

Template: Assessment Report

VERSION 2.0 - Updated JANUARY 2023





[Name of country]

Assessment of the Public Procurement system

[Date]

[Logos of main institutions]

# Intellectual property disclaimers

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# Acronyms

# Executive summary

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### 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.

| **PILLAR I** | | **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 |  |  |  |  |
| 1(b) – Procurement methods |  |  |  |  |
| 1(c) – Advertising rules and time limits |  |  |  |  |
| 1(d) – Rules on participation |  |  |  |  |
| 1(e) – Procurement documentation and technical specifications |  |  |  |  |
| 1(f) – Evaluation and award criteria |  |  |  |  |
| 1(g) – Submission, receipt, and opening of tenders |  |  |  |  |
| 1(h) – Right to challenge and appeal |  |  |  |  |
| 1(i) – Contract management |  |  |  |  |
| 1(j) – Electronic Procurement (e-Procurement) |  |  |  |  |
| 1(k) – Norms for safekeeping of records, documents and electronic data. |  |  |  |  |
| 1(l) – Public procurement principles in specialized legislation |  |  |  |  |
| **2. Implementing regulations and tools support the legal framework.** | 2(a) – Implementing regulations to define processes and procedures |  |  |  |  |
| 2(b) – Model procurement documents for goods, works, and services |  |  |  |  |
| 2(c) – Standard contract conditions |  |  |  |  |
| 2(d) – User’s guide or manual for procuring entities |  |  |  |  |
| **3. The legal framework reflects the country’s secondary policy objectives and international obligations** | 3(a) – Sustainable Public Procurement (SPP) |  |  |  |  |
| 3(b) – Obligations deriving from international agreements |  |  |  |  |

| **PILLAR II** | | **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 |  |  |  |  |
| 4(b) – Financial procedures and the procurement cycle |  |  |  |  |
| **5. The country has an institution in charge of the normative/regulatory function.** | 5(a) – Status and legal basis of the normative/regulatory function |  |  |  |  |
| 5(b) – Responsibilities of the normative/regulatory function |  |  |  |  |
| 5(c) – Organisation, funding, staffing, and level of independence and authority |  |  |  |  |
| 5(d) – Avoiding conflict of interest |  |  |  |  |
| **6. Procuring entities and their mandates are clearly defined.** | 6(a) – Definition, responsibilities and formal powers of procuring entities |  |  |  |  |
| 6(b) – Centralised procurement body |  |  |  |  |
| **7. Public procurement is embedded in an effective information system.** | 7(a) – Publication of public procurement information supported by information technology |  |  |  |  |
| 7(b) – Use of e-Procurement |  |  |  |  |
| 7(c) – Strategies to manage procurement data |  |  |  |  |
| **8. The public procurement system has a strong capacity to develop and improve** | 8(a) – Training, advice and assistance |  |  |  |  |
| 8(b) – Recognition of procurement as a profession |  |  |  |  |
| 8(c) – Monitoring performance to improve the system |  |  |  |  |

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

| **PILLAR IV** | | **Full compliance** | **Gaps identified** | **Substantive gaps identified** | **Red flags** |
| --- | --- | --- | --- | --- | --- |
| **11. Transparency and civil society engagement strengthen integrity in public procurement.** | 11(a) – An enabling environment for public consultation and monitoring |  |  |  |  |
| 11(b) – Adequate and timely access to information by the public |  |  |  |  |
| 11(c) – Direct engagement of civil society |  |  |  |  |
| **12. The country has effective control and audit systems.** | 12(a) – Legal framework, organisation and procedures of the control system |  |  |  |  |
| 12(b) – Co-ordination of controls and audits of public procurement |  |  |  |  |
| 12(c) – Enforcement and follow-up on findings and recommendations |  |  |  |  |
| 12(d) – Qualification and training to conduct procurement audits |  |  |  |  |
| **13. Procurement appeals mechanisms are effective and efficient.** | 13(a) – Process for challenges and appeals |  |  |  |  |
| 13(b) – Independence and capacity of the appeals body |  |  |  |  |
| 13(c) – Decisions of the appeals body |  |  |  |  |
| **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 |  |  |  |  |
| 14(b) – Provisions on prohibited practices in procurement documents |  |  |  |  |
| 14(c) – Effective sanctions and enforcement systems |  |  |  |  |
| 14(d) – Anti-corruption framework and integrity training |  |  |  |  |
| 14(e) – Stakeholder support to strengthen integrity in procurement |  |  |  |  |
| 14(f) – Secure mechanisms for reporting prohibited practices or unethical behaviour |  |  |  |  |
| 14(g) – Codes of conduct/codes of ethics and financial disclosure rules |  |  |  |  |

# 1. Introduction

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# 2. Analysis of Country Context

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

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

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## 2.3. National policy objectives and sustainable development goals

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## 2.4. Public Procurement Reform

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# 3. Assessment

## 3.1. Pillar I - Legal, Regulatory and Policy Framework

Pillar I assesses 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**

**…**

* **Findings**

…

* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 1**

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| --- | --- | --- |
| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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### 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 2**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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### 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 3**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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## 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 4**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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### 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 be in charge of 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 be in charge of 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 5**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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### 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 6**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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### 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 7**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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### 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 8**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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## 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 9**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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### 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 10**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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## 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 fair, 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 11**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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### 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 the purpose of 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 12**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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### 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 13**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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### 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**

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* **Findings**

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* **Gaps**

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* **Recommendations**

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**Summary of substantive gaps and recommendations of Indicator 14**

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| **Substantive gap** | **Risk classification and red flags** | **Recommendations** |
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# 4. Consolidated Recommendations

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# 5. Strategic Planning

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| **Proposed action** | **Timeline** | **Responsible institutions** |
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# 6. Validation

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# Annexes/Appendices

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