

THE PROCUREMENT DIGEST *NEWSLETTER*

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FROM THE EDITOR'S DESK

As we reflect on the events of the past quarter, it's with great pleasure that I present the October-December edition of our newsletter. The quarter has been defined by significant milestones and transitions within our organization.

Our commitment compliance with public procurement legal framework saw our team venture into a nation wide monitoring of road infrastructure projects. Particularly, from the vantage point of public procurement, our focus was on assessing progress, ensuring value for money, and curbing time overruns which is pivotal in mitigating cost inflation. These efforts underline our dedication to fostering transparent, efficient, and cost-effective public procurement cycle.

In commemorating Anti-Corruption Day, we reasserted our pledge to uphold transparency and integrity across all operational facets. We joined the World in celebrating this day knowing that it is during these moments that we reaffirm our collective commitment to ethical practices, which form the cornerstone of sustainable growth and development.

In this quarter we also bade fond farewells to esteemed colleagues. The tenure of our Deputy Director, came to an end, leaving an indelible mark of dedication and excellence. Similarly, our Director of Corporate Services embarks on a new educational journey, carrying our best wishes and gratitude for her invaluable contributions.

On an optimistic note, the arrival of a new board injects fresh perspectives and expertise into our organizational landscape. Their presence signals a new chapter ripe with possibilities and collaborative endeavors.

In a remarkable achievement, our Director General successfully attained a PhD during this period. His commitment to personal and professional growth serves as an inspiring example for us all.

As we embrace the new year, let's carry forward the spirit of resilience, innovation, and collaboration that defines our organization.

Thank you for your unwavering support and continued readership.

Kate T. Kujaliwa
EDITOR

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PPDA WELCOMES NEW BOARD

The Public Procurement and Disposal of Assets Authority (PPDA) proudly presents its newly appointed board, set to embark on a transformative journey aimed at elevating service delivery and efficiency in serving the people of Malawi. Under the guidance of Dr. Edington Chilapondwa, the Director General of PPDA, a three-day induction program was initiated from December 27th to 29th, 2023, welcoming the esteemed board members to familiarize themselves with the Authority's operations and objectives.



Mr. Jacob Nyirongo, Board Chairperson

In his welcoming address, Dr. Chilapondwa emphasized the wealth of expertise represented within the new board, expressing optimism about the significant contributions expected from this diverse group. He highlighted the urgency of pending matters resulting from the transition between boards and urged immediate attention to resolve these critical issues.

The newly appointed Board Chairperson, Mr. Jacob Nyirongo, shared his congratulations with fellow members and stressed the importance of collective insight in fulfilling the Authority's mandate effectively. Mr. Nyirongo underscored the need for flexibility among the members, acknowledging the evolving landscape and the necessity to surpass conventional boundaries to meet expectations.



The Board members pose with PPDA Management during the meeting

“The combined strengths and diverse backgrounds of these board members promise a dynamic approach to addressing challenges, innovating processes, and fostering excellence in governance and service provision within PPDA.”
Dr. Edington Chilapondwa.

FOND FAREWELLS

The Public Procurement and Disposal of Assets Authority (PPDA) recently marked a transition as it bade farewell to its Deputy Director, Mrs. Irene Mlewa, whose contract reached its conclusion, and wished the Director of Corporate Services, Ms. Kahaki Jere, success as she pursues further studies abroad.

During her farewell speech, Mrs. Mlewa shared her sentiments of gratitude towards the Board members, Director General and the entire PPDA team, expressing appreciation for four years filled with challenges that fostered professional growth. She highlighted the invaluable support received that contributed significantly to her success within the organization.

Kahaki Jere, while departing for her educational pursuit, expressed her readiness to embark on a new chapter while carrying forward the experiences and insights gained during her time at PPDA. She extended her heartfelt well-wishes to the team for continued success.

The Director General took a moment to acknowledge and commend the dedication exhibited by both Irene Mlewa and Kahaki Jere.



Kahaki Jere

He expressed his pride in having worked alongside such committed individuals and offered his sincere wishes for their future endeavors.

As Irene Mlewa takes on new endeavors and Kahaki Jere prepares for her academic journey, the PPDA community remains grateful for their contributions and extends its best wishes for their future successes.



“My time at PPDA has been a great time of growth” Irene Mlewa

VIGILANT IN THE FIGHT AGAINST CORRUPTION



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PPDA JOINS INTERNATIONAL ANTI-CORRUPTION DAY CELEBRATIONS.

PPDA's Institutional and Integrity Committee (IIC) participated in International Anti-Corruption Day at Balaka Stadium on 10 December 2023, marking a significant milestone in the ongoing fight against corruption. The 2023 commemoration aligned with the 25th anniversary of the Malawi Anti-Corruption Bureau, emphasizing the collective commitment to combat corruption. The IIC is an integral part in ensuring adherence to ethical standards within PPDA.



Members of the PPDA IIC (L to R) Kate Kujaliwa, Lisa Machinjili, Jonathan Kantayeni, Catherine Kachere, Yvone Kasamba and George Chimphonda.

WHAT MADE NEWS?

PPDA's digital procurement reform: A quest for efficiency

The Government of Malawi remains an important source of business as the biggest procurer of goods, works and services from the private sector in the country.

However, reliance on the use of traditional, manual and paper-based procurement system has, for a long time, subjected the delivery of public service to delays, high transaction costs, potential human error and threat of fraud and corrupt practices.

In an effort to provide a lasting and sustainable solution to these challenges, government is set to implement an electronic Government Procurement (e-GP) system through the Public Procurement and Disposal of Assets Authority (PPDA), a body responsible for the regulation, monitoring and oversight of public procurement and disposal of assets in Malawi, with funding from the World Bank Group under the Digital Malawi Programme Phase 1. The aim is to achieve broad government economic governance objectives of enhancing

efficiency, transparency and accountability in public procurement.

The e-GP system leverages information technology by governments in conducting their procurement relationships with suppliers for the procurement of works, goods and consultancy services required by the public sector (World Bank, 2003).

PPDA's digital transformation is a key component in its public reforms agenda and it streamlines all procurement processes as supported by the Public Procurement and Disposal of Public Assets (PPDA) Act of 2017. The Act promotes application of information and communications technology (ICT) in public procurement processes to improve the efficiency of public service delivery.

This is also in line with the Public Sector Reforms Agenda which provides a framework to guide the implementation of all reforms in public sector.

The digitisation of the public procurement system allows

open access to information on all public procurements. This promotes transparency and accountability in public procurement processes and allows the engagement of stakeholders during the procurement cycle.

According to PPDA's director general Edington Chilapondwa, the e-GP platform is a public domain that avails all public procurement related information and

"The e-GP system offers all-round benefits to Malawi. Specifically, to the government it increases value for money, enhances compliance

allows online monitoring of the procurement process by all stakeholders.

"Provision of open information on the e-GP Platform re-enforces public accountability and integrity that leaves no room for

suspicious tendencies of fraud or corrupt practices" he remarked.

Locally known as the Malawi National Electronic Procurement System (MANePS), the e-GP system provides a centralised digital technology solution that enables storage of procurement information which can be easily accessed by suppliers, procuring and disposing entities (PDEs),

civil society organisations and the public at large, using any device with Internet access. This optimises the operations of the entire public procurement by delivering an enhanced efficiency that eliminates repetitive paper work and reduces manual touch points. The e-GP system takes over all administrative and tedious tasks of PPDA's and PDE's public procurement's operating model by automating and simplifying the manually-intensive process and allows accessibility at any place and any time.

The e-GP system offers

all-round benefits to Malawi. Specifically, to the government it increases value for money, enhances compliance and promotes healthy competition among suppliers. They (suppliers) will benefit from its fairness through access to unlimited information on bidding documents, leading to increased participation and competition, shorter procurement cycle and lower transaction costs. The public will also benefit from government accountability through access to public procurement information, thereby enabling them to participate in public procurement process anywhere, anytime.

Implementation of the e-GP system will be piloted in 30 PDEs before rolling -out to all PDEs across the country. Prior to the pilot stage, it will integrate with other institutions like the Malawi Revenue Authority (MRA), the Registrar General, National Construction Industry Council (NCIC) and Accountant General as one way of promoting compliance. ■

PPDA bans 6 suppliers over misconduct

CLEMENT CHINOKO
NEWS ANALYST

The Public Procurement and Disposal of Assets Authority (PPDA) has banned six suppliers from participating in public procurement due to alleged failure to execute contractual obligation and submission of false

information during bidding. PPDA director-general Edington Chilapondwa disclosed this in Lilongwe on Thursday during a press conference to update the public on efforts to improve procurement services and challenges.

He said: "Debarment of bidders and/or suppliers is aimed at enhancing the realisation of value

for money for the public funds. The main reasons for the debarment of the bidders and/or suppliers were failure to execute contractual obligation, and submission of false information during the bidding period."

The six affected suppliers are Niya Enterprises, Starmile General Dealers, Thuphiemed, Aeon

Pharma, Mzamathu Investment and Dawn Investment, according to PPDA.

Their bans range from one to five years with Thuphiemed getting the worst punishment.

Their alleged crimes were committed between 2021 and 2022, records show.

Meanwhile, PPDA has

complained that there has been low reporting by the public institutions and other stakeholders for the started of debarment of bidders or suppliers.

Said Chilapondwa: "As of the last financial year, only one of the procuring and disposing entities expressed an interest



Chilapondwa: They failed to deliver

CONGRATULATIONS!



Congratulations to our Director General, Edington Chilapondwa, on Earning His Doctorate! Celebrating Your Remarkable Milestone and Leadership."

DIGITALIZATION OF PROCUREMENT PROCESSES

E-Services

Electronic Government Procurement (e-GP)

Electronic Government Marketplace (e-GM)

Open Contracting Data Standards Portal (OCDS)



PPDA IN JOINT ROAD INFRASTRUCTURE MONITORING EXERCISE WITH ROADS AUTHORITY AND ACB

Malawi has underscored the critical role of a robust road network in fostering comprehensive economic growth and development. Acknowledging the pivotal nature of public procurement in the early phases of project implementation, the country is committed to ensuring that significant resources invested in infrastructure initiatives effectively benefit the nation. Concerns over substandard road infrastructure prompted a comprehensive nationwide monitoring exercise conducted in October 2023 by the Public Procurement and Disposal of Assets Authority (PPDA) in collaboration with the Roads Authority and the Anti-Corruption Bureau.

The monitoring exercise aimed to provide insights into the status of road infrastructure projects, addressing crucial issues like project delays, cost overruns, and substandard construction. Its key objectives included:

1. Enhancing the quality of infrastructure project implementation.
2. Identifying and resolving time and cost overruns in stalled projects.
3. Addressing concerns regarding substandard workmanship in projects.

Challenges Across Project Phases

Road infrastructure projects faced diverse challenges across different stages. Fuel and forex shortages, coupled with adverse weather conditions, emerged as key contributors to project delays.

The observation that numerous contracts were awarded during the rainy season highlighted approximately four months of lost project time due to unfavorable weather.

Debating the Lowest Evaluated Bidder Method.

A contentious issue surfaced regarding the selection of the Lowest Evaluated Bidder as the procurement method for contractor selection. Opinions varied among industry experts:

- Engineer Grant Sichali emphasized that substandard work results from poor workmanship rather than the procurement method. He stressed the responsibility of consultants in ensuring that the road's design aligns with the budgeted value.
- Eng. Langstern Kaunda suggested that the Lowest Evaluated Bidder method contributes to substandard work to some extent, as contractors might submit low-cost bids solely to secure contracts.
- Director General Edington Chilapondwa clarified the distinction between the Lowest Evaluated Bidder and the lowest bid, emphasizing the client's role in scrutinizing quotes. The PPDA guidelines allow clients to seek clarifications for unrealistically low bids.



**A site meeting with contractor CR20 and
Consultants working on the Salima
Nkhotakota M5 Road**

The Human Factor and Quality Assurance
Engineer Moses Malinda highlighted the multifaceted challenge of addressing poor workmanship, stressing the significance of adequately trained machinery operators. He emphasized the human element's pivotal role in evaluating construction quality.

Ms. Mary Kambalu from the Anti-Corruption Bureau stressed the importance of established guidelines in mitigating the impact of the 'human factor'. She highlighted the risk of corruption, fraud, and collusion in the industry when individuals deviate from rules.



Shifting Focus to Consultants

Jonathan Kantayeni of the PPDA advocated for a shift in focus from contractors to consultants. He emphasized consultants' crucial role in upholding project standards and protecting the client's interests.

“Going forward, both contractors and consultants will be scrutinized as a unified unit, holding consultants accountable alongside underperforming contractors” Said Kantayeni.



Fadah

Online

Hi Happy New Year
Fadah.

Happy New Year to you too
bosslady. Zikuyenda?

Kwabasi. Apapa ndili ku
PPDA kupanga renew
certificate yanga.



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OUR MISSION

To provide a regulatory, monitoring and oversight service on public procurement and asset disposal matters in a professional, efficient and effective manner with a view to realize value for money.

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OUR VISION

A public procurement and asset disposal system that is transparent fair, efficient, corrupt-free and instills public confidence.

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