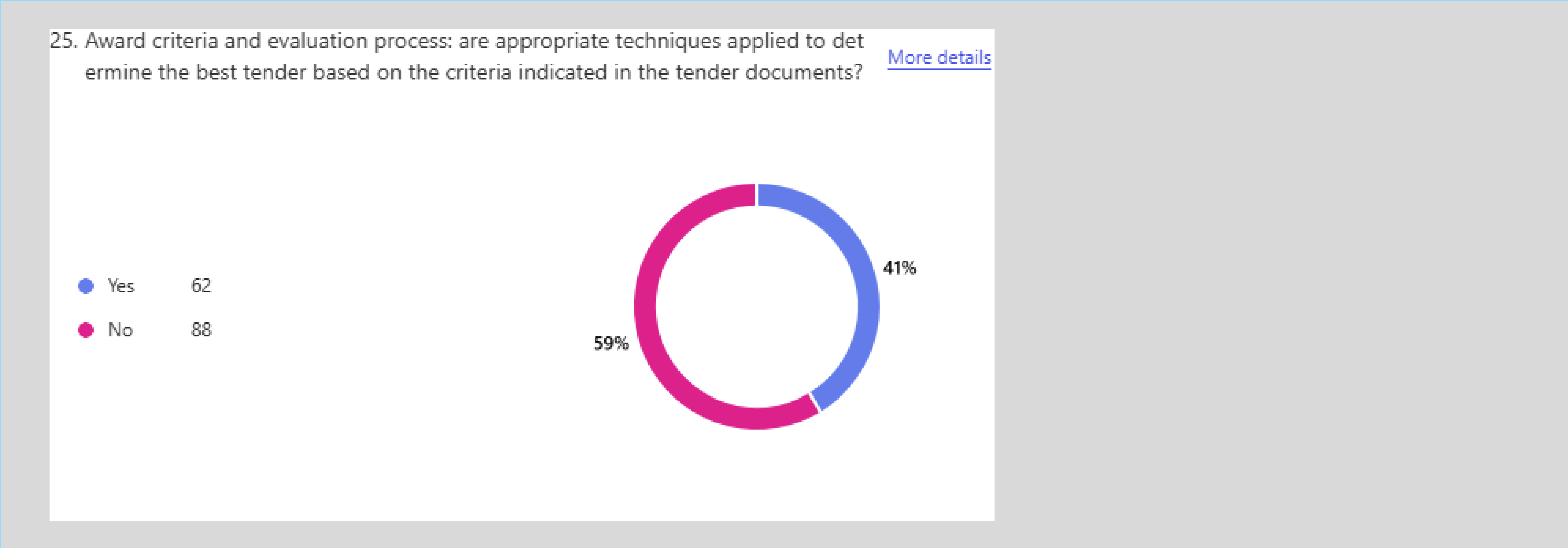
Yes	84
No	66

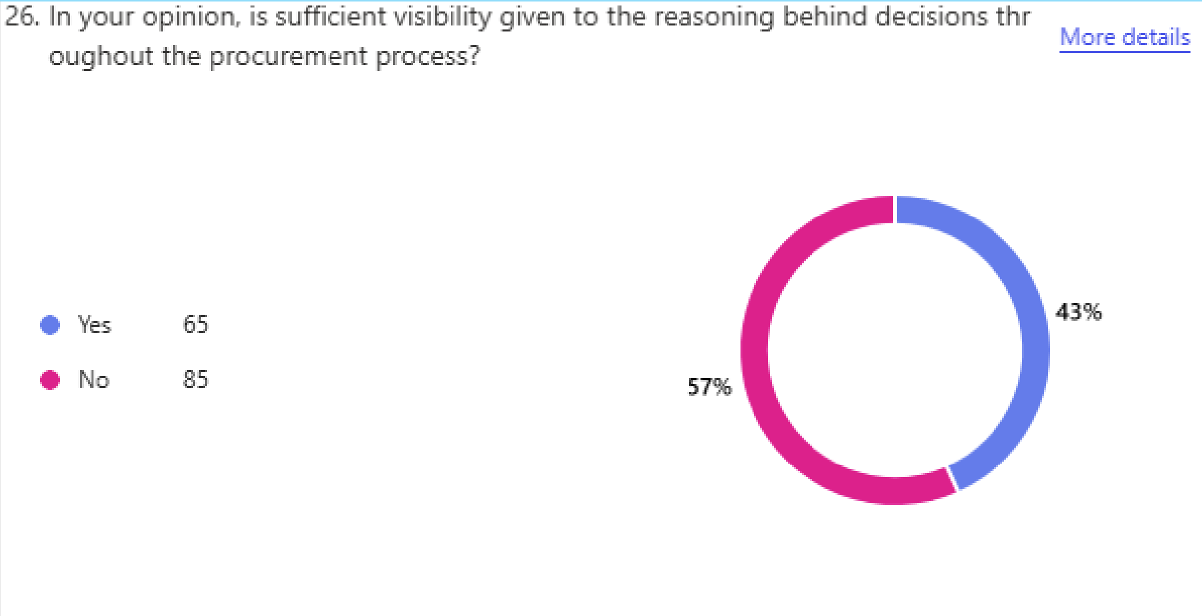


24. Are the procedures for bid submission, receiving and opening clearly described in the tender documents and are they followed? More details

Yes	82
No	68




25. Award criteria and evaluation process: are appropriate techniques applied to det ermine the best tender based on the criteria indicated in the tender documents?
More details
Yes 62
No 88
41%
59%



Gap analysis

The e-PPS system at present does not have a contract management system. At present there is no way provincial authorities have a comprehensive view of how contracts are managed from inception to final payment.

Recommendations

Implement a contract management module that will allow provincial departments to track contract progress and intervene in case of delays or implementation issues.

Assessment criterion 9(c)(b):

Inspection, quality control, supervision of work and final acceptance of products is carried out. *

Conclusion: No gap
Red flag: No
Qualitative analysis Rule 54 (3) requires the Procuring Agency to ensure all Goods, Works and Services procured conform to the technical requirements set forth in the contract agreement and arrange for inspection of its quality and quantity. The procurement committee may engage a third party such as team of technical experts, testing facility or use of laboratories for required verifications. In addition, the Procuring Agency shall also ensure compliance of maintenance guarantee, after-sales services, and warranty obligations."
Quantitative analysis 100% receipts against goods contracts are inspected by a committee and if necessary, lab tests are carried out to ascertain conformity of goods received against contracts. Similarly, work performed against Works contracts are progressively inspected to final conclusion and delivery.

Gap analysis
None

Recommendations
None

Assessment criterion 9(c)(c):
Invoices are examined, time limits for payments comply with good international practices, and payments are processed as stipulated in the contract.

Conclusion: Substantive gap

Red flag: Yes

Qualitative analysis
The payment invoices are presented to the Controller General Accounts (CGA) office, which is responsible for disbursements and payments against contracts. A rigorous pre-audit is carried out to ensure that invoices comply with all aspects of the contract including goods received and inspection information. The payments are made when the funds against a particular project are releases by the Finance Department. Once the releases are confirmed. The invoice information is entered into the payment system and cheques released within three e to four days or less.

Quantitative analysis

No data on time taken to pay invoices available

Gap analysis
No aged analysis of payment information is available because the CGA office does not enter the information when invoices are received, but only when the funds are released by Finance Department. Any payment information therefore would show 100% compliance. The e-PPS system does not track contract management and payment information

Recommendations
Integrate e-PPS with CGA payment system and put in place processes to record invoices as soon as they are received.

Assessment criterion 9(c)(d):
Contract amendments are reviewed, issued, and published in a timely manner. *

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
The e-PPS does not have a contract management process. There is no way to track contract amendments, if any, and / or their publication. The Contract information of the e-PPS reflects only the original contract value.

Quantitative analysis

No Data available

Gap analysis
Contract amendments are not reviewed, issued, or published in a timely manner.

Recommendations
Integrate the e-PPS system to include contract management

Assessment criterion 9(c)(e):
Procurement statistics are available, and a system is in place to measure and improve procurement practices.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
The e-PPS is a repository of all procurement information in the province. Complete and comprehensive

transaction information is available on the system, which is analysed by the BPPRA and included in an annual report to its board and to the departments within the government
Gap analysis There is no contact management or payment module, making it difficult to analyse the efficient or otherwise implementation of contracts and their payment information
Recommendations Add a payment module to e-PPS.
Assessment criterion 9(c)(f): Opportunities for direct involvement of relevant external stakeholders in public procurement are utilised. *
Conclusion: Substantive gap
Red flag: No
Qualitative analysis There is no involvement of external stakeholders at any stage during the procurement process.
Quantitative analysis No such data is available because it is not a practice.
Gap analysis There is no involvement of external stakeholders at any stage during the procurement process.
Recommendations Amend Rules to include external stakeholders in the procurement process for additional oversight and transparency
Assessment criterion 9(c)(g): The records are complete and accurate, and easily accessible in a single file. *
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis There are no integrated records maintained at the PA, BPPRA or payment level. Records for the selection process are maintained at the PA level and uploaded to the e-PPS (only up till the point of completion of evaluation report), including any award, contract management and amendment information. The payment information is maintained at the CGA level.
Quantitative analysis No relevant data was available on these issues.
Gap analysis. Records are fractured and dispersed across the PA, BPPRA and CGA.
Recommendations Integrate filing systems to include procure to pay information in one database

Indicator 10. The public procurement market is fully functional

Sub-indicator 10(a) **Dialogue and partnerships between public and private sector**

Pillar III. Public Procurement Operations and Market Practices

Assessment criterion 10(a)(a):
The government encourages open dialogue with the private sector. Several established and formal mechanisms are available for open dialogue through associations or other means, including a transparent and consultative process when formulating changes to the public procurement system. The dialogue follows the applicable ethics and integrity rules of the government. *

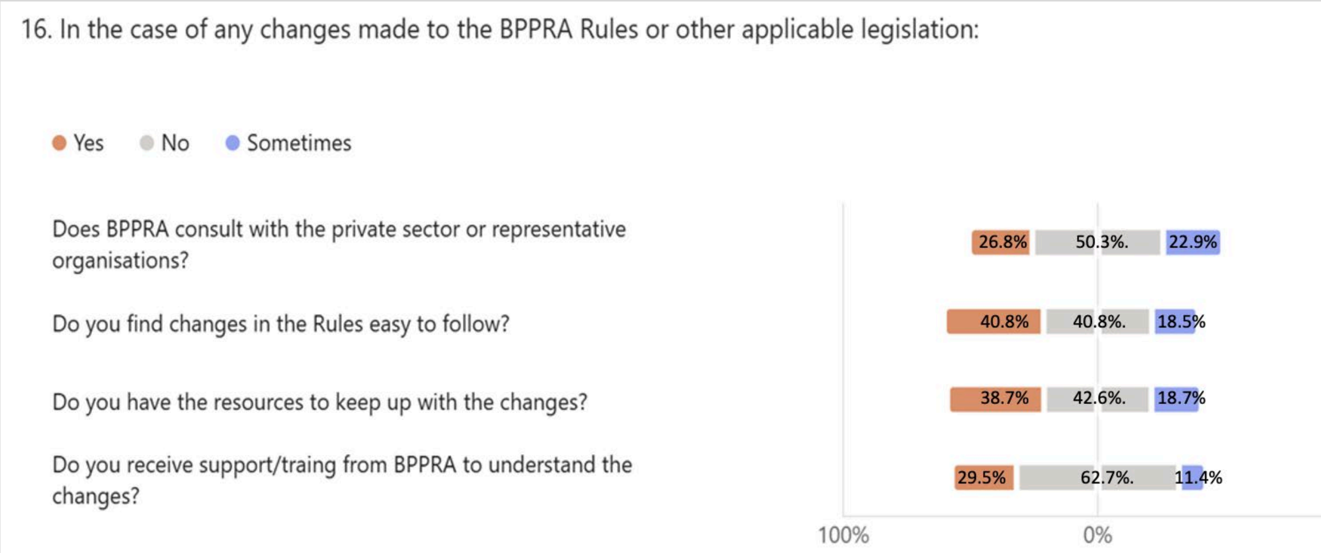
Conclusion: Substantive gap

Red flag: Yes

Qualitative analysis
The contact with the market is limited and sporadic, and there is no formal consultative process in place for any changes to the procurement system.

Quantitative analysis

-*Source: Survey.*



Gap analysis
No market engagement.

Recommendations
The government should institute processes whereby there is a mandatory consultative process when changes to the procurement system are made. This will allow for smoother implementation and greater transparency in the planning and implementation of changes.

Assessment criterion 10(a)(b):
The government has programmes to help build capacity among private companies, including for small businesses and training to help new entries into the public procurement marketplace.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
The Small & Medium Enterprises Development Authority does identify small and medium sized business and provide them some training on setting up and managing their enterprises, but there are no linkage or trainings on the procurement or market aspects.

Gap analysis
There are no such training programmes in place.

Recommendations
Amend the e-PPS vendor registration system to include information on SMEs, minority, women, or marginalized communities owned businesses. Concurrently, coordinate with SMEDA to offer trainings to newly established business on the procurement system.

Sub-indicator 10(b)
Private sector's organisation and access to the public procurement market

Assessment criterion 10(b)(a):
The private sector is competitive, well-organised, willing, and able to participate in the competition for public procurement contracts. *

Conclusion: Minor gap

Red flag: No

Qualitative analysis

The private sector is organized under existing legal registration and incorporation structures. Further, most of the market is represented through duly constituted trade associations that step up to protect the interests of their members as a collective and to the extent possible, influence government policy. The general perception is that they have access to government contracts.

Quantitative analysis

• *number of registered suppliers as a share of total number of suppliers in the country (in %)* 100%
• *share of registered suppliers that are participants and awarded contracts (in % of total number of registered suppliers)* 100%. All firms are required to be registered either with the BPPRA or PEC or both, in order to be eligible to receive contracts.
• *total number and value of contracts awarded to domestic/foreign firms (and in % of total)* All contracts are awarded to domestic firms. Even in the case of imported goods, contracts are awarded to local agents

Source: E-Procurement system/Supplier Database.

Gap analysis
There is no national database for suppliers or contractors. The information is fractured and maintained in provincial or trade association databases which are not consolidated in any form.

Recommendations
There needs to be a linkage between all the PPRs at federal and provincial databases of registered contractors.

Assessment criterion 10(b)(b):
There are no major systemic constraints inhibiting private sector access to the public procurement market.

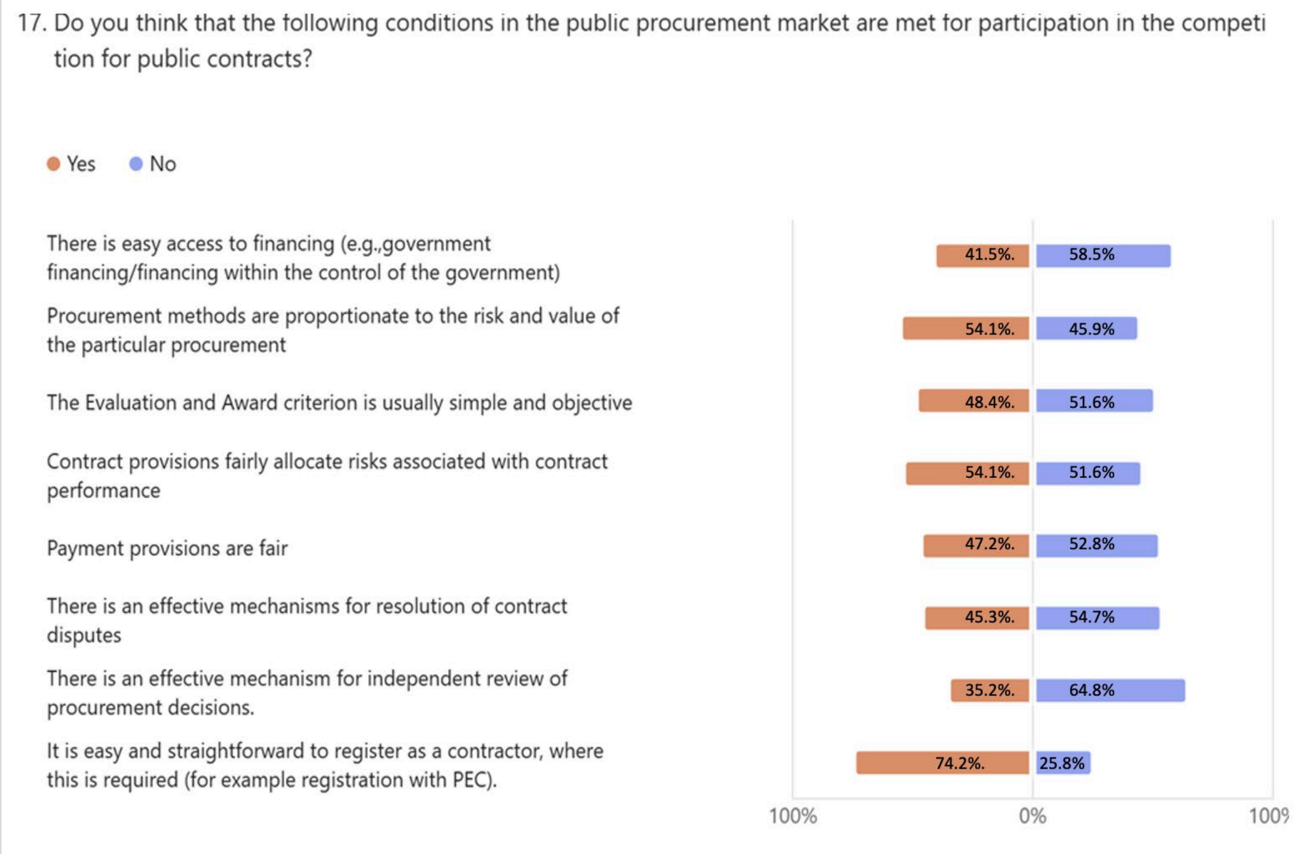
Conclusion: Substantive gap

Red flag: No

Qualitative analysis
Public procurement is open to all registered vendors and contractors and there are no barriers to participation. However, market perception varies on other aspects affecting access to public contracts as is evident from the responses below.

Quantitative analysis

Source: Survey.



Gap analysis

There remain the practical issues of access by foreign bidders to the e-PPS system due to the location filters applied (see assessment criterion 7(a)(a) above) and to the requirement to possess a local tax number (see assessment criterion 7(b)(d) above).

Recommendations

Registration requirement to be removed (it appears that some may already have been removed as a result of ongoing modifications to the e-PPS, partly due to the current assessment).

Sub-indicator 10(c)
Key sectors and sector strategies

Assessment criterion 10(c)(a):
Key sectors associated with the public procurement market are identified by the government.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis

The government does not appear to have identified specific key sectors and there is no evidence of any market analysis to make such an identification.

Gap analysis

No key sectors identified.

Recommendations

The Government should be encouraged to take a strategic approach to its procurement markets and conduct an analysis to identify risks in key sectors and formulate a policy to address them.

Assessment criterion 10(c)(b):
Risks associated with certain sectors and opportunities to influence sector markets are assessed by the government, and sector market participants are engaged in support of procurement policy objectives.

Conclusion: Substantive gap

Red flag: No
Qualitative analysis There is no evidence that sector market risks have been specifically identified by the Government. Nonetheless, the government has an active engagement with the private sector level for commercial, industrial and taxation policy. While the interactions do have an impact on the procurement market, there is no organized outreach to the private sector on procurement policy objectives.
Gap analysis Even if there is a general assessment of market risks by the government, neither the government nor the private sector view this from a procurement policy lens.
Recommendations There needs to be more upfront analysis of market drivers in various sectors so that policies are informed by empirical data and not necessarily as a result of pressure groups and agitation. Policy initiatives are more proactive than a reaction to collective negotiations.

Pillar IV. Accountability, Integrity and Transparency of the Public Procurement System

Indicator 11. Transparency and civil society engagement strengthen integrity in public procurement

Sub-indicator 11(a) **Enabling environment for public consultation and monitoring**
Assessment criterion 11(a)(a): A transparent and consultative process is followed when formulating changes to the public procurement system.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis No consultative process is followed when formulating changes to the public procurement system.
Gap analysis No consultative process is followed when formulating changes to the public procurement system.
Recommendations BPPRA should engage in public consultation when formulating changes to the public procurement system.
Assessment criterion 11(a)(b): Programmes are in place to build the capacity of relevant stakeholders to understand, monitor and improve public procurement.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Capacity building is limited to training for active stakeholders in public procurement such as procuring agencies and bidders. These focus on the Rules and on the e-PPS.
Gap analysis There are no broader programmes of capacity building for wider stakeholders, notably civil society, to understand, monitor and improve public procurement.
Recommendations Programmes need to be developed and implemented to build the capacity of relevant stakeholders to understand, monitor and improve public procurement. This includes the general public and civil society but should also include a programme for other government officials, senior officials, auditors, journalists etc. to provide more general awareness.
Assessment criterion 11(a)(c): There is ample evidence that the government takes into account the input, comments and feedback received from civil society.
Conclusion: Substantive gap
Red flag: Yes

Qualitative analysis There is no evidence that the government takes into account the input, comments and feedback received from civil society.
Gap analysis As assessed at **11(a)(b)**
Recommendations A mechanism should be developed to ensure dissemination of relevant information to civil society groups and to collect their feedback.

Sub-indicator 11(b) **Adequate and timely access to information by the public**
Assessment criterion 11(b)(a): Requirements in combination with actual practices ensure that all stakeholders have adequate and timely access to information as a precondition for effective participation.
Conclusion: Minor gap
Red flag: No
Qualitative analysis Information regarding procurement is generally available and accessible. There is a dedicated webpage for legislative documentation and a centralised on-line portal for procurement specific information. These are accessible to the general public, although foreign users of the on-line portal may not be able to access the information as readily as those established locally, as a result of the localised web settings used.
Gap analysis Whilst information is accessible, it is not clear how well know the sites are. As suggested under indicator 7, BPPRA could usefully employ a communications strategy to provide greater awareness of public procurement generally in Balochistan and this could form part of a broader capacity building effort to educate relevant stakeholders. Efforts also need to be made to ensure that the information that is required to be published is uploaded in a timely manner. Evaluation reports and even contract award information is not always provided by procuring agencies so that bidders (and others) have difficulty in tacking public expenditure.
Recommendations Efforts should be made create and implement an awareness programme for public procurement as part of a capacity building effort for relevant stakeholders. BPPRA needs to remind procuring agencies of their obligations to publish contact award information on-line.
Sub-indicator 11(c) **Direct engagement of civil society**
Assessment criterion 11(c)(a): The legal/regulatory and policy framework allows citizens to participate in the following phases of a procurement process, as appropriate: • the planning phase (consultation) • bid/proposal opening (observation) • evaluation and contract award (observation), when appropriate, according to local law • contract management and completion (monitoring).
Conclusion: Substantive gap
Red flag: Yes

Qualitative analysis None of this is covered in the legal and regulatory framework.
Gap analysis Analysis performed for 11(b)(a) is also relevant here
Recommendations The Rules should be amended to allow for this. A red flag is assigned because effecting change may be more than simply a question of amending rules. Agreement from the Government would need to be obtained to permit such a change and the absence of civil society organisation in the province may mean that any changes in the rules would be ineffective without greater investment in broader capacity building efforts.
Assessment criterion 11(c)(b): There is ample evidence for direct participation of citizens in procurement processes through consultation, observation, and monitoring.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis There is no evidence for direct participation of citizens in procurement processes through consultation, observation and monitoring.
Gap analysis As above.
Recommendations N/A

Indicator 12. The country has effective control audit systems

Sub-indicator 12(a) **Legal framework, organisation and procedures of the control system** The system in the country provides for:
Assessment criterion 12(a)(a): laws and regulations that establish a comprehensive control framework, including internal controls, internal audits, external audits, and oversight by legal bodies
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis The legal and regulatory framework in Balochistan covers accounting as well as internal and external auditing with appropriate rules and institutions in place. Auditing and accounting are centrally controlled and administered by the Federal Government in Pakistan, but the Controller General of Accounts (CGA) Ordinance 2001 and the Auditor General Ordinance 2001 separated the accounting and auditing roles and responsibilities, respectively. Under Article 170 of the Constitution, the Auditor General of Pakistan (AGP) still retains the authority to prescribe the form of the accounts of the federation and the provinces and the methods and the principles underlying their maintenance. The Auditor General of Pakistan is appointed under the Constitution of the country. He has a status of Minister of State. The budget of the Auditor General is classified as "charged"

expenditure. All charged expenditures are not voted upon by the Parliament. This arrangement lends his institution a degree of independence. The provincial AGs report to the CGA at the federal level. For accounting and financial reporting, the New Accounting Model (NAM) prescribed by the AGP with the approval of the president of Pakistan is used by the federal and provincial governments. According to this legal framework, the CGA, through the provincial AG maintains the accounts of financial transactions and prepares financial reports—both in-year and the annual financial statements for Balochistan Province. The AGP (through the Directorate General (DG) Provincial Audit) conducts the external audit of the accounts, and the audited accounts and audit reports are submitted to the provincial Governor who then lays these reports before the provincial legislature for scrutiny. The Directorate General District Audit audits the local governments and the DG Commercial Audit audits public sector entities. The Public Accounts Committee (PAC) of the Provincial Assembly conducts the legislative oversight of the provincial financial operations. There are 30 Field Audit Offices (FAOs) with clearly delineated audit jurisdiction of 47,264 entities and formations distributed across Pakistan. FAOs conduct audit according to audit plan approved by Auditor General of Pakistan. FAOs also conduct audit of foreign aided projects funded by the World Bank, Asian Development Bank, and other bilateral and multilateral donors. The number of core professional officers of the AGP, also known as the Pakistan Audit and Account Service (PA&AS) is currently just over 600. Currently 267 Officer of PA&AS serve as auditors and 198 perform accounting function under Controller General of Accounts. The Officers of PA&AS are appointed on the basis of a national competitive examination and undergo a pre-service training program of 18 months. The office of Controller General of Accounts (CGA) is primarily responsible for the authorization of payments, accounting, and reporting of the financial transactions of the Federation. The office of the CGA performs it functions through AGPR, Provincial AGs and Self Accounting Entities (SAEs). This office prepares Financial Statements on the format of IPSAS Cash Basis-Financial Reporting under the Cash-Basis of Accounting that fulfils financial reporting requirements of International Financial Institutions (IFIs). Moreover, Combined Financial Statements (CFS) of Federation are prepared by using SAP/R3, which is implemented across the country. For Balochistan, the functions of the Controller General are generally to prepare and maintain the accounts of the Province and district governments; to authorize payments and withdrawals from the Consolidated Fund and Public Accounts of the Provincial Government against approved budgetary provisions after pre-audited checks; to lay down the principles governing the internal financial control for Government departments in consultation with the Provincial Finance departments; and to submit accounts after the close of each financial year, to the Auditor General. An Internal Audit Unit was established by the Government of Balochistan in the Finance Department under section 26 (a) of the Public Finance Management Act 2020. The Internal Audit Unit is supervised by the Provincial Internal Audit Committee (PIAC) chaired by the Secretary Finance.
Gap analysis The legal control framework is comprehensive but does not specifically address procurement, although this is covered generally.

Recommendations
It would be preferable if the legal framework for control were to address procurement specifically in terms of procurement audits and create a Manual for procurement audits. A red flag is assigned because this is something that would require coordination with the AGP and other authorities.

Assessment criterion 12(a)(b):
internal control/audit mechanisms and functions that ensure appropriate oversight of procurement, including reporting to management on compliance, effectiveness, and efficiency of procurement operations

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
Internal Auditing is set up as an independent and objective assurance and advisory activity designed to add value and to improve operations of the departments of the Government of Balochistan. It is intended to assist management and the Government Departments to accomplish their objectives by bringing systematic and disciplined approach to evaluate and improve the effectiveness of their governance, risk management and internal control processes.

Gap analysis
Whilst internal audit is established and recognised in general terms, there are no provisions which specifically address the public procurement function.

Recommendations
It would be preferable for the legal framework for internal to address the procurement function specifically.

Assessment criterion 12(a)(c):
internal control mechanisms that ensure a proper balance between timely and efficient decision-making and adequate risk mitigation

Conclusion: Minor gap

Red flag: No

Qualitative analysis
Internal controls operate by way of a pre-audit of payments ensuring goods were planned, agreed and have been delivered. Invoices are sent to the Accountant General, and the internal control will also check the timeliness of payments, though given the frequent lack of budget, they often remain unpaid. The control may also look to see whether it is the lowest bidder that has been awarded the contract and, if not, will question the decision. This is done on paper and is not yet integrated with the e-PPS. Payments are made via SAP. Internal control is also focussed on goods, not works which are dealt with by the Works Department.

Gap analysis
Integration of control systems and payment would be helpful, notably using the SAP platform.

Recommendations
Efforts to be made to integrate internal control with e-PPS and SAP payment system.

Assessment criterion 12(a)(d): independent external audits provided by the country's Supreme Audit Institution (SAI) that ensure appropriate oversight of the procurement function based on periodic risk assessments and controls tailored to risk management
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The external audit process is a general system for the province. It does not focus specifically on the procurement function and does not thus appear to provide appropriate oversight of that function.
Gap analysis The process is not procurement specific and does not take procurement risk into account.
Recommendations It would be preferable for the legal framework for internal to address the procurement function specifically.
Assessment criterion 12(a)(e): review of audit reports provided by the SAI and determination of appropriate actions by the legislature (or other body responsible for public finance governance)
Conclusion: Minor gap
Red flag: No
Qualitative analysis The Public Accounts Committee (PAC) of the Provincial Assembly conducts the legislative oversight of the provincial financial operations.
Gap analysis None
Recommendations None
Assessment criterion 12(a)(f): clear mechanisms to ensure that there is follow-up on the respective findings.
Conclusion: Minor gap
Red flag: No
Qualitative analysis The manuals (e.g., the Financial Audit Manual referenced in the District Audit Guidelines) explicitly require that audit observations (audit paras) should be tracked for progress of corrective action but the law does *not* always ensure **mandated timelines** for the audited agencies or departments to respond or to implement corrective action. Much depends on the capacity and workload of the PAC.
Gap analysis Whilst there are clear mechanisms in place, follow-up appears to be weak in practice.
Recommendations The legal framework could be amended to provide strict timelines for responses.

Sub-indicator 12(b) Coordination of controls and audits of public procurement
Assessment criterion 12(b)(a): There are written procedures that state requirements for internal controls, ideally in an internal control manual.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis The AGP adopted the Financial Audit Manual (FAM) in 2006 (amended in 2010) that incorporates International Standards of Supreme Audit Institutions (ISSAI). The FAM details guidance for the audit team on methods and approaches for public sector auditing. It encompasses a risk-based approach and provides for system-based analysis, including review of internal control structures.
Gap analysis From an implementation perspective, according to PEFA 2017, gaps exist in the implementation of the FAM due to lack of capacity and systems for system-based audit techniques, audit samplings, and audit report quality.
Recommendations Implementation tools need to be provided and included in the Manual.
Assessment criterion 12(b)(b): There are written standards and procedures (e.g. a manual) for conducting procurement audits (both on compliance and performance) to facilitate co-ordinated and mutually reinforcing auditing.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis The website of the AGP contains a list of guidelines and manuals etc. although none appear to be related specifically to procurement. There is a manual on performance audit which deals, in part, with the economy of purchases but is otherwise not related specifically to procurement According to the Provincial audit authority, procurement is subsumed within a compliance audit to ensure that the Rules have been followed. They will also check receipt of goods and, as part of compliance, will also look to see whether there has been any unlawful fractioning of contracts. This is done annually.
Gap analysis The legal control framework does not specifically address procurement, although this is covered generally. There are no specific manuals/guidelines for procurement audit
Recommendations It would be preferable if the legal framework for control were to address procurement specifically in terms of procurement audits and create a Manual for procurement audits. A red flag is assigned because this is something that would require coordination with the AGP and other authorities.

Assessment criterion 12(b)(c):
There is evidence that internal or external audits are carried out at least annually and that other established written standards are compiled with. *

Conclusion: Substantive gap

Red flag: Yes

Qualitative analysis
According to PEFA 2017, audit coverage during the three years prior to 2017 remained inadequate. About 40 percent of the auditable expenditure was audited during each of those three fiscal years.
PEFA found that audit reports were submitted to the Governor within a period of nine months from the date of receipt of un-audited financial statements, and in-depth hearings taking place for all observations in the audit report. Audit standards were compliant with international standards, but gaps exist in implementation. Limited audit coverage delayed legislative scrutiny of audit reports, and absence of timely corrective action by the executive impede the independent review of public finances. The AGP has the constitutional powers to conduct an audit of the GoB, but audit coverage of expenditure was less than 50 percent and a limited-scope revenue audit was carried out. In early 2016, the provincial assembly notified the PAC after more than eight years. The progress made by the PAC notified in 2016 was found to be commendable but, in 2017, there remained a huge backlog of audit reports of twenty-three fiscal years to be reviewed.
Audit planning and progress entered into the Audit Information Management System (AIMS) to which procuring agencies have access. Audit has been much accelerated since the introduction of AIMS. During Team interviews, the Provincial audit authority stated that they had reached 2018/19.

Quantitative analysis

(Number of procurement audits).

While the AG carries out procurement related audits as a part of regular transactional audit, there are no specific procurement audits carried out or for that matter reported separately. They appear as audit observations in the regular financial audit reports

Gap analysis
There is a significant backlog which needs to be addressed.

Recommendations
Addressing the backlog is a priority, but this is outside the control of BPPRA and requires a concerted effort by the government. It has thus been assigned a red flag.

Assessment criterion 12(b)(d):
Clear and reliable reporting lines to relevant oversight bodies exist.

Conclusion: Substantive gap

Red flag: No

Qualitative analysis

The provincial AGs are not separate constitutional offices but report to the CGA at the federal level. The CGA, through the provincial AG maintains the accounts of financial transactions and prepares financial reports for Balochistan Province. The AGP (through the Directorate General (DG) Provincial Audit) conducts the external audit of the accounts, and the audited accounts and audit reports are submitted to the provincial Governor who then lays these reports before the provincial legislature for scrutiny. The Public Accounts Committee (PAC) of the Provincial Assembly conducts the legislative oversight of the provincial financial operations. The audit authorities have no formal *prosecutorial* powers but they do have the power, through audit reports to **recommend referral of serious cases to anti-corruption bodies (such as the Anti-Corruption Department and NAB**) for investigation (e.g. *Audit Report on the Accounts of Public Sector Enterprises, Balochistan 2022–23, p.67).* It is the PAC's role to translate audit findings into **executive/disciplinary or investigative action**, often explicitly directing departments to approach anti-corruption bodies.
Gap analysis In practice, the audit authorities make recommendations to refer appropriate cases to the oversight bodies and this is done formally through the PAC. However, the process is not clearly identified nor prescribed.
Recommendations The legal framework should be amended to clarify the powers of the audit authorities to refer appropriate cases to other oversight bodies.
Sub-indicator 12(c) **Enforcement and follow-up on findings and Recommendations**
Assessment criterion 12(c)(a): Recommendations are responded to and implemented within the time frames established in the law. *
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis In practice, this is not done.
Quantitative analysis *There are no quantified reports available to support this indicator* - *Share of internal and external audit Recommendations implemented within the time frames established in the law (in %).* No statistics available *Source: Ministry of Finance/Supreme Audit Institution.*
Gap analysis While audits are carried out and there is a process for addressing audit observations in that, observations are first placed before District Audit Committees for resolution / replies and a large number are addressed at that level. Unaddressed observation is the included in the AG report and placed before the Public Accounts Committee of the Parliament. However, no statistical data is available on this.

Recommendations implementation of audit observations need to be tracked and published
Assessment criterion 12(c)(b): There are systems in place to follow up on the implementation/enforcement of the audit Recommendations.
Conclusion: Minor gap
Red flag: No
Qualitative analysis According to PEFA 2017, the Manual of Balochistan Secretariat Instructions 2013 requires government departments to respond and settle audit observations within the period fixed by the auditors. The departments are required to hold meetings of Departmental Accounts Committee (DAC), chaired by the department's secretary, to discuss and address audit observations. Audited entities provide formal responses to the auditors, but DAC meetings are not held regularly, and a number of audit observations remain unsettled. The AGP maintains manual records of audit observations, management response and implementation status of the audit recommendations. When the audit entity provides evidence of implementing the audit recommendation, an official letter is issued by the AGP to settle the audit observation. Follow-up is carried out as part of the next audit to ascertain the progress made by the entity in implementing the recommendations. In practice, the PAC will review the reports and follow up by preparing a schedule of issues to which the procuring agency (through its Secretary as accountable officer) responds. PAC ensures that the recommendations are implemented and may issue (disciplinary or criminal) proceedings if they are not. Disputes are sought to be resolved at the departmental level with meetings between the procuring agency and the AGD and the Secretary is required to set out the agency's proposed course of action. In the last year, some sixty-five cases were resolved at the AGD level and forty-five at the level of PAC. No proceedings were initiated.
Gap analysis The results of audit follow-up are not published in the audit reports.
Recommendations It is important to ensure that the results of audit follow-up are published to ensure integrity.
Sub-indicator 12(d) **Qualification and training to conduct procurement audits**
Assessment criterion 12(d)(a): There is an established programme to train internal and external auditors to ensure that they are qualified to conduct high-quality procurement audits, including performance audits. *
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Training on procurement is conducted by BPPRA but not for the benefit of auditors. Officers of PA&AS are provided a pre-service training program of 18 months. It was stated during interviews that there is a module on public procurement provided by the Pakistan Audit and Accounts Academy, but it is not clear how far this extends] and whether or not it is a required module for anyone performing procurement audits.

Quantitative analysis No data Available
Gap analysis While the Auditor General Office carries out regular training, there was no data made available on what modules are used for training on procurement audits
Recommendations BPPRA should work with AGP to design training modules targeted at auditors conducting procurement audits and collect statistics.
Assessment criterion 12(d)(b): The selection of auditors requires that they have adequate knowledge of the subject as a condition for carrying out procurement audits; if auditors lack procurement knowledge, they are routinely supported by procurement specialists or consultants.
Conclusion: Minor gap
Red flag: No
Qualitative analysis While audit staff are selected competitively as part of a well-defined and managed cadre, there is no data available on whether procurement audit skills are a factor in selection of such staff
Gap analysis No evidenced procedures to suggest that audit staff are selected considering procurement audit skills or knowledge
Recommendations BPPRA should coordinate with AGP to include such competencies in the selection criteria for audit staff tasked to conduct procurement audits.
Assessment criterion 12(d)(c): Auditors are selected in a fair and transparent way and are fully independent.
Conclusion: No gap
Red flag: No
Qualitative analysis The Officers of PA&AS are appointed based on a national competitive examination namely-CSS Examination (Central Superior Service) conducted by Federal Public Service Commission (FPSC).
Gap analysis None
Recommendations None

Indicator 13. Procurement appeals mechanisms are effective and efficient

Sub-indicator 13(a) Process for challenges and appeals
Assessment criterion 13(a)(a): Decisions are rendered on the basis of available evidence submitted by the parties.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The PRC Regulations 2020 set out the procedure for the appeal which includes the evidence that must be provided. This includes the grounds for the complaint; the decision to be reviewed, request for information to the GRC, if any; copy of the complaint to the GRC; copy of GRC order; affidavit to assert relevant facts or statements; copies of documents on which the appellant relies; copy of NIT; bid evaluation report; proof of payment of fee. This must all be done in seven copies.
Gap analysis The PRC Regulations 2020 is not yet operational so it cannot be said that this reflects current practice. The requirement to submit seven hard copies of all these documents is too onerous, especially since the e-PPS allows complaints to be submitted online.
Recommendations Operationalise the PRC Regulations 2020 but review it to provide for a more efficient process.
Assessment criterion 13(a)(b): The first review of the evidence is carried out by the entity specified in the law.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis This appears to be the case, although bidders frequently direct their complaints to the courts in the first instance.
Gap analysis Currently, the legal framework does not set out the procedures very clearly so that bidders are not constrained to use the prescribed review mechanism before going to court. This undermines the administrative review procedure and adds confusion and uncertainty to the process.
Recommendations The Rules should clarify the requirement to exhaust administrative procedures before turning to the courts.
Assessment criterion 13(a)(c): The body or authority (appeals body) in charge of reviewing decisions of the specified first review body issues final, enforceable decisions. *
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The second-tier review body is currently not operational. The PRC Regulations 2020 state that its decision is binding and that a failure to comply amounts to misconduct on the part of

the procuring agency. This may, it could be assumed, lead to disciplinary sanction although this is not stated.

Quantitative analysis

PRC is not functional and so no data is available.

Gap analysis

Rule 56-A sets up a second-tier appeals mechanism under which an aggrieved party may make an appeal to the PRC against the decision of the GRC. Though there have been sone cases in the past, the second-tier review body is currently not operational.

Recommendations

The PRC needs to be made operational and provided with appropriate dispute resolution training. The consequences of non-compliance need to be set out in the Act and more clearly in the PRC Regulations 2020.

Assessment criterion 13(a)(d):

The time frames specified for the submission and review of challenges and for appeals and issuing of decisions do not unduly delay the procurement process or make an appeal unrealistic.

Conclusion: No gap

Red flag: No

Qualitative analysis

The time provided for a decision to be made at the first level complaint is 15 days (+ 3 days for notification). An appeal must be made within 5 days. A decision of the PRC on appeal must be made within 2 weeks of the appeal. These time periods are not unduly long and should be adequate for ensuring speedy decisions.

Gap analysis

The appeal mechanism does not function so that it is not possible to confirm that this is the case in practice.

Recommendations

None.

Sub-indicator 13(b)

Independence and capacity of the appeals body

The appeals body:

Assessment criterion 13(b)(a):

is not involved in any capacity in procurement transactions or in the process leading to contract award decisions

Conclusion: Substantive gap

Red flag: No

Qualitative analysis

The chair of the PRC is the MD of BPPRA, and it may have other members who are procurement specialists from BPPRA (this is stated in the plural but there is no indication of how many such members there may be). The others are a private member and a technical expert, nominated by the chair, although it is not stated where this technical expert could be found. At least half of the members may, therefore, be from BPPRA and these could form the majority if there is more than one procurement specialist included from BPPRA.

Gap analysis In practice, it appears that BPPRA is involved in closely reviewing and correcting the procurement procedures of procuring agencies (as part of its advisory functions). This is done as a means of ensuring integrity and compliance and has been seen as necessary from an historical perspective. BPPRA sees itself as the guardian of the procurement process and uses it advisory function as a form of supervision. Whilst understandable in the context of Balochistan (and there is anecdotal evidence to suggest that this has been successful in improving compliance), there is a danger that BPPRA's proximity to the procurement decision-making process undermines its independence as an appeals body. It cannot be seen to be an independent adjudicator where it is also involved in affecting the decision-making process of procuring agencies.
Recommendations It is recommended that the PRC be made independent of BPPRA so that any potential conflict of interest be removed. Alternatively, the role of BPPRA in advising procuring agencies should be clearly defined and restricted so that it does not become involved in the decision-making process.
Assessment criterion 13(b)(b): does not charge fees that inhibit access by concerned parties
Conclusion: No gap
Red flag: No
Qualitative analysis Fees are charged and appear reasonable (based on value of contracts. They do not appear to inhibit access by concerned parties because the system is not currently operational.
Gap analysis None.
Recommendations None
Assessment criterion 13(b)(c): follows procedures for submission and resolution of complaints that are clearly defined and publicly available
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The PRC Regulations 2020 sets out procedures for submission and resolution of complaints that are clearly defined, even though they are rather onerous. They are not operational and not available on the BPPRA website although they have been notified (Gazetted) and so are, in principle, publicly available.
Gap analysis The PRC Regulations are not operational and not available on the BPPRA website.
Recommendations The PRC Regulations should be made operational and made available on the BPPRA website.
Assessment criterion 13(b)(d): exercises its legal authority to suspend procurement proceedings and impose remedies
Conclusion: Substantive gap
Red flag: No

Qualitative analysis The PRC is not functional so that the practice cannot be assessed. There is power granted to the PRC to suspend proceedings where it considers that the appeal will be rendered irrelevant in the absence of suspension.
Gap analysis The PRC is not functional.
Recommendations The PRC needs to be made functional.
Assessment criterion 13(b)(e): issues decisions within the time frame specified in the law/regulations*
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The PRC is not functional so that the practice cannot be assessed.
Quantitative analysis PRC is not functional and so no data is available.
Gap analysis The PRC is not functional.
Recommendations The PRC needs to be made functional.
Assessment criterion 13(b)(f): issues decisions that are binding on all parties
Conclusion: Substantive gap
Red flag: No
Qualitative analysis As above, although the PRC Regulations do state that its decisions are binding.
Gap analysis As analysed above at 13 (b) (a) and 13 (b) (c).
Recommendations PRC needs to be made functional
Assessment criterion 13(b)(g): is adequately resourced and staffed to fulfil its functions.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis As analysed above at 13 (b) (a) and 13 (b) (c).
Gap analysis As analysed above at 13 (b) (a) and 13 (b) (c)
Recommendations The PRC needs to be made functional which would enable institutional strengthening through adequate staffing
Sub-indicator 13(c) **Decisions of the appeals body** Procedures governing the decision-making process of the appeals body provide that decisions are:

Assessment criterion 13(c)(a): based on information relevant to the case.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The PRC Regulations set out the information on which the PRC decisions must be based.
Gap analysis The PRC Regulations are not in operation.
Recommendations The PRC Regulations must be operationalised.
Assessment criterion 13(c)(b): Balanced and unbiased in consideration of the relevant information. *
Conclusion: Substantive gap
Red flag: No
Qualitative analysis The PRC Regulations set out the information on which the PRC decisions must be based
Quantitative analysis PRC is not functional and so no data is available.
Gap analysis As stated above PRC is not functional so no data is available to undertake gap analysis
Recommendations PRC needs to be made functional.
Assessment criterion 13(c)(c): result in remedies, if required, that are necessary to correcting the implementation of the process or procedures. *
Conclusion: Substantive gap
Red flag: No
Qualitative analysis PRC is not functional and so no data is available
Quantitative analysis PRC is not functional and so no data is available.
Gap analysis As stated above PRC is not functional so no data is available .
Recommendations The PRC Regulations must be operationalised
Assessment criterion 13(c)(d): decisions are published on the centralised government online portal within specified timelines and as stipulated in the law. *
Conclusion: Substantive gap
Red flag: No

Qualitative analysis As above. But there is also no requirement for the publication of decisions.
Quantitative analysis PRC is not functional and so no data is available.
Gap analysis As stated above PRC is not functional so no data is available
Recommendations The PRC Regulations must be operationalised

Indicator 14. The country has ethics and anticorruption measures in place

Sub-indicator 14(a) **Legal definition of prohibited practices, conflict of interest, and associated responsibilities, accountabilities, and penalties** The legal/regulatory framework provides for the following:
Assessment criterion 14(a)(a): definitions of fraud, corruption, and other prohibited practices in procurement, consistent with obligations deriving from legally binding international anti-corruption agreements.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis The Act provides definitions of conflict of interest, fraud, and corruption. The latter definition is consistent (copy/paste) with the definitions of the MDBs. At the same time, the Anti-Corruption Establishment (ACE) which is responsible for enforcing integrity relies on the definition of the Penal Code and of the Prevention of Corruption Act 1947. These are different from those contained in the BPPRA Act and are more generic. There is nothing specific to procurement in those norms. When addressing potential cases of corruption, ACE would refer to the Penal Code and Prevention of Corruption Act. This may cause some confusion to the extent that the definitions are not the same. It is then a question of how these various definitions would be dealt with by the courts.
Gap analysis The various definitions of corruption in different acts may cause confusion in practice. There is a danger that this practical problem may be exacerbated if the courts become involved
Recommendations It would be preferable to consolidate the definitions of corruption. A red flag is assigned because it would require coordination of several agencies and because of concern over potential judicial intervention.
Assessment criterion 14(a)(b):

definitions of the individual responsibilities, accountability and penalties for government employees and private firms or individuals found guilty of fraud, corruption, or other prohibited practices in procurement, without prejudice of other provisions in the criminal law.

Conclusion: Minor gap

Red flag: No

Qualitative analysis

Government employees in Balochistan, Pakistan, are subject to several anti-corruption laws and regulations to ensure transparency and accountability. Here are the key laws:

1. **Balochistan Enquiries and Anti-Corruption Act, 2010**: This act establishes the Anti-Corruption Establishment (ACE) in Balochistan, which is responsible for investigating complaints of corruption against provincial public servants. It outlines the powers and functions of the ACE, including the investigation of corruption and misconduct.
2. **Balochistan Enquiries and Anti-Corruption Rules, 2011**: These rules provide detailed guidelines for the functioning of the ACE, including the powers of the Director General, jurisdiction, and procedures for handling complaints.
3. **Balochistan Civil Servants Act, 1974**: This act governs the service conditions of civil servants in Balochistan and includes provisions related to the conduct and accountability of government employees.

These laws collectively aim to prevent corruption, promote ethical behaviour, and ensure that government employees in Balochistan adhere to high standards of integrity and accountability.

Gap analysis

While the Rules contain generally acceptable definitions of fraudulent and corrupt practices, there are no specific rules around it beyond a referral to anti-corruption authorities in case of mis-procurement. This too, refers to bidders / contractors rather than individual government functionaries. Where corrupt offences have been identified, section 4 of the Enquiries & Anti-Corruption Establishment (Balochistan) gives ACE the powers to investigate, search, arrest, seize property, although there is no detailed table of specific monetary penalties or imprisonment terms **included in those provisions.** At the same time, many offences of corruption will also be considered as federal offences and these carry criminal penalties (imprisonment, fines) for bribery, misuse of office, etc. Proven corruption charges against employees in Balochistan will lead to **dismissal from service. The** Whistleblower Act of 2025 brings in **specific monetary fines and imprisonment terms** for both false disclosures and disclosure of whistleblower identity.

Recommendations

Develop specific language that is directed on how government employees are expected to act and define remedial measures.

Assessment criterion 14(a)(c):

definitions and provisions concerning conflict of interest, including a cooling-off period for former public officials.

Conclusion: Minor gap

Red flag: No

Qualitative analysis Rule 2(i) (iv) defines situations of conflict of interest for staff in Pakistan, where such staff might benefit directly or indirectly from the outcome of a procurement process.
Gap analysis The Rule does not specify condition to reflect the position for former government employees in situations of conflict of interest. Nor does it specify a cooling-off period for such employees before that can be eligible to receive government contracts.
Recommendations Define cooling-off requirements for government staff, both in and outside a procuring agency.
Sub-indicator 14(b) **Provisions on prohibited practices in procurement documents**
Assessment criterion 14(b)(a): The legal/regulatory framework specifies this mandatory requirement and gives precise instructions on how to incorporate the matter in procurement and contract documents.
Conclusion: No gap
Red flag: No
Qualitative analysis Rule. 2(n) Definitions, describe the corrupt and fraudulent practices that meet generally accepted definitions on the subject.
Gap analysis None
Recommendations None
Assessment criterion 14(b)(b): Procurement and contract documents include provisions on fraud, corruption, and other prohibited practices, as specified in the legal/regulatory framework.
Conclusion: No gap
Red flag: No
Qualitative analysis The definitions contained in Rule 2(n) are then repeated in all procurement documents including all types of bidding document as well as contracts.
Gap analysis None
Recommendations None
Sub-indicator 14(c) **Effective sanctions and enforcement systems**
Assessment criterion 14(c)(a): Procuring entities are required to report allegations of fraud, corruption and other prohibited practices to law enforcement authorities, and there is a clear procedure in place for doing this.
Conclusion: No gap
Red flag: No

Qualitative analysis There are no specific provisions in the Procurement Rules that require procuring agency staff to report instances of fraud or corruption, except in the cases of mis-procurement. However, they are bound by other government regulations mentioned above to do so.
Gap analysis There are no specific requirements in the rules requiring procuring agency staff to report on fraud and corruption except in cases of mis-procurement
Recommendations Amend Rules to address the above gap.
Assessment criterion 14(c)(b): There is evidence that this system is systematically applied, and reports are consistently followed up by law enforcement authorities.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis Law enforcement does follow up on fraud and corruption reports but there is no evidence reported of such follow up. Often, the relevant authorities will launch investigations even is cases of anonymous complaints, mostly by disgruntled bidders
Gap analysis In the absence of any reporting, it is difficult to assess the extent to which allegations are followed up, or how they are dealt with and their outcome.
Recommendations The appropriate authorities should be encouraged to provide transparent reporting of fraud and corruption cases.
Assessment criterion 14(c)(c): There is a system for suspension/debarment that ensures due process and is consistently applied.
Conclusion: Minor gap
Red flag: No
Qualitative analysis There is blacklisting process defined in Rule 23 that describes the circumstances under which such sanctions take place. See assessment criterion 1(d). However, since the debarment (blacklisting) process is decentralised, there is no information on the process with BPPRA and no central repository of debarred bidders. No data has been obtained in respect of any procuring entity although it is known from comments made that debarment has been deployed.
Gap analysis See assessment criterion 1(d). No evidence that is applied consistently. ACE did point out the issue of un-recognised debarment, i.e. debarred bidders in one district being able to bid in other districts
Recommendations It is recommended that the improvements suggested under assessment criterion 1(d) be made.

Assessment criterion 14(c)(d):
There is evidence that the laws on fraud, corruption and other prohibited practices are being enforced in the country by application of stated penalties. *

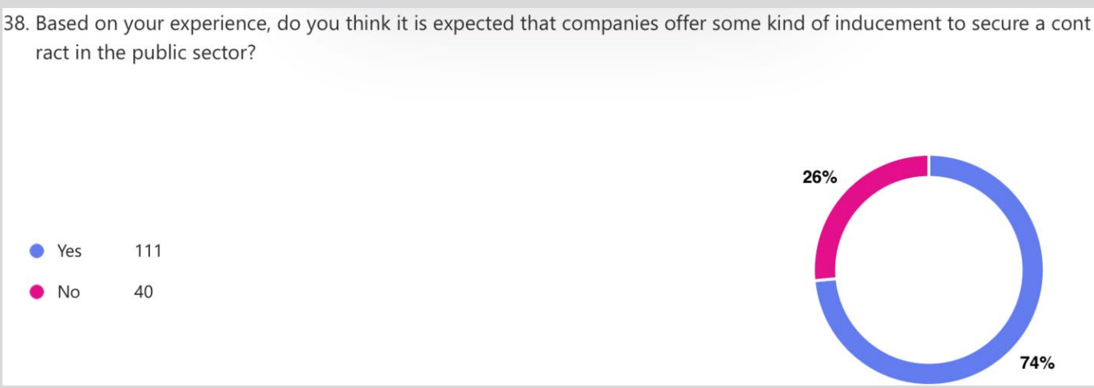
Conclusion: Substantive gap

Red flag: Yes

Qualitative analysis
There is no evidence that integrity cases are followed up, even if it is stated that law enforcement agencies do so (see assessment criterion 14(c)(b) above). Similarly, there is little public data showing systematic enforcement and imposition of penalties. NAB quarterly data is not disaggregated so that it is difficult to identify provincial cases and the public data will indicate some referrals but will lack specificity, e.g. full case-lists, conviction rates or timelines for follow-up are not available.

Quantitative analysis
Source: Survey.

The lack of reporting means there is no quantitative information available. At the same time, 74% of those surveyed believe that inducements are necessary to secure public contracts suggesting that anti-corruption measures are not being successfully enforced.



Gap analysis
Whilst there are anti-corruption efforts being made, there is no evidence that the laws on fraud, corruption and other prohibited practices are being enforced in the country by application of stated penalties: 14(c)(b) above.

Recommendations
The appropriate authorities should be encouraged to provide transparent reporting of fraud and corruption cases.

Sub-indicator 14(d)
Anti-corruption framework and integrity training

Assessment criterion 14(d)(a):
The country has in place a comprehensive anti-corruption framework to prevent, detect and penalise corruption in government that involves the appropriate agencies of government with a level of responsibility and capacity to enable its responsibilities to be carried out. *

Conclusion: Minor gap

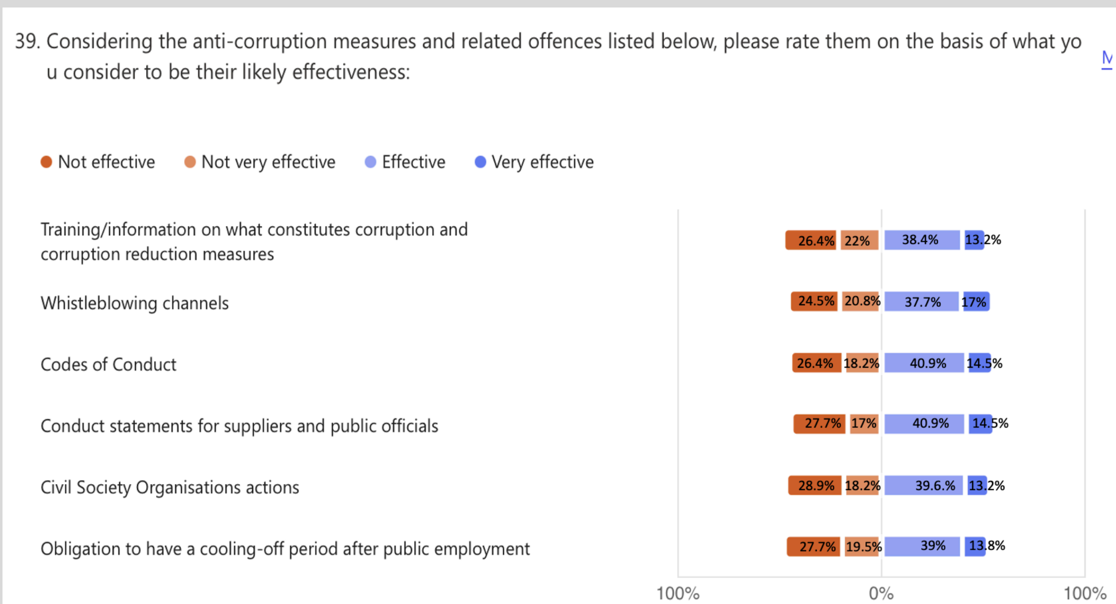
Red flag: No

Qualitative analysis

The legal framework provides for a number of oversight agencies, notably ACE (which has the power to investigate certain offences of corruption by public servants in Balochistan); and the Anti-Corruption Establishment (Balochistan) (ACEB) (which is the provincial agency charged with receiving complaints and executing investigations in Balochistan. There is also a recent Balochistan Whistleblower Protection and Vigilance Commission Act, 2025 which establishes a new mechanism for public-interest disclosures, whistleblower protection, and a dedicated vigilance commission. At federal level there is the National Accountability Bureau (NAB) whose mandate covers corruption in provinces (including Balochistan) under the National Accountability Ordinance 1999 and related institutional infrastructure. There is, however, no active CSO in this area in Balochistan. While the relevant laws exist, the staffing levels, training and forensic financial investigation capacity is unknown but there are suggestions that they are insufficient. Inter-agency coordination appears to be uneven. As indicated under assessment criterion12(b)(d), whilst audit findings from procurement units (e.g., by the provincial audit office) may **identify** irregularities, the degree to which they are systematically referred, investigated, sanctioned by the oversight bodies and tracked is inconsistent. The availability of comprehensive public data on provincial anti-corruption cases, resources, performance metrics is limited.

Quantitative analysis

Source: Survey.



Gap analysis

The survey question appears to have been interpreted by those surveyed as a general query rather than as an assessment of measures in force, limiting its value.

Recommendations

Assessment criterion 14(d)(b):

As part of the anti-corruption framework, a mechanism is in place and is used for systematically identifying corruption risks and for mitigating these risks in the public procurement cycle.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis
Gap analysis While there are adequate definitions of fraud and corruption in the Rules, procurement documents, and beyond that in criminal law, there do not appear to be any systematic risk assessment measures in place that specifically address procurement risks either in individual sectors or at a sector level. For instance, there is a perception that collusion in civil works contracts is widely practiced and known, but no preventive or punitive action is taken. There is no concrete evidence that any related training has taken place.
Recommendations Develop a risk-based assessment tool for Fraud and Corruption.
Assessment criterion 14(d)(c): As part of the anti-corruption framework, statistics on corruption-related legal proceedings and convictions are compiled and reports are published annually.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis Publicly available data is very limited and incomplete. As explained under assessment criterion 14(c)(d), there is little public data showing systematic prosecution or enforcement of penalties for corrupt activities. NAB does publish quarterly data but this is not disaggregated and lacks specificity.
Gap analysis There are no comprehensive and detailed reports of corruption-related legal proceedings and convictions.
Recommendations The existing reports need to be improved with full statistics (notably with outcome progression) and published in an accessible format.
Assessment criterion 14(d)(d): Special measures are in place for the detection and prevention of corruption associated with procurement.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis No such measures are in place.
Gap analysis As stated above no such measures are in place

Recommendations The Rules (and SBDs) should be amended to provide for the detection and prevention of corruption associated with procurement.
Assessment criterion 14(d)(e): Special integrity training programmes are offered, and the procurement workforce regularly participates in this training.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis There is no evidence of any special integrity training programmes or of the procurement workforce regularly participating in this training.
Gap analysis Absence of specialised integrity training
Recommendations Special integrity training programmes should be envisaged for the procurement workforce. Either as part of BPPRA's own training g programme or to be provided by the anti-corruption authorities.
Sub-indicator 14(e) **Stakeholder support to strengthen integrity in procurement**
Assessment criterion 14(e)(a): There are strong and credible civil society organisations that exercise social audit and control.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis There is no evidence of any CSO exercising social audit and control in Balochistan.
Gap analysis No active CSOs in this area in Balochistan.
Recommendations Efforts need to be made to engage civil society.
Assessment criterion 14(e)(b): There is an enabling environment for civil society organisations to have a meaningful role as third-party monitors, including clear channels for engagement and feedback that are promoted by the government.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis There are no legal provisions providing an enabling environment in Balochistan for CSOs, including as third party monitors. There are thus no channels for engagement and feedback.

Gap analysis There are do defined channels for engaging with Civil society for feedback or third-party monitoring
Recommendations As discussed under other assessment criteria , a mechanism needs to be developed to engage civil society organization for feedback and third-party supervision of procurement processes.
Assessment criterion 14(e)(c): There is evidence that civil society contributes to shape and improve integrity of public procurement. *
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis There are no CSOs operating in Balochistan and thus no evidence of their contribution.
Quantitative analysis There are no CSOs operating in Balochistan.
Gap analysis There are no CSOs operating in Balochistan.
Recommendations n/a
Assessment criterion 14(e)(d): Suppliers and business associations actively support integrity and ethical behaviour in public procurement, e.g. through internal compliance measures. *
Conclusion: Substantive gap
Red flag: No
Qualitative analysis **Gap analysis** This information was not available. Nevertheless, conversations with business organisations suggests that this is not happening.
Quantitative analysis - *number of suppliers that have internal compliance measures in place (in %).* Data not available.
Gap analysis This information was not available. Nevertheless, conversations with business organisations suggests that this is not happening.
Recommendations Encourage further support for integrity in the private sector.

Sub-indicator 14(f) **Secure mechanism for reporting prohibited practices or unethical behaviour**
Assessment criterion 14(f)(a): There are secure, accessible, and confidential channels for reporting cases of fraud, corruption or other prohibited practices or unethical behaviour.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis ACE accepts anonymous complaints but there is no dedicated and secure channel for doing so.
Gap analysis There is no dedicated and secure channel for reporting cases of fraud, corruption or other prohibited practices or unethical behaviour.
Recommendations Secure, accessible, and confidential channels for reporting cases of fraud, corruption or other prohibited practices or unethical behaviour should be provided.
Assessment criterion 14(f)(b): There are legal provisions to protect whistle-blowers, and these are considered effective.
Conclusion: Minor gap
Red flag: No
Qualitative analysis There have up to now been no secure channels for "whistle-blowers." Consequently, many complaints are received anonymously, lacking specific details and information for fear of reprisal. However, as of 2025, there is a new Balochistan Whistleblower Protection and Vigilance Commission Act which establishes a new mechanism for public-interest disclosures, whistleblower protection, and a dedicated vigilance commission.
Gap analysis To date, there has been no whistleblower protection. The new Law has only just come into force and its impact will need to be monitored.
Recommendations Implementation of the Whistleblower Act will need to be monitored.
Assessment criterion 14(f)(c): There is a functioning system that serves to follow up on disclosures.
Conclusion: Substantive gap
Red flag: Yes
Qualitative analysis The absence of a reporting system means that there is no such system (for follow-up) in place.
Gap analysis There is no follow-up system in place.

Recommendations
In establishing a confidential reporting system, the system must include a process for following-up on the disclosures made.

Sub-indicator 14(g)
Codes of conduct/codes of ethics and financial disclosure rules

Assessment criterion 14(g)(a):
There is a code of conduct or ethics for government officials, with particular provisions for those involved in public financial management, including procurement. *

Conclusion: No gap

Red flag: No

Qualitative analysis
There is a code of conduct and specific ethics guidelines for government officials in Balochistan, including provisions for those involved in public financial management and procurement: Balochistan Government Servants (Conduct) Rules, 1979. These rules outline the conduct expected of government servants, including aspects like acceptance of gifts, declaration of assets, and restrictions on private trade and employment.

Quantitative analysis

100% of departments and employees are required to follow the above approaches

Source: Normative/regulatory function.

Gap analysis
None

Recommendations
n/a

Assessment criterion 14(g)(b):
The code defines accountability for decision making, and subjects decision makers to specific financial disclosure requirements. *

Conclusion: Substantive gap

Red flag: No

Qualitative analysis
The Rules primarily focus on the ethical conduct and behaviour of government servants. However, they do not seem to specifically address accountability for decision-making or impose financial disclosure requirements on decision-makers.

Quantitative analysis

The requirement does not exist and there is no data as a result.

Gap analysis There are no disclosure requirements for officials involved in public procurement.
Recommendations A code of conduct needs to be developed which addresses accountability for decision-making or impose financial disclosure requirements on decision-makers.
Assessment criterion 14(g)(c): The code is of mandatory, and the consequences of any failure to comply are administrative or criminal.
Conclusion: No gap
Red flag: No
Qualitative analysis The Rules are mandatory for all government servants in Balochistan and outline the expected ethical conduct and behaviour. Failure to comply can result in administrative consequences such as warnings, suspensions, or terminations, rather than criminal penalties. However, serious breaches of conduct could potentially lead to criminal charges depending on the nature of the violation.
Gap analysis None
Recommendations None
Assessment criterion 14(g)(d): Regular training programmes are offered to ensure sustained awareness and implementation of measures.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis No training is offered
Gap analysis No training is offered
Recommendations Provide training once changes to regulations are made to require financial disclosures by officials involved in public procurement.
Assessment criterion 14(g)(e): Conflict of interest statements, financial disclosure forms and information on beneficial ownership are systematically filed, accessible and utilised by decision makers to prevent corruption risks throughout the public procurement cycle.
Conclusion: Substantive gap
Red flag: No
Qualitative analysis These are not collected and so not filed or accessible and not used by decision makers.

Gap analysis
Recommendations A code of conduct needs to be developed which imposes financial disclosure requirements (including on beneficial ownership) and which includes filing and accessibility requirements.

Appendices

Appendix I: List of Documents Reviewed

1. *Balochistan Procurement Regulatory Authority Act, 2009 (Act No.VIII of 2009)*
2. The Balochistan Public Procurement Regulatory Authority (Amendment Act No. IV of 2013)
3. The Balochistan Public Procurement Regulatory Authority (Amendment) Act, 2022. Act No II of 2022.
4. Balochistan Public Procurement Regulatory Authority (BPPRA) BPPRA Rules 2014 With Updated Amendments 2022
5. Public Procurement Regulations, 2017 (Blacklisting of Contractors, Suppliers and Consultants)
6. N O T I F I C A T I O N
7. NO. BPPRA/Pr- Sp(G&S)/19/2016/01/38151.
8. Baolchistan Public Procurement (Framework Agreement) Regulations 2020
9. N O T I F I C A T I O N
10. NO. BPPRA/1-31/2020/650-63.
11. Balochistan Public Procurement Review Committee Regulations 2020
12. N O T I F I C A T I O N
13. NO. BPPRA/1-31/2020/637-49.
14. Assessment Report
15. Balochistan Public Procurement Regulatory Authority e-Government procurement System
16. (ADB, March 2024)
17. The Balochistan Enquiries and Anti-Corruption Act, 2010 Act No. XII Of 2010
18. Balochistan Enquiries and Anti-Corruption (Functions, Powers and Procedure) Rules 2011
19. NOTIFICATION
20. No. 10-3/2000-SOI (S&GAD)(4)
21. Audit Report on The Accounts of Government of Balochistan (Audit Year 2022-23) Auditor-General of Pakistan
22. The Balochistan Public Private Partnership Act, 2021 Act No XXV of 2021
23. *Balochistan Province Pakistan: Procurement Systems Performance Assessment (MDBs, May 2007)*
24. Pakistan Country and Sector/Agency Procurement Risk Assessment Report (TA-9033- REG, January 2020)
25. Balochistan: Public Expenditure and Financial Accountability (PEFA) Performance Assessment Report
26. (April 2017)
27. The Balochistan Delegation of Financial Powers and Re-Appropriation Rules, 2019

Appendix II: List of Stakeholders

1.	Abdul Wahid Kakar	DG Anti-Corruption Establishment (ACE)
2.	Nasrullah Jan	Controller General Accounts (CGA)
3.	Riasat Ali	Deputy Secretary, Health Department
4.	Pervaiz Khan	Contractors Association of Balochistan
5.	Jameel Ahmed	Health Bidders Association of Balochistan
6.	Sajid Lashari	Local Government and Rural Development Department
7.	Sanaullah Khan	Bank Alfalah
8.	Nadeem Shahzad	Bank Alfalah
9.	Faiz Muhammad Jaffar	DG Audit Office
10.	Kanwal Kumar	DG Audit Office
11.	Abdul Malik	DG Audit Office
12.	Zaheer Aslam	DG Audit Office
13.	Engr. Nasir Majeed	Pakistan Engineering Council (PEC)
14.	Zeeshan Khan Malghani	Health Department
15.	Syed Jamil-ur-Rehman	Balochistan Health Bidder's Association
16.	Tassawar Sial	Balochistan Health Bidder's Association
17.	Lal Jan Jaffar	Communication, Works Physical Planning & Housing Dept.
18.	Mukhtar Ahmed Kakar	Communication, Works Physical Planning & Housing Dept.
19.	Javed Anwar Shahwani	Fisheries & Costal Development Department
20.	Imran Ibrahim	Fisheries & Costal Development Department
21.	Mr. Attaullah	Fisheries & Costal Development Department
22.	Dr. Allauddain	Fisheries & Costal Development Department
23.	Amir Humza	Fisheries & Costal Development Department
24.	Qadir Bakhsh Pirkani	Agriculture and Cooperatives Department
25.	Muhammad Ejaz	Agriculture and Cooperatives Department
26.	Juma Khan Tareen	Agriculture and Cooperatives Department
27.	Lutfullah Khoso	Agriculture and Cooperatives Department
28.	Behram Khan	Agriculture and Cooperatives Department
29.	Sikander Shahzad	Agriculture and Cooperatives Department
30.	Zubair Haseeb	Agriculture and Cooperatives Department
31.	Tanveer Rehim Jamot	Chamber of Commerce & Industry Quetta
32.	Agha Gul Khilji	Chamber of Commerce & Industry Quetta
33.	Salah Uddin Khilji	Chamber of Commerce & Industry Quetta
34.	Sardar Musa Khan Kakar	Chamber of Commerce & Industry Quetta
35.	Syed Ghulam Sarwar Agha	Chamber of Commerce & Industry Quetta
36.	Sana Ullah Khan Durrani	Chamber of Commerce & Industry Quetta
37.	Muhammad Ashfaq	Chamber of Commerce & Industry Quetta
38.	Muhammad Imran Khan	Chamber of Commerce & Industry Quetta
39.	Afrasiab Khan	The Group Engineers

40. Rizwan Ahmed Rehman Habib Consultants (RHC)
41. Sanaullah Khan Durrani Cameos Consultant (Water Sector)
42. Engr. Hamayoun Khan Govt. Contractor & General Order Supplier

Appendix III: Supplier Survey

Supplier Survey – Balochistan MAPS Assessment (excerpt)

We are a team of independent experts conducting this survey as part of the Assessment of the Public Procurement System of Balochistan, using the universal 'MAPS' tool (Methodology for Assessment of Procurement Systems). ...

Company/Organization characterization
- Goods
- Non-Consulting Services
- Consulting Services
- Works

Questions (sample):
1. Sector of activity (free text)
3. Is your company/organisation a Micro or Small Enterprise? (Yes/No)
4. Have you submitted a tender to procuring entities in the past five years? (Yes/No)
6. What discourages your organization from seeking to do business with procuring entities? (multiple choice)
7. Have you ever used the ePPS to participate in tendering? (Yes/No)
11. How comfortable are you with the security of submissions and vendor information in ePPS? (Likert)
...

Institutions & Framework
13. Conflicts of interest related to procurement in BPPRA? (scale)
14. Conflicts of interest in operations by Procuring Entities? (scale)
16. In case of changes to Rules/legislation: consultation with private sector, ease to follow, resources to keep up, support/training from BPPRA (Yes/No/Sometimes)

Procurement Market & Participation
17. Conditions in the public procurement market (financing access, proportional methods, fair risk allocation, payment fairness, dispute resolution, independent review, registration ease) (Yes/No)
18–19. Other barriers; improvements to market conditions (free text)
20. Experiences: >12-month contracts; cancelled/re-tendered processes; bid validity extensions; two-stage bidding; insufficient time to prepare (frequency)

Process Clarity
21–27. Where opportunities are found; clarity of requirements; bidding docs; submission/opening procedures; award/evaluation techniques; visibility of decision reasoning; what can be improved (mixed response types)

Review of Decisions
28–34. Applications to grievance committees/PRC; trustworthiness/fairness; reasons for not appealing; overall rating of review & appeals; suggested improvements

Contract Execution
35–37. Frequency of situations: award but no signature; project cancellations; delayed site access; scope changes; price amendments; disputes; implementation delays; late payments; market shortages; delays in approvals; inspection/quality control effectiveness

Anti-corruption Measures
38–39. Inducements perceived; effectiveness of measures: training, whistleblowing channels, codes of conduct, CSO actions, cooling-off periods (Likert)

Source: Microsoft Forms-based questionnaire screenshots/pages (Appendix III).

Appendix IV: Part 1 Validation Workshop Presentation

• Date: 13 November 2024

• Purpose: Validate assessment findings with stakeholders

Recap: What is MAPS?

• Tool to assess procurement systems

• Indicators & criteria, qualitative + quantitative

• Data from documents, surveys, samples, stakeholder discussions

• Outputs: report with prioritized recommendations

MAPS Roadmap – Balochistan

• Planning & preparation → Launch → Assessment → Validation & feedback → QA → Seal of Approval → Publication → Follow-up

• Request & Concept Note, Steering Committee, Launch Workshop

• Team assesses law & practice; surveys; sampling; analysis; draft report

• External review & QA; finalize findings & recommendations

Core Methodology & Four Pillars

• Pillar I: Legal, regulatory, policy framework

• Pillar II: Institutions & management capacity

• Pillar III: Operations & market practices

• Pillar IV: Accountability, integrity & transparency

• 14 indicators, 55 sub-indicators, 210 criteria

Indicator System & Gap Analysis

• Three-step review

• Apply qualitative/quantitative criteria

• Identify substantive/material gaps

• Red flags ≠ red lines; highlight impediments

Pillar I – Findings (sample)

• Strengths: transparent framework; e-GP use; clear processes

• Weaknesses: unclear qualification; foreign bidder disincentives; limited contract management provisions; second-tier review non-operational

Pillar II – Findings (sample)

• Strengths: BPPRA established; some SBDs; duties defined; e-GP compliance training

• Weaknesses: planning not integrated with PFM; incomplete BPPRA functions; roles not fully assigned; narrow capacity building

Pillar III – Findings (sample)

• Strengths: procedure compliance; standardized docs; e-GP efficiency

• Weaknesses: limited strategic procurement; high e-bidding thresholds; SPP absent; late payments; limited CSO participation

Pillar IV – Findings (sample)

• Strengths: public information; internal/external audit presence; anti-corruption framework

• Weaknesses: second-stage review not operational; limited CSO engagement; backlog; limited procurement-specific audits

Recommendations – Categories

• Legal system enhancements

• System operation improvements

• System oversight strengthening

• System capacity development

Next Steps

• Matrix corrections

• Survey completion & results

• Draft narrative report

• Finalize recommendations & action plan

• BPPRA review → Final report → MAPS Secretariat approval → Publication → Action Plan progress

Appendix IV: Part 2 Summary of validation workshop

This is the summary of the transcript made from a recording of the validation workshop. Co-pilot was used to assist in preparing this summary.

Opening Remarks

- **Welcome and Introductions**: The workshop began with welcoming remarks and introductions of key participants, including representatives from the Ministry of Finance, Balochistan PPRA, the World Bank and the Asian Development Bank (ADB).
- **Purpose of the Workshop**: The main goal was to validate the findings of the MAPS (Methodology for Assessing Procurement Systems) assessment and discuss the next steps for procurement reform in Balochistan.

Key Discussions

1. **MAPS Assessment Overview**:
    - **Importance of MAPS**: Emphasized as a universal tool for assessing public procurement systems, aiming to ensure transparency, efficiency, and value for money.
    - **Current Status**: The assessment is at a critical milestone, with gaps identified mainly due to the absence of data.
2. **Findings and Recommendations**:
    - **Strengths**:
        - **Regulatory Framework**: Well-established rules and regulations, open bidding as the default method, and clear publication requirements.
        - **Training and Capacity Building**: Extensive training conducted for procurement officials.
    - **Weaknesses**:
        - **Data Gaps**: Significant gaps in data availability, affecting the assessment's completeness.
        - **Contract Management**: Need for more detailed provisions on contract management.
        - **Strategic Planning**: Lack of strategic procurement planning and integration with financial management systems.
        - **Complaints Mechanism**: Issues with the independence and functionality of the complaints review mechanism.
3. **Recommendations**:
    - **Enhancing Data Collection**: Improve data collection and management to fill existing gaps.
    - **Strengthening Contract Management**: Develop more comprehensive guidelines and rules for contract management.
    - **Improving Strategic Planning**: Integrate procurement planning with financial management and budgeting processes.
    - **Operationalizing Complaints Mechanism**: Ensure the complaints review mechanism is independent and functional.

Key Points from Interactive Sessions

1. **Procurement Planning and Budgeting**:

- There was a discussion on the integration of procurement planning with the budgeting process. It was highlighted that procurement planning should ideally start before the budget is allocated to ensure strategic alignment and efficient use of resources.
- The importance of having a procurement plan that is flexible and can be adjusted based on budget allocations was emphasized.

2. **Role of Regulatory Authorities**:
   - The role of regulatory authorities like BPPRA in monitoring and ensuring compliance was discussed. It was noted that while BPPRA has been effective in some areas, there is a need for more explicit monitoring and better coordination with other control authorities.
   - The need for BPPRA to have a more defined mandate and additional functions, such as developing standard bidding documents and providing more comprehensive training, was highlighted.
3. **Capacity Building**:
   - Extensive training has been conducted, but it was noted that the training has been too narrow, focusing mainly on the rules rather than good procurement practices.
   - There is a need for broader training that includes senior management, auditors, and other stakeholders involved in the procurement process.
4. **Contract Management**:
   - The importance of having clear provisions for contract management in the legal framework was discussed. This includes assigning responsibilities for contract management and ensuring that there are mechanisms in place for handling variations and amendments to contracts.
   - The need for standardized contract documents that include provisions for price adjustments and other contractual terms was emphasized.
5. **Use of Electronic Procurement Systems**:
   - The benefits of using electronic procurement systems (e-bidding) were discussed, including increased transparency and efficiency.
   - However, it was noted that there are still issues with data extraction and analysis, and there is a need for better data management and reporting capabilities within the e-procurement system.
6. **Stakeholder Engagement**:
   - The importance of engaging with civil society and the private sector in the procurement process was highlighted. This includes having regular dialogue and consultations to ensure that the needs and concerns of all stakeholders are addressed.
   - The need for more transparency and public availability of procurement information was also emphasized.
7. **Recommendations for Improvement**:
   - Several recommendations were made for improving the procurement system, including removing thresholds for e-bidding, enhancing the role of BPPRA, and introducing strategic procurement planning.
   - The need for better coordination between control authorities and the development of risk-based audit and monitoring tools was also discussed.

Closing Remarks

- **Commitment to Improvement**: Emphasis on the commitment to using the MAPS assessment to drive procurement reforms in Balochistan.
- **Next Steps**: Finalizing the assessment report, developing an action plan, and seeking support from development partners like the World Bank and ADB for implementation.

The workshop concluded with a group photo and expressions of gratitude to all participants for their contributions.

Appendix IV: Part 3 Summary of Additional Validation Meeting with Private Sector

This is the summary of the transcript made from a recording of the private sector validation workshop. AI was used to assist in preparing this summary.

In providing an overview of the meeting agenda, the importance was emphasized of addressing the points raised in the survey questionnaire and the feedback process to ensure a productive discussion.

Some key issues were identified, including the role of the Pakistan Engineering Council (PEC), access to the e-PPS system, bid integrity, and the perception of the need to provide gratuity payments to secure government contracts. These topics were identified as critical areas for discussion based on the feedback received.

- **PEC's Role:** the role of the Pakistan Engineering Council (PEC) in the procurement process was discussed, notably the challenges faced by contractors due to the PEC's requirements and the confusion created by overlapping jurisdictions with BPPRA.
- **Access to e-PPS:** The discussion covered the difficulties faced by participants in accessing and using the e-PPS system. Issues such as server problems, document upload challenges and the lack of a helpdesk were highlighted as significant barriers to effective participation in the procurement process.
    - Participants highlighted frustrations and technical difficulties faced when using the e-PPS system, including issues with uploading documents, system reliability, and the lack of a helpdesk: the system often fails to save uploaded documents, requiring multiple attempts and causing significant frustration.
    - System Reliability**:** Participants highlighted the reliability issues with the e-PPS system, including frequent server problems and slow response times. These issues make it difficult for users to complete the procurement process efficiently
    - Lack of Helpdesk**:** the lack of a helpdesk was identified as a major issue. Participants emphasized the need for a dedicated support system to assist users with technical difficulties and provide timely responses to their queries.
    -
- **Bid Integrity:** concerns about the integrity of the bidding process were raised, including the perception that bid prices are leaked before tender openings. Participants shared their experiences and the impact of such practices on the fairness and transparency of the procurement process.
    - Price Leaks: Participants shared their concerns about bid prices being leaked before tender openings. They mentioned that this practice undermines the fairness of the bidding process and allows certain bidders to gain an unfair advantage.
    - Favoritism and Collusion: Concerns about favoritism and collusion were raised, with participants noting that certain contractors are favored over others. This practice leads to a lack of transparency and trust in the procurement process.
    - Examples of Collusion: Specific examples of collusion were provided, such as contractors being approached to withdraw their bids in exchange for a share of the profits. This practice further erodes the integrity of the bidding process.

- Gratuity Payments**:** the discussion also addressed the perception that gratuity payments are expected to secure government contracts. Participants expressed their concerns about this issue and its impact on the credibility and integrity of the procurement process.

Additional issues raised by participants:

- **Contact details**: One participant shared specific points related to the challenges faced by engineering design consultants, including the lack of contact details for BPPRA making it difficult for consultants to seek clarifications or raise issues during the procurement process and the need for capacity building among procurement officials. It was suggested that a designated contact person or helpdesk should be established to address these concerns.
- **Capacity Building**: the need for capacity building among procurement officials was highlighted. It was pointed out that many officials lack the necessary skills and knowledge to effectively manage the procurement process, leading to issues such as irrelevant demands and improper use of templates. Specific challenges are faced by engineering design consultants, such as the requirement for irrelevant codes and the inability to participate in certain tenders due to these requirements. Criteria should be tailored to the specific needs of each project to ensure fair competition.

Participants also made recommendations for improvement such as implementing a helpdesk, ensuring transparency, and addressing the issue of splitting tenders to avoid e-bidding thresholds.

- **Implementing a Helpdesk:** Participants recommended the implementation of a helpdesk to provide support and assistance to users of the e-PPS system. This would help address technical issues and improve the overall user experience.
- **Ensuring Transparency:** Recommendations were made to enhance transparency in the procurement process. This includes providing clear and accessible information about tender requirements, evaluation criteria, and decision-making processes.

Appendix V: Government of Balochistan's Notification Constituting Steering Committee for MAPS

No.FD.SO(Procurement/1-31/2022-23/201
GOVERNMENT OF BALOCHISTAN
FINANCE DEPARTMENT
(Procurement Section)
Our Faith Corruption Free Pakistan.

Ph:# 9201410

Dated Quetta, the 18th August, 2023

ORDER.

No.FD.US(Procurement)1-31/BOD/2022-23/__________/. In compliance with the decision made by Balochistan Public Procurement Regulatory Authority's Board of Directors in its 9th Board meeting held on 7th February, 2023, a Steering Committee for Methodology for Assessing Procurement System (MAPS) to be conducted by World Bank and Asian Development Bank, is hereby constituted with the following compositions and ToRs.

1.	Secretary, Government of Balochistan Finance Department, Quetta.	**Chairman**
2.	Secretary, Government of Balochistan, Communication and Works Department, Quetta.	Member
3.	Secretary, Government of Balochistan, Public Health Engineering Department, Quetta.	Member
4.	Secretary, Government of Balochistan, Irrigation Department, Quetta.	Member
5.	Secretary, Government of Balochistan, Agriculture & Cooperative Department, Quetta	Member
6.	Secretary, Government of Balochistan, Health Department, Quetta.	Member
7.	Secretary, Government of Balochistan, Local Government and Rural Development Department, Quetta.	Member
8.	Secretary, Government of Balochistan, Fisheries & Coastal Development Department, Quetta.	Member
9.	Managing Director, Balochistan Public Procurement Regulatory Authority, Quetta.	Member
10.	Pakistan Engineering Council.	Member
11.	Contractor Association Balochistan	Member
12.	Health Bidder Association	Member

Terms of Reference:

a. To approve the Concept note developed in consultation with MAPS assessment team.

b. Meet periodically to monitor the progress of assessment.

c. Each member of the committee will ensure timely distribution of procurement documents MAPOS assessment team through BPPRA for timely completion of assessment (Each member is requested to form working committee within their respective department.

d. To review draft of the MAPS report and approve the report accordingly.

e. To present the MAPS recommendation to the Government for the implementation of procurement reforms.

SECRETARY FINANCE

No. & Date Even

Copy forwarded to :-

1. The Secretary, Government of Balochistan, C&W Department, Quetta.
2. The Secretary, Government of Balochistan, PHE Department, Quetta.
3. The Secretary, Government of Balochistan, Irrigation Department, Quetta.
4. The Secretary, Government of Balochistan, Agriculture & Cooperative Department, Quetta.
5. The Secretary, Government of Balochistan, Health Department, Quetta.
6. The Secretary, Government of Balochistan, Local Government Department, Quetta.
7. The Secretary, Government of Balochistan, Fisheries Department, Quetta.
8. The Managing Director, BPPRA, Quetta.
9. The Pakistan Engineering Council. Quetta.
10. The Contractor Association Balochistan, Quetta.
11. The Additional Secretary (Staff) to the Chief Secretary Balochistan.
12. PS to the Secretary Finance, Government of Balochistan.
13. PS to the Special Secretary (Finance) Government of Balochistan.
14. PA to Additional Secretary (Monitoring) Finance Department.
15. Master File/ Office Copy.

Government of Balochistan Section Officer (Procurement) Finance Department

18/8/2023

(PERVEZ AHMED)
Section Officer(Procurement)

Appendix VI: Concept Note

MAPS | Methodology for Assessing Procurement Systems

Concept Note

July 2024

Table of Contents

List of Acronyms Used

ADB	The Asian Development Bank
ASC	Assessment Steering Committee
AGP	Auditor General of Pakistan
BPPRA	Balochistan Public Procurement Regulatory Authority
BPPR	Balochistan Public Procurement Rules
BUITEMS	Balochistan University of Information Technology, Engineering & Management Sciences
CIPS	Chartered Institute of Procurement & Supply
CPAR	Country Procurement Assessment report
DDO	Drawing and Disbursement Officer
DP	Development Partner
ePPS	electronic Public Procurement System
GoB	Government of Balochistan
ILO	International Labour Organization
LAUWMS	Lasbela University of Agriculture, Water & Marine Sciences
MAPS	Methodology for Assessing Procurement Systems
MSME	Micro, Small and Medium Sized Enterprise
OECD-DAC	Organisation of Economic Cooperation and Development– Development Assistance Committee
PEC	Pakistan Engineering Council
PEFA	Public Expenditure and Financial Assessment
PPP	Public Private Partnership
SOE	State Owned Enterprise
SME	Small and Medium Sized Enterprise
SBKWU	Sardar Bahadur Khan Women's University
UET	University of Engineering & Technology
WB	The World Bank Group

I. Context and background

1. Pakistan is a federation according to the Constitution of Pakistan, 1973. It has a federal government and four provincial governments including that of Balochistan which is the smallest by population (21.7 million according to preliminary numbers of the 2023 digital census) and largest by land mass (377,190 sq. km). The 18th Amendment to the Constitution provides a federal list of subjects, with the rest of the subjects delegated to the provincial control. The provincial governments have their own budgets and have full control over their expenditures and, notably, procurement. Balochistan is one of these provinces.

2. Each government tier is supposed to have its own budget planning, implementation, accounting as per the rules. The provincial line departments prepare salary and non-salary budgets. The non-salary budget is classified as development and non-development. The Finance Department (FD) then makes the annual budget. The Provincial Planning and Development Department (P&DD) prepares an annual Public Sector Development Program (PSDP) which makes up the total development budget for the province. Each line department is headed by a Secretary, who is also the Principal Accounting Officer, responsible for control and execution of the budget released by the FD, and operates within the parameters of the various financial regulations of the province, including the BPRA rules. All transactions and expenditures are then subject to accountability by the Auditor General of Pakistan

3. It is well understood that public procurement is a crucial component of good governance, poverty reduction, and sustainable development. In Pakistan overall, procurement expenditure is estimated around 20% of the GDP. In the case of Balochistan, 47% of the provincial budget constitutes expenditure through public procurement. This comes to approximately Rs.356,149,267,000 (USD 1.2 billion approx.) . This is a significant outlay, and the strengthening of the public procurement system is seen as central to achieving concrete and sustainable development results and to increasing value for money for the public purse.

4. A provincial OECD-DAC Baseline Assessment carried out in 2007 [10] found that the "*the procurement systems in the province need focused attention to safeguard the interest of the state and use of public funds. To start with there was dire need to overhaul the legal and regulatory framework which did not comprehensively address all types of procurement including goods, works and services keeping in view the current requirements of the public sector and the market prices. Lack of desired procurement practices; absence of a public grievances redressal system; interaction between the demand and supply sides and public information systems needs immense capacity building. In cases of procurement of works and goods the practices are more close to the desired level than in the case of procurement of services (with the exception of donor driven projects)".* Recognizing this and responding to the findings the Government of the Province of Balochistan (GoB) established the Balochistan Public Procurement Regulatory Authority (BPPRA) in 2014[11] as the regulatory body for procurement. This was followed by the establishment of a set of Procurement Rules (BPPRs) in 2014[12] and a comprehensive set of procurement documents. In 2019, a significant number of modifications and updates were made to the BPPRs to

10 Refer to this link.

11 https://bppra.gob.pk/bppra.php?do=k1GbsR2M3NjT31TP

12 http://www.bppra.gob.pk/BPRRules.php

remove deficiencies identified in PEFA and various Auditor General Reports viz., preparation and publication of annual procurement plans, complaints management and publication of annual procurement statistics. To further illustrate some, the concept of framework agreement was introduced, transparency requirements were strengthened and the threshold for procurements to be advertised on the BPPRA website was increased. Also in 2022, the BPPRA rolled out an e-GP system[13], known as the electronic Public Procurement System (ePPS), that has now been expanded to include all types of procurements and has a broad-based MIS and procurement planning system. Currently, all procurement transactions over Rs. 200,000 are covered by ePPS. In terms of percentage, this is estimated to be approximately 98 % by number. Very few small value procurements are usually undertaken by PAs. Since small value petty purchases are not on the system yet, an exact number is difficult to provide.

5. Currently, therefore, procurement in Balochistan is regulated by the Balochistan Public Procurement Rules (BPPRs). The GoB has chosen to promulgate Rules instead of a Law since the power to make rules and regulations is delegated by the BPPRA Act to the BPPRA Board and it is relatively easier to amend and notify any changes in this manner rather than through amendments to a law, which can take a longer time to enact. These rules operate independently of the equivalent Federal Rules. The regulatory body which sits administratively under the Finance Department, has the Provincial Chief Secretary, as the Chairman of its Board. The Board itself is made up of key ministries and has provision for private sector members as well. To foster better coordination among the Federal and Provincial Procurement Regulatory Authorities, a Technical Committee for Procurement Reforms has been created to discuss and agree on matters of common interest. The Committee has representations from the Federal and Provincial Procurement Regulatory Authorities and is chaired by the Managing Director of the Federal PPRA.

6. Procurement is decentralised to the procuring entities who are required to comply with the BPPRs. There are currently over 4000 procuring entities, split between the provincial and district levels, with varying degrees of expenditure. The Departments with the largest spend are the Communication & Works, Local Government, Health, Irrigation, Agriculture, Fisheries and Public Health Engineering, which together constitute approximately 80% of the spend under public procurement. These Departments are each made up of a large number (dozens or hundreds) of procuring entities. All of these are public entities with no participation of State-Owned Enterprises. At the district level, procurement is conducted by the designated District Disbursement Officers (DDOs) but represents a relatively small percentage of overall procurement spend. Procurement is audited by the Auditor General of Pakistan as part of a wider financial audit. A further layer of oversight is provided by the Provincial Anti-corruption Establishments, the National Accountability Bureau, and the Public Accounts Committee as well as a Competition Commission at the Federal Level.

7. The BPPRs apply to all levels of government and cover the procurement of goods, works and services, including consultancy services. The scope does not include PPPs and security spending is limited to Provincial Law Enforcing Agencies, that does not include the Armed Forces, which is a federal subject.

8. Having made significant progress in public procurement reform, the GoB is now keen to take stock of this progress and benchmark it to set the agenda for further improvements. The BPPRA has accordingly requested assistance from the Asian Development Bank (ADB) and the World Bank in carrying out a holistic assessment of the public procurement system using the latest MAPS tools. Both ADB and WB have responded to jointly support the GoB in the assessment.

---

13 http://www.bppra.gob.pk/

9. Various procurement reform initiatives have been undertaken over the last two decades, including the national level World Bank CPAR in 2000, the provincial OECD-DAC Baseline Assessment carried out in 2007[14] (which led to the creation of the BPPRA and the introduction of the BPPRs), the Balochistan Public Expenditure and Financial Accountability (PEFA) Performance Assessment, using the PEFA Framework, 2016, which was carried out by the World Bank in collaboration with the Government of Balochistan (GoB)[15].

10. It is to be noted that most of the provincial procurement systems and rules are similar to the federal system and rules, although they are not identical. While the 18th Amendment to the Constitution clearly demarcates federal and provincial subjects, in certain cases, where development projects are funded by federal grants or financing, federal rules may be followed, but such instances are rare since the budgets allocated to provinces are devolved and administered at the provincial level. This also means that many of the weaknesses that exist at federal level could possibly be replicated in the provincial systems. Overall, the procurement systems have, in most cases, codified legacy procurement processes which tend to be subject to fragmentary systemic reforms, inadequate managerial and financial resources, and a lack of procurement capacity in the market. Fiscal constraints also prevented both federal and provincial governments from implementing the reform agenda. The limited availability of professional procurement practitioners that can be hired by the government, projects and contractors or suppliers is also a contributory factor to sub-optimal procurement outcomes. The capacity constraints, both at the demand and supply side become more apparent due to Balochistan's economic and geographical challenges.

11. Whilst some of these deficiencies were reflected in Balochistan, the GoB has made efforts to overcome them. Thus, the BPPRA, although initially dealing with deficiencies of space and staff, has developed a viable capacity building program, and has trained not only public officials but also suppliers and contractors. Over the past seven years over 2800 (77% approx.) Procuring Entities Staff and 300 suppliers/ contractors have been trained. It is now planning to collaborate with the British Chartered Institute of Procurement & Supply (CIPS), and ILO institute Turin to further professionalise its procurement workforce. The BPPRAs also, unlike the federal rules, include provisions governing the procurement of consultancy services and include a requirement of post procurement reviews. Unlike the federal PPRs, the BPPR calls for a periodic review of the top ten highest value procurements and a random audit of ten of the remaining transactions of all the procuring agencies.

12. The assessments referred to above were mostly done in a piece-meal manner over a span of several years. There has been no comprehensive, up to date assessment of the public procurement system consolidating the procurement reform efforts in a strategic manner. It is now necessary to take stock of the progress made to date, assess the completeness and effectiveness of the public procurement system in a holistic manner and based on a detailed set of qualitative and quantitative criteria, identify any remaining gaps that may be impeding the public procurement system from delivering the desired outcome. GoB is looking for prioritized recommendations for improvement to guide BPPRA in systematically strengthening the public procurement system to make it more responsive to the needs of the government aiming at improved performance, value for money and transparency.

---

[14] Note 10 above.

[15] https://documents.worldbank.org/en/publication/documents-reports/documentdetail/794111540553782391/balochistan-public-expenditure-and-financial-accountability-pefa-performance-assessment-report

II. Objective

13. The primary objective of this assessment is to assist the GoB with its further procurement reform efforts for establishing a modern and robust public procurement system aimed at improving procurement performance and yielding optimal results in the use of public funds and delivery of services to the citizens while maintaining high standards of integrity. The Government is keen to improve the investment climate in the region and sees an improved procurement environment as part of this broader agenda to attract contractors and suppliers whose work in the area may lead to local job creation. This may be particularly beneficial for small and medium sized enterprises (SMEs) and micro-enterprises that may benefit from the influx of new entrants both as part of the 'local' workforce but as beneficiaries of more general support services which may flow from their presence in Balochistan. GoB is concerned to promote inclusion of micro and small and medium sized enterprises (MSMEs) in public procurement to encourage entrepreneurship in the region. The assessment will support this agenda by identifying areas for improvement in the public procurement system. It will do so through (i) collecting information/data of legislation, actual implementation, etc. and analysing the data based on the internationally recognized principles and practices (ii) identifying the strengths and weaknesses of the existing public procurement system, their relative importance and major risks; (iii) identifying any substantial gaps that impede the efficient use of public funds; (iv) making appropriate recommendations to address the identified gaps, elaborating a strategy and reform action plan to improve procurement performance and to identify modern ways of doing procurement to achieve the quality and value for money with a view to delivering better economic and social outcomes, notably for the benefit of MSMEs, and for improving the investment climate.

14. The proposed MAPS will serve as a basis for formulating reforms, improving the provincial procurement systems, and aligning them with internationally accepted good practice. The report will be useful to the GoB and its external partners interested in supporting and strengthening of the procurement systems and will give context to the assessment and provide the whole system evaluation and progress of the individual items assessed. The findings will be used to develop a strategic action plan for improvements in the form of recommendations to address any weaknesses identified and to implement any other initiatives that might improve the system.

15. It is a priority to use the MAPS (https://www.mapsinitiative.org/) assessment to support the Government to further improve on specific indicators under the four pillars based on identified gaps, but more specifically on Procurement Operations and Market Practices (Pillar III) to assess the opportunities for encouraging investment to the region and improving access for MSMEs to the procurement market. The e-procurement module is felt to be important because it would allow an in depth analysis of the current, but young, e-procurement system to be undertaken and thus provide an opportunity to align the system not only with the current country conditions but international best practice as well.

16. To this end, the assessment will apply both the core module and the supplementary module on e-procurement. The ePPS is a customised e-procurement system developed by an external developer and currently managed by BPPRA under a service level agreement (SLA).

III. Scope of the assessment

17. This study is planned for the assessment of the Balochistan procurement system as a whole, rather than of a specific component, subsystem, or particular agency. The assessment will focus on assessing the public procurement legal framework and systems governed by the BPPRs. The public procurement legal

framework to be reviewed includes the regulations relating to public procurement. The review will further cover previous public procurement assessments and related reports. In addition, data from the three years (2020-2023), both Government and ODA-financed, will be collected and analysed to assess performance of the system. The dates have been chosen to avoid, to the extent possible, distortions brought about by the COVID-19 pandemic and because the financial year in Balochistan runs from July to June the assessment team is already able to collect data for three full years.

18. At the same time, GoB is particularly concerned with the implementation of the current legal framework and is keen to assess how the rules are applied in practice to meet its own objectives, namely to encourage inward investment and encourage greater participation by MSMEs. There will, therefore, be a particular focus on pillar III of the core assessment module: procurement operations and market practices.

19. Having introduced its e-GP system in 2022, the time is now ripe to assess the adequacy of the e-GP system itself and its implementation. This will be done both in terms of the operation of the software to provide an electronic platform which satisfies the legal framework and in terms of the level and compliance of usage of the system by, at least, the large spending units which will be the focus of the assessment. Given that this is still a new system, it is hoped that a thorough assessment will point to areas for improvement in the immediate future and help in the design of the next stage of development. The BPPRs contain reference to reverse auctions and e-catalogues but these have not yet been put in place but need to be developed to provide a comprehensive ePPS that meets the objectives of the BPPRs.

20. BPPRA operates at all levels of government, including district level. The MAPS assessment will focus on large spending units and their procurement, namely the Communications & Works Department, Health Department, Agriculture Department, Public Health Engineering, Fisheries Department, Irrigation Department and Local Government & Rural Development Department. Together these represent some 80% of overall public expenditure in the province and the data collected is likely to provide a representative snapshot of the current situation. To ensure that all challenges are reflected in the assessment, procurement of some smaller procuring entities at the district level will also be included in the review.

IV. Information sources

21. Following an initial desk review of documents including regulations and other acts relevant to public procurement (i) the Balochistan Public Procurement Regulatory Act 2009; (ii) the Balochistan Public Procurement Regulatory Amendment Act 2013; (iii) the BPPRA Regulations and procurement files, a detailed field review of the public procurement system covering identified key (large spending) agencies will be conducted by the assessment team to collect and analyse procurement data from the selected procuring agencies, project management units and other sources. Paper based and electronic data will be collected based on availability. For contracts prior to February 2022, the assessment will be reliant on paper-based data, subject to some electronic data available through the previous MIS system. Following the entry into operation of the ePPS system, data will be available in electronic format. The ePPS is used as a single registry by all procuring agencies/departments in Balochistan. Currently, there are 3,935 procurement entities registered on the ePPS and using it for their procurement. Similarly, there are 3,260 active registered vendors/suppliers registered on the ePPS. There is thus a good deal of information stored on the ePPS.

22. The review will also consist of interviews with the identified procurement entities at both management and working levels together with inspection of physical files. This will be done with a view to assessing implementation of the procurement rules and procurement practices and will be particularly important in the assessment of the pillar III indicators, notably the qualitative data needed to address indicator 9. The interviews themselves will be based on an initial questionnaire and a written version will be given to the stakeholders being interviewed for later completion where information is not available during the interview.

23. Balochistan has well-kept procurement records. All invitations for bids, for example, for both paper-based and electronic procurement are published on the ePPS platform. The BPPRA manages the e-GP platform and will be able to provide access to and analysis of the electronic data held on the system. It is anticipated that this platform will produce some 90% of the data required. Contracts and contractual communications are kept by the procuring entities and access to that procurement data will therefore depend on the cooperation to be accorded by the procurement entities.

24. The collection strategy will be to collect data from the 7 key spending agencies representing some 80% of overall spend in the province. A sampling methodology will be devised for the remaining agencies/departments following the launch mission where more detailed information may be available on procurement spend and its spread among the agencies/departments. Data from the ePPS will also be used to identify the spread of procurement spend. The data collection will focus on the period from July 2020 to June 2023, providing three full years of post-pandemic data. GoB procurement Rules mandate publication of competitive procurement information for both paper-based transactions and transactions through e-procurement from 28th Feb 2022 when the platform was rolled out. The strategy will be:

(iii) to obtain data on contracts procured through the e-GP platform (including specific procurement notices, bidding documents and bid evaluation reports extracted from the system);
(iv) to access data on paper-based procurements, not processed through ePPS (potentially some 10% of transactions), directly from the identified through direct interviews and review and analysis of physical files, relying on the cooperation of individual procuring entities.
(v) to conduct a sampling exercise, where required, for all contracts competitively or directly selected within the period 2020-2023 by the identified large spending agencies and a selected number of lower spending agencies, including some at district level; and
(vi) to seek data directly from the WB and ADB where there is easily extractable data on transactions subject to their prior review.

25. In terms of e-GP, the ePPS is the subject of an assessment by ADB based on ADB's current assessment tool. The results of this assessment will be used to feed in to the assessment made using the MAPS e-GP Module.

26. In addition to the collection of data directly related to procurement transactions, questionnaires will be prepared, tested, and used to conduct surveys and interviews with other relevant stakeholders, such as bidders, to collect data and information on the operation of the public procurement system and prevalent practices in the sector. To collect as representative a sample as possible, focus group discussions will be held to collect field-level data and information on procurement and contract management practices. These will be used primarily for private sector entities such as bidders, professional (contractor/supplier) organisations and civil society organisations.

27. Oversight agencies will be interviewed separately, and documentation solicited directly where not available from publicly available reports. This may require follow up meetings with those agencies.

28. All the field-level data collected from procurement files, through interviews and surveys will be analysed and collated for inclusion in the assessment report.

V. Governance and assessment team

29. GoB has demonstrated high-level political commitment for the assessment by establishing strong leadership for the task. BPPRA has been designated to lead and coordinate the assessment with the joint support of the Asian Development Bank and World Bank. It has already established an Assessment Steering Committee (ASC) to lead and facilitate the MAPS assessment work, coordinate the DPs support for the work and ultimately review and adopt the assessment report for implementation. Rehan Hyder (Senior Procurement Specialist of World Bank), Bisma Husen (ADB Principal Procurement Specialist, Procurement, Portfolio and Financial Management Department (PPFD) are the Team Leaders (TTLs) for the study. Zhentu Liu (Country Procurement Team Leader, Pakistan) will provide general guidance from the WB The TTLs lead a core team of WB and ADB staff on the MAPS Assessment Task. The Assessment Team will comprise of other members having seasoned knowledge and experience in relevant areas and expertise required for the assessment. Peer Reviewers from the WB, ADB and other DPs will help to ensure the quality of the assessment and will be engaged to review and provide comments on this Concept Note and on the draft report in parallel to the quality assurance support that the MAPS Secretariat is providing.

30. This ASC is chaired by Secretary, Finance Department Government of Balochistan and is made up of the following members:

- (xii) Managing Director, BPPRA - Secretary
- (xiii) Secretary, Communication & Works Department
- (xiv) Secretary, Public Health Engineering Department
- (xv) Secretary, Irrigation Department
- (xvi) Secretary, Agriculture and Cooperatives Department
- (xvii) Secretary, Health Department
- (xviii) Secretary, Local Government and Rural Development Department
- (xix) Secretary, Fisheries Department
- (xx) Member from Pakistan Engineering Council
- (xxi) Member from Balochistan Contractor's Association
- (xxii) Member from Health Bidders Association.

31. In addition, the Director Monitoring & Evaluation, Mr. Jahanzeb Malik of BPPRA has been appointed as national coordinator and focal point within BPPRA for the conduct of the assessment.

32. Mr. Peter Trepte (international lead assessor) and Mr. Asif Ali (national assessor) have been employed by the ADB and World Bank respectively to lead the assessment. The lead assessor will be responsible for drafting the overall report, including the e-GP Module, although the assessment under the e-GP module will initially be conducted by a specialist assessor. The lead assessor will be primarily focussed on the assessment of Pillar I and II. The national assessor will focus on developing the country

context and on the assessment of Pillar III and IV. An eGP specialist, Mr. Joe Fagan, has also been recruited to conduct the assessment under the eGP Module. He will be able to draw on the findings of the core assessment. It is anticipated that there will be significant cooperation and cross-fertilization between the two assessments; they are currently seen as two elements of the same exercise. In addition, two local data analysts have been recruited to assist with data gathering and analysis.

33. The analysis will follow the approach referred to in the MAPS User's Guide. Each sub-indicator will be assessed using a three-step approach:

(iv) A review of the system applying assessment criteria expressed in qualitative terms which will result in a narrative report with details on the comparison of the actual situation in relation to the assessment criteria. The report will be used in analysing the strengths and weaknesses of the existing regulatory and policy framework as well as institutional and operational arrangements. In this step, reviews will be conducted to determine if prescribed standards for these systems have been attained. For indicators that don't lend themselves to facts and figures, information will be obtained through surveys or interviews with stakeholders and participants in public procurement.

(v) A review of the system applying a defined set of quantitative indicators which will provide detailed findings on the prevailing public procurement practices in Balochistan. A "minimum" set of 15 with another set of 15 optional "additional/recommended" performance indicators will be applied to substantiate the criteria for assessment but without benchmarking against set standards. However, the indicators will be useful to define baselines and set national targets for monitoring progress of procurement performance over time. For this assessment, data available from recent studies and contracts financed by both WB and ADB will be collected for analysis. Data will also be accessed from the identified procuring agencies.

(vi) A gap analysis which will further analyse and interpret the assessment findings from the previous steps. A sub-indicator will be clearly marked for the development of actions to improve the quality and performance of the system if it exhibits a "substantive gap". This will be done where there is less than substantial achievement of stated criteria, or any of the essential elements of the indicator are missing, or a provision in the legal/regulatory framework is evidently not working as intended. The material/substantive gap identified in steps 1 and 2 will be substantiated. For this, the Team will conduct and include a detailed report on either more comprehensive qualitative analysis or an increased sample size of procurement cases to expand the performance review. If any factors likely to impede actions to improve the public procurement system are identified, "red flags" will be assigned. Red flags are used to highlight the factors that cannot be directly/indirectly mitigated, and which may also lie outside the sphere of public procurement.

VI. Stakeholders

34. The key sources of data and information include the following public sector and private sector stakeholders of the study and participants in public procurement who will be consulted, interviewed and or surveyed. Since all procurement expenditure over Rs. 200,000 are now on the ePPS, these stakeholders will also extend to that component of the assessment:

- BPPRA will be the leading entity of this assessment and will facilitate access to documents, including those from the e-GP platform.
- Key relevant departments based on their spending levels, including the following department of the Government of Balochistan:

  - Communication & Works Department
  - Public Health Engineering Department
  - Irrigation Department
  - Agriculture and Cooperatives Department
  - Health Department
  - Local Government and Rural Development Department
  - Fisheries Department

- Bidders (successful and unsuccessful), to be identified through the large spending ministries and from e-GP data collected.
- The Review Body responsible for the bidder complaints mechanism.
- Oversight agencies including the Internal Audit Unit of the Finance Department; Provincial Internal Audit Committee; Auditor General of Balochistan.
- Professional associations including Pakistan Engineering Council, Contractor Association Balochistan and Balochistan Health bidder association.
- Capacity building agencies and training/research institutions including BUITEMS, University of Balochistan, SBKWU, UET Khuzdar, LAUWMS, University of Loralai, University of Turbat, University of Gawadar.
- Commercial Banks and Insurance firms
- Multilateral DPs: ADB, WB
- Other DPs that may subsequently participate as the assessment progresses.

35. GoB and other stakeholders will be informed about the study to build consensus on the approach to the study. This will involve identifying and informing all stakeholders about the study and reaching out to them through a launch workshop held in Quetta. The workshop was in fact held on May 3, 2024. They will then be the focus of information gathering and any analysis of that information gathering exercise will be shared with the stakeholders giving them the chance to comment on the preliminary findings and to correct any errors that may have crept in. They will also be part of the subsequent validation process.

VII. Risks

	Risk	*Mitigation*
1.	There might not be political support for the MAPS Assessment.	The GoB has requested the MAPS Assessment after due consideration and is keen to relate the progress in procurement reform to its eGP initiative, and to assess gaps in regulatory, operational, market and data aspects. The assessment team will keep close dialogue with the ASC for continued support.
2.	Delays in the data gathering, completion and dissemination of the report.	The Government of Balochistan has established an Assessment Steering Committee headed by

		Secretary Finance Department and consisting of members from all departments participation in the assessment that will provide high-level support and oversight. An Assessment Working Group is also in place that will coordinate data gathering and issues.
3	Data from the COVID 19 pandemic period may skew results	This risk has been recognized and discussed. The data from pre, post and during pandemic will be normalized. It is expected that by the time when gathering exercise begins, there will be an enough data set.
4	The eGP system is relatively recent and may not provide representative data in scope, expanse, and depth for a true assessment under the eGP module	To mitigate this risk, the eGP module will be taken up later in the assessment to allow for maximum possible maturity and data.

VIII. Communication and Use

36. The assessment will be carried out in English.

37. In the reporting phase of the assessment, the aim is for GoB to adopt a time bound action plan to implement procurement reform recommendations. The assessment findings from the draft report will be shared with the GoB and other stakeholders for comments. A validation workshop will be organized to discuss the draft report and validate the findings and recommendations. The Task Team will discuss the final recommendations with GoB to adopt a time-bound action plan including results indicators for implementing procurement reforms. The assessment report will then be updated and used by the Task Team to secure internal approvals including peer reviews and quality assurance by the MAPS Secretariat. Thereafter the report will be finalized, published, and disseminated. Based on the final report, the Task Team will liaise with GoB counterparts who implement procurement reforms and continually monitor and evaluate the progress and results.

38. To ensure that the assessment process is valid and credible, a validation exercise involving key stakeholders will be conducted. Key stakeholders will be given an opportunity to provide feedback on the findings of the assessment, on reform/capacity building priorities and on a shared strategy for addressing key weaknesses in the system. A consultation and validation workshop will be held in collaboration with BPPRA, WB and ADB and all other key internal and external stakeholders to discuss and agree on: (i) the findings of the assessment, (ii) the recommended reform priorities, and (iii) the recommended strategy for addressing key weaknesses in the public procurement system. The validated assessment report will then be submitted for a Decision Review process of the ADB and WB. This will involve peer review of the report by the MAPS Global Teams of ADB and the WB and a discussion of their comments before approval of the report by WB Management. The MAPS Secretariat and a designated MAPS Technical Advisory Group will conduct a quality assurance of compliance with the assessment process and the assessment report with the MAPS methodology and the quality review of assessment results.

39. After the assessment is completed, the assessment team will work closely with the BPPRA and other key entities to assist the Government plan and implement the recommendations of the assessment report. It is expected that the assessment will be completed by March 2025 and the final report issued by end June 2025. A detailed timeline is given in Annex 2: Outputs and Timetable. The final MAPS Assessment

Report, once certified by MAPS Secretariat, will be published in the Government's electronic procurement system (http://www.bppra.gob.pk/index.php), WB/ADB's external websites and MAPS website, subject to the Government's agreement.

IX. Outputs and timetable

40. The following table summarises the outputs to be achieved as well as responsible parties and deadlines for the MAPS assessment.

Output	Responsible	Cooperation with	Deadlines
Concept note	Lead institution	Assessment Steering Committee	July 21, 2024
Organizational and logistical arrangements (including recruitment of assessment team and ensuring that required information and data is available)	Lead institution	Assessment Steering Committee	May 31, 2024
Analysis of county context	Assessment team	Assessment Steering Committee	June 2024
Assessment of the public procurement system: • Collect data (qualitative and quantitative data) • Apply the MAPS indicators using the three-step approach (referred to in the MAPS User's Guide)	Assessment team	Assessment Steering Committee	August 31, 2024
Developing recommendations for prioritised reform	Assessment team	Assessment Steering Committee	October 30, 2024
Validation of findings	Assessment team	Stakeholders	November 30, 2024
Assessment Report ▪ Draft ▪ Review/Comments ▪ Final report	Assessment team	Assessment Steering Committee For MAPS Quality assurance: MAPS Secretariat and Assessment Technical Advisory Group	Draft Report: January 1, 2025 Comments: February 28, 2025 Final Report: March 31, 2025
Publication of MAPS assessment report	MAPS Secretariat		June 30, 2025

The following table provides a general overview of the succession of the different activities.

Task / Month	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Concept Note, Logistics																				
Analysis of Country Context																				
Assessment:Data Collection																				
Assessment: Analysis (3 steps)																				
Recommendations																				
Report Writing																				
Validation																				
MAPS Quality Assurance																				
Final Report, Publication																				

X. Budget and external support

41. The estimated total cost of the assessment is $ 150,000 which will be provided equally by WB and ADB. The lead assessor and national assessor are contracted by the ADB and WB, respectively.

42. BPPRA will be responsible for the logistical arrangements (e.g., office space, scheduling interviews, data collection etc.).

The following table provides a tabular estimate of the budget:

XII. BUDGET

Description	Unit cost	Units	Budget (in USD)		
External Experts	Daily rate	Days	WB	ADB	Total
International consultant – Procurement (ADB)	925	60		55,500	55,500
International consultant – Legal (WB)	700	20	14,000		14,000
International Consultant – Analysis Support (WB)	500	50	25,000		25,000
National Consultant – Coordination (WB)	400	70	28,000		28,000
Sub-total External Experts			***67,000***	***55,500***	***122,500***
Travel Costs (Travel, accommodation, per diem)					
Travel Cost (WB)	L.s		5,000		5,000
Travel costs(ADB)	L.s			10,500	10,500
Sub-Total Travel costs			***5,000***	***10,500***	***15,500***
Other Expenditure (costs for consultations, workshops, dissemination, etc.)	Cost/Event	Package			
Consultation conference; Validation workshop and Dissemination (ADB)	5,000		7,000	3,000	10,000
					0
Sub-Total "Other Expenditure"			***7,000***	***3,000***	***10,000***
Contingency			***1,000***	***1,000***	***2,000***
TOTAL ESTIMATED COSTS			**80,000**	**70,000**	**150,000**

Appendix VII: List of Participants of Validation Workshop

Attendance Sheet

Validation Workshop for Balochistan MAPS Assessment with the Support of the WB & ADB

13 November 2024, Serena Hotel, Quetta.

S.NO	Name	Designation	Department	Contact/Email
1	Syed Qadir Shah	Engineer Local Govt	Local Govt	
2	ZAFAR AHMED.	Procurement Assistant	PHD, Quetta	
3.	Ch. Khizar Hayat	Procurement Specialist	Health – Dept	
4.	Engr. Rashid Zafar	Assistant project director	Asian development Bank	
5	Engr. Abdul Jabbar	Assistant Project director	Irrigation (ADB Project)	
6	FAISAL JAMAL	Assistant Project director	Asian Development Bank	
7.	Muhammad Tahir.	Senior Project Analyst.	Irrigation (ADB)	
8.	Riasat Ali	Deputy Secretary	Health Department	
9.	IMRAN ABDUL RAHMAN	Director (R4).	Sindh PPRA	
10	M.AYUB ALI KHAN	DIRECTOR (Legal)	Sindh PPRA	
11	Muhammad Ejaz	Deputy Director P&D	Agriculture Research ARI, Quetta	
12	MOHAMMAD ARIF	Agronomist	Agriculture Research ARI Quetta	
13	M. Anwar Dotani	Director H/Q.	Agriculture Extension	

Appendix VIII: Response to MAPS Assessment Actions taken Against Findings and Red Flags from Government of Balochistan

BALOCHISTAN PUBLIC PROCUREMENT REGULATORY AUTHORITY (BPPRA)

Response to MAPS Assessment

Actions Taken Against Findings and Red Flags

Pillar wise Progress Report

Executive Summary

Following the MAPS Assessment conducted between 2023 and 2025 by the World Bank and Asian Development Bank, BPPRA has initiated a set of reforms to address the identified findings and red flags across all four pillars. This report documents the specific actions taken, their current status-as of April 2026, and the path forward.

Overall Progress at a Glance.

Status Category	Count	Percentage
Completed	12	21%
In Progress	31	55%
Planned	7	13%
Under Consideration	5	9%
Not Started	1	2%
Total Actions	**56**	**100%**

Key Achievements

✓ **Procurement** Review Committee reinstated and fully operational since 2025. All 130 cases settled.

✓ **All** vacant BPPRA posts filled. Authority operating at full strength.

✓ **Third** party security audit of e-PPS completed by international firm.

✓ **BPPRA** Enforcement Wing established for compliance monitoring.

✓ **Online** Grievance submission for bidders launched.

✓ **e-bidding** threshold reduced from PKR 50M to PKR 30M. 75% contract value now through e-bidding.

✓ **Monthly** Procurement Performance Reviews initiated under Chief Secretary chairmanship.

✓ **Foreign** bidder registration restrictions removed. International participation enabled.

✓ **BPPRA** M&E now produces monthly Procurement Performance Reports.

✓ **Guidelines** issued to Procuring Agencies for smooth implementation.

✓ **e-PPS** 2.0 approved for development with enhanced features.

Pillar I: Legal, Regulatory and Policy Framework

Actions Against Red Flags

No.	Red Flag	Action Taken by BPPRA	Status
1	Lack of comprehensive contract management provisions	Basic contract management terms have been embedded in all bid documents. Standard clauses now cover inspection, payment timelines, liquidated damages, and performance security.	In Progress
2	Inadequate record keeping and transparency mechanisms	BPPRA website updated with expanded data sets. All evaluation reports are now published online. Historical procurement data migrated to e-PPS portal for public access.	In Progress
3	Absence of sustainability and international obligations in procurement rules	Deliberations are ongoing to include SDG criteria in bid documents. Internal working group formed to draft sustainability clauses for future rule amendments.	Under Consideration
4	Missing implementing regulations (e GP, integrity pact, records, price preference)	e-PPS Regulations developed and published on website. Remaining regulations (integrity pact, price preference, records) are in pipeline.	In Progress

Actions Against Findings

No.	Finding	Action Taken by BPPRA	Status
1	Several implementing regulations foreseen in the Act not developed	e-PPS Regulations developed and notified. Blacklisting Regulations completed and notified. Remaining regulations under preparation.	In Progress
2	Conflict between BPPRA and PEC on standard bidding documents	Guidelines issued to align bid documents with PEC standards. Coordination mechanism established between BPPRA and PEC to avoid duplication.	Completed
3	Limited availability of SBDs and operational manuals	Operational guidelines developed for both Procuring Agencies and bidders. Available on BPPRA website. Consultations for full SBD initiated	In Progress
4	Qualification provisions limit foreign participation	Foreign bidders can now participate through updated e-PPS registration. Location filters removed.	Completed

5	Domestic preference policy not well elaborated	Policy is under consideration.	**Under Consideration**
6	Contract management provisions are weak	Basic contract management terms embedded in all bid documents and more to follow.	**In Progress**
7	Second tier review (PRC) not operational	PRC reinstated and fully operational. Over 130 cases settled to date. PRC composition reviewed.	**Completed**
8	e-PPS has transition issues including data gaps	e-PPS 2.0 approved for initiation. New version addresses data integrity, enhanced security, improved user interface, and comprehensive reporting modules.	**In Progress**
9	Transparency in record keeping is limited	Website updated with expanded data. Monthly departmental performance reviews initiated under Chief Secretary's chairmanship to ensure compliance with data publication.	**In Progress**

Pillar II: Institutional Framework and Management Capacity

Actions Against Red Flags

No.	Red Flag	Action Taken by BPPRA	Status
1	Weak integration between procurement and PFM systems	Discussions initiated with Planning and Development Department. Multiple coordination meetings held. Data integration planned between P&D and BPPRA.	In Progress
2	Procurement not recognized as a professional function	BPPRA Board directed for a comprehensive training program for officers with the collaboration of universities in the province.	In Progress
3	Inadequate institutional capacity and staffing gaps	All vacant posts filled. BPPRA now operates at full authorized strength. Executive positions staffed to support expanded functions including e-PPS management.	Completed
4	Potential conflict between advisory and review roles of BPPRA	Under review	Under Review

Actions Against Findings

No.	Finding	Action Taken by BPPRA	Status
1	BPPRA not fully structured as envisaged in the Act	PRC reinstated and Enforcement wing established; more to follow.	In Progress
2	Key positions in BPPRA remain vacant	All posts filled. BPPRA operating at full authorized strength.	Completed
3	Procurement roles not clearly defined within agencies	Guidelines issued to all Procuring Agencies defining Dos and Don'ts for procurement functions and more to follow.	Completed
4	Procurement planning not integrated with budget planning	Discussions initiated with concerned departments. Procurement plans will be required to be uploaded on e-PPS at the start of the fiscal year.	In Progress
5	Frequent payment delays due to weak financial integration	Data integration planned between P&D, BPPRA, and Finance Department.	Planned

6	e-PPS usage remains limited	e-bidding threshold reduced from PKR 50 million to PKR 30 million for works. Further reduction planned for FY 2026-27.	**In Progress**
7	Only small proportion uses e-bidding features	75% of contract value now processed through e-bidding. Threshold reduced to PKR 30 million. Will be reduced further in FY 2025 26 to expand coverage.	**In Progress**
8	Limited publication of contract award data	Monthly Departmental Performance Reviews initiated under Chief Secretary chairmanship. These reviews ensure procurement related compliance including timely award publication.	**In Progress**
9	Procurement data systems are fragmented	Data integration plan developed for P&D, BPPRA, and Finance Department systems. Unified reporting framework under design.	**Planned**
10	Manual procurement dominates many agencies	Only 25% of contracts by value are now through manual bids. 75% by value processed electronically. Thresholds reduced in July 2025 and further reductions planned.	**In Progress**
11	System security not validated through independent audit	BPPRA conducted a third-party security audit through an international firm. Findings addressed. Security operational plan established.	**Completed**

Pillar III: Public Procurement Operations and Market Practices

Actions Against Red Flags

No.	Red Flag	Action Taken by BPPRA	Status
1	Weak procurement planning and contract management	Basic contract management terms introduced in all bid documents.	In Progress
2	Payment delays affecting contractor performance	Under discussion	Under Consideration
3	Limited private sector engagement and no structured dialogue	Frequent meetings being held with Chamber of Commerce & Contractor/Vendor Associations and individual contractors.	In Progress
4	Procurement not used as strategic tool for policy outcomes	Monthly Procurement Performance Reviews of all departments initiated. Data based decisions now taken to improve procurement governance. BPPRA M&E generates monthly performance reports reviewed in Secretary Committee meetings.	In Progress

Actions Against Findings

No.	Finding	Action Taken by BPPRA	Status
1	Procurement processes comply legally but lack effectiveness	BPPRA Enforcement Wing established to ensure compliance. Regular compliance monitoring initiated across all procuring agencies.	Completed
2	Training focuses on compliance, not professional capacity	Chairman of BPPRA Board directed initiation of comprehensive training program. Curriculum being expanded beyond rules to cover strategic procurement, contract management, and value for money.	Will be Initiated in FY 2026-27
3	Procurement not recognized as specialized profession	Under consideration.	Under Consideration
4	No system to measure procurement performance	BPPRA M&E now generates monthly Procurement Performance Reports. These are reviewed in monthly Secretary	Completed

		Committee meetings. KPIs being developed for each department.	
5	Contract management and supplier evaluation are weak	Basic contract management terms introduced in all bid documents. Working towards implementing comprehensive contract management module in e-PPS.	**In Progress**
6	Procurement, contract management, and payment systems not integrated	Basic contract management terms added. Full integration of procurement, contract management, and payment data with P&D, BPPRA, and Finance Department planned.	**Planned**
7	Data availability limits performance analysis	Data integration with P&D, BPPRA, and Finance Department planned. Monthly performance reports now provide baseline data for analysis.	**In Progress**
8	Private sector interaction is limited and reactive	Frequent meetings being held with Chamber of Commerce & Contractor/Vendor Associations and individual contractors.	**In Progress**
9	Civil society participation absent	Representative of Civil Society included in BPRA Board. Frequent consultations with representative associations of contractors/Vendors and individuals	**In Progress**
10	Sustainable procurement and MSME inclusion not promoted	Under consideration. Requires Government agreement and broader capacity building. Some rules proposed for inclusion of SMEs in public procurements.	**In Progress**

Pillar IV: Accountability, Integrity and Transparency

Actions Against Red Flags

No.	Red Flag	Action Taken by BPPRA	Status
1	Grievance redressal system not fully operational	Online complaints system launched on e-PPS. PRC reinstated and operational. Over 130 cases settled. GRC procedures clarified through guidelines.	Completed
2	Lack of procurement specific audit systems	Issue will be raised with Auditor General. BPPRA M&E generates compliance reports that feed into audit processes. Dedicated procurement audit manual not yet developed.	In Planned
3	Weak enforcement of anti-corruption measures	Enforcement Wing established within BPPRA. Regular compliance monitoring initiated. Coordination with Anti-Corruption Establishment strengthened.	Completed
4	Poor coordination among oversight institutions	Monthly performance reviews under Chief Secretary provide a coordination platform. BPPRA shares compliance data with oversight bodies. Formal reporting lines under discussion.	In Progress

Actions Against Findings

No.	Finding	Action Taken by BPPRA	Status
1	Transparency framework exists but contract data access limited	Monthly departmental performance reviews ensure compliance with data publication. Website updated with expanded procurement data analysis reports. Award publication compliance being tracked.	In Progress
2	Publication of procurement data is inconsistent	Monthly Performance Reviews under Chief Secretary chairmanship track publication compliance. Departments held accountable for timely data upload, and improvement seen.	In Progress
3	Civil society engagement in procurement oversight minimal	No formal mechanism established yet. Public access to procurement data ensured through website.	In Progress

4	Audit systems exist but are not procurement specific	BPPRA M&E generates procurement compliance reports. Coordination with AGP will be initiated for procurement specific audit framework.	**Planned**
5	No dedicated procurement audit manuals	Coordination with AGP to be initiated.	**Planned**
6	External audit faces backlog issues	Issue outside BPPRA control.	
7	Anti-corruption framework lacks procurement specific tools	Enforcement Wing established. Compliance monitoring in place. Risk based fraud detection tools planned for integration with e-PPS.	**In Progress**
8	Enforcement of Anti-Corruption laws inconsistent	BPPRA Enforcement Wing conducting regular compliance checks. Coordination with Anti-Corruption Establishment strengthened. Transparent reporting mechanism under development.	**In Progress**
9	Second tier appeals mechanism (PRC) non-operational	PRC reinstated and fully operational. Over 130 cases settled. Independent members appointed. Procedures published on BPPRA website.	**Completed**
10	Coordination among control and oversight bodies weak	Monthly Secretary Committee meetings under Chief Secretary provide coordination platform. Formal reporting lines to oversight bodies under discussion.	**In Progress**

Way Forward

BPPRA has made substantial progress against the MAPS findings. The following priorities will guide the next phase of reforms:

Priority Area	Planned Action
Legal Framework	Complete all remaining regulations (integrity pact, price preference, records). Finalize rule amendments for contract management, dispute resolution, and sustainability.
e-PPS 2.0	Launch e-PPS 2.0 with contract management module, payment integration, enhanced analytics, and open data capabilities. Further reduce e-bidding thresholds.
Data Integration	Complete integration of P&D, BPPRA, and Finance Department data systems for unified procurement, contract, and payment tracking.
Professionalization	Develop and launch a competency framework. Formalize procurement as a profession with defined career paths. Partner with CIPS and ILO Turin.
Sustainability	Finalize SPP policy at provincial level. Embed sustainability criteria in rules and bid documents. Add MSME classification to vendor registration.
Oversight	Develop procurement audit manual with AGP coordination. Strengthen formal reporting lines between BPPRA, audit bodies, and Anti-Corruption Establishment.
Civil Society	Develop a policy framework for civil society engagement. Build broader capacity for public procurement awareness.
Anti-Corruption	Consolidate corruption definitions. Deploy risk-based fraud detection tools in e-PPS. Establish secure reporting channels with whistleblower protection.

BPPRA remains committed to implementing the full MAPS action plan in collaboration with the Government of Balochistan, World Bank, and Asian Development Bank.