

# Case Study

September 2016

Dr. Md. Shanawez Hossain  
Gazi Arafat Uz Zaman Markony  
Raihan Ahamed



## Citizen Engagement in Public Procurement:

Experience from pilot districts



## 1. Introduction

Bangladesh spends a major portion of its development budget on public procurement and tenderers generally implement these procurement projects. The issue of citizens' engagement is expected to be a helpful tool to establish transparency and accountability in implementation of procurement along with ensuring high quality of such public service delivery. Public procurement activities aim to use public money efficiently by providing quality services. Citizen engagement is a potential mechanism to ensure this efficiency by allowing citizens' participatory role in different stages of the public procurement process. Although it has been only recently introduced in Bangladesh, in a limited way, the initial experiences from pilot project indicate that citizens can be made quickly aware of it and they have the incentives to embrace it enthusiastically to make procurement process transparent and effective.

### 1.1 Citizens' Engagement in Procurement: A Background

Citizens are the direct beneficiaries of procurement output. To provide better services for citizens, social accountability is instrumental in ensuring the effectiveness of the procurement process and strengthening both national and local government. The procurement authority is responsible for taking care of public interest in service delivery, while considering transparency and accountability. Engaging citizens in the procurement process, especially in the implementation phase of procurement, is expected to ensure social accountability of public procurement activities.

By definition, social accountability is an 'approach towards building accountability that relies on civic engagement, i.e. in which it is ordinary citizens and/or civil society organisations who participate directly or indirectly in exacting accountability' (Malena *et.al.* 2004)<sup>1</sup>. BRAC

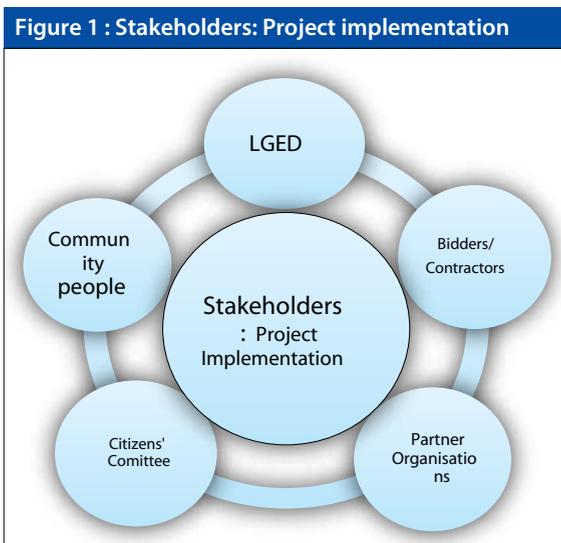
<sup>1</sup> Malena, Carmen, Forster, Reiner and Singh, Janmejaya, Social Accountability: An Introduction to the Concept and Emerging Practice, Participation and Civic Engagement Paper No 76, The World Bank, December 2004.

Institute of Governance and Development (BIGD) is entrusted with implementing a pilot project by Central Procurement Technical Unit (CPTU), under the Public Procurement Reform Project II. The project tests how citizen engagement works in the implementation level of local public procurement work which the Local Government Engineering Department (LGED) implements. To promote citizen engagement, the project forms local level committees in the piloting Upazilas who are responsible for overseeing selected project works in the locality.

This study presents the interim results of the pilot project. It looks into the process and challenges associated with the piloting, and suggests ways to improve the status of citizen engagement in public procurement.

### 1.2 Study Method

This qualitative study was based on Key Informant Interviews (KII) with relevant stakeholders and In-depth Interviews (IDI) with individuals of the local community. A brief review of available literature was also conducted.



## 2. Implementation and monitoring of construction work

### 2.1 Concerned Stakeholders

The implementation process of public procurement involves a wide range of

stakeholders with different roles. Major stakeholders in the process include local LGED officials, contractor(s)/bidder(s) as implementing actors, target groups or direct beneficiaries of the project (i.e. SMC in the case of schools), members of the local community and citizen committees as third party observers, and partner organisations as the facilitators of the monitoring/observation by third party.

## 2.2 Official Mechanism of Implementation & Monitoring

Officially, Upazila authority has a monitoring mechanism for procurement, where the Upazila engineer is the key person under whom the assistant engineer, sub-assistant engineer and work assistant supervise the project activities. Initially, the Upazila Engineer prepares a procurement plan consisting of methods, timeframe, budgeting and get approval from 'Head of Procurement Entity' (HOPE)<sup>2</sup>. On completion of a series of tasks including advertisement, receiving tenders, the evaluation is carried on based on pre-disclosed criteria. After the evaluation, contract is awarded to the successful tenderer by issuing notification of award (NOA). After providing the performance security, appointed contractors are expected to arrange labourers and materials in the time frame mentioned in the agreement and complete the tasks accordingly. In case of failure to complete the task on time, contractors can apply for an extension to complete their task. Work assistants are responsible for the constant monitoring at project sites. To ensure better monitoring, engineers and assistant engineers also visit the construction sites, and the payment cheque is issued based on the satisfactory completion of the construction work.

## 3. Major Findings: Case of Road and School Constructions

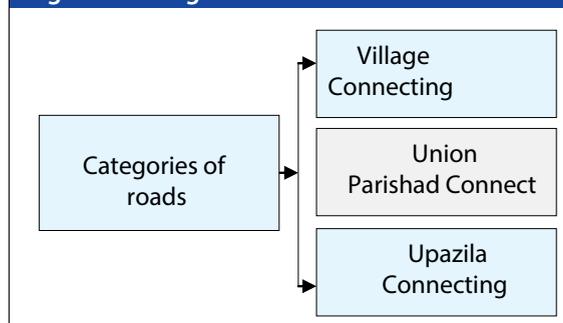
### 3.1 Projects at a glance

Rangpur and Sirajgonj districts are two project areas observed under the study. In Rangpur, projects

<sup>2</sup> Authority of approving contract

were monitored in two Upazilas – Rangpur Sadar and Mithapukur, where the Citizen Committees monitored the construction of four school buildings and five roadways. The same approach was followed in Sirajgonj and ten projects (four schools and six roads) were monitored in two Upazilas– Sirajgonj Sadar and Belkuchi.

**Figure 2: Categories of roads**



Three categories of road construction<sup>3</sup> were selected for monitoring - at the village, UP and Upazila levels. Among the sample of roads that were chosen for the pilot, seven roads were under construction and four roads were being repaired. All the monitored school buildings<sup>4</sup> were newly started construction works.

It was found that, at the beginning of construction work government officials (Upazila engineer) were usually present on site. Local government representatives (i.e. ward commissioner), bidders/contractors, subcontractors, SMC, teachers (in case of schools) and local people were also present at this point. Engineers were also present to clarify questions regarding construction issues such as timeframe, construction material, monitoring process, etc.

### 3.2 Observation by CCs

After the inauguration of the project, contractors and/or subcontractors acquired raw materials (iron rods, wood for pillars, bricks, broken bricks, sand etc.) and labourers. Citizen Committees visited the sites during construction to assess whether the implementation was done as per the specifications and provide feedback to the stakeholders. Specifically, CCs target to

<sup>3</sup> See Appendix 1a for details.

<sup>4</sup> See Appendix 1b for details.

observe the construction work in three stages – inauguration of the project, implementation phase (box cutting, sand filling, piling, etc) and post completion of the construction work. At present, observation post-completion of construction is yet to be done since the stage of project implementation is in progress.

Citizen Committee members flagged out some major problems regarding implementation and monitoring of project work, which are summarized below:

### Box 1: CC experience in Rangpur

Citizen Committee in Rangpur Sadar Upazila found that 'box cutting' of road (Panbazar GC to Harkoli Road, July 2016) was unsatisfactory as it wasn't made smooth enough for proper construction work. They talked to the workers and also contacted the Upazila engineers regarding this problem. The engineers promised to take care of the complaints provided by the committee members. Fifteen days later, local committee members and citizen committees found that sand filling on the roads also did not meet the required standard. The CC again filed complaints to the authority but they continued to be non responsive.

- In reality, the engineers are not always available to enable monitoring by citizens, although they show interest, on principle, in third party monitoring.
- It was seen that in some cases, contractors were late in starting construction work, which made it difficult for the project to be completed as per the given specifications.

- Bidders/contractors had a tendency to hide some project information as they thought that sharing information would cause citizens to compare progress of the construction work with the specifications.
- Bidders have a vested interest in starting the construction later than the agreed time, with the intention of benefitting from demanding higher cost as the prices of raw materials rise over time.

### Box 2: CC experience in Rangpur

Deviation from specifications was observed by CC during construction of a school building (Jagodispur Government Primary School). In May 2016 CC observed the school building construction and found the thickness of base-concrete was 1.5 inch less than in the specification. CC discussed the issue with bidders and it was addressed accordingly. Two months later, construction workers built the columns in the wrong direction (East-West instead of North-South) in the same school building. The CC members included this in their feedback to the responsible engineers, who managed to change the direction of the columns after extra work put in by the labourers.



### Box 3: Experience of Sirajgonj Sadar

In Sirajgonj Sadar Upazilla, implementation of Upazila level road (Fulkocho R&H to Pangasi Road) was observed by the Citizen Committee in June 2016. According to the specification, implementing contractor was supposed to maintain a ratio of 50% sands and 50% brick-chips (cobblestone) for the road construction. But it was found by the citizen committee members that contractors used 70% of sands and 30% of brick-chips (cobblestone) instead of aforesaid ratio. Committee members then reported the issue to the local engineer and contractor; Upazila engineer then had a visit to the site and made the contractor used two trucks of extra brick-chips to fix the ratio of materials. Both the contractor and the Upazila engineer appreciated this visit by citizen committee and its positive result.

## 4. Challenges faced by CCs

Following are the challenges faced by the CCs in the process of project observation:

- Citizen Committee members and local people still think that procurement is too technical an issue for general people, especially for women. So when bidders or their agents argue with citizens regarding any issues related to the construction process, citizens cannot put forward their arguments strongly.
- Most of the CC members cannot maintain regular communication with the Upazila engineers which creates problems in getting quick responses from the engineers regarding the issue.
- The unwillingness of CC members in monitoring the projects rises with increase in the distance of their households from the construction sites, which causes problems in communication. This is because of rising transportation costs, which was identified by respondents as a problem in the way of regular monitoring.
- The authority does not always provide full information of the projects, and sometimes citizens are not given the correct information regarding the project timeline. They sometimes don't even find the bidders as they are engaged in multiple projects. These create difficulties for the people in following the activities.
- Bidders sometimes think that Citizen Committees might create complications during implementation, as they are local residents. Sometimes bidders are politically connected which discourages the local people to complain against them.
- In some cases, there was a lack of interest of the local people to engage in the monitoring process with CCs, due to the impression that CCs were not working in the interest of the community. Eventually the CCs and partner organisations

interacted with the local people and encouraged wider local citizen engagement.



## 5. Expected consequences of Citizen Engagement

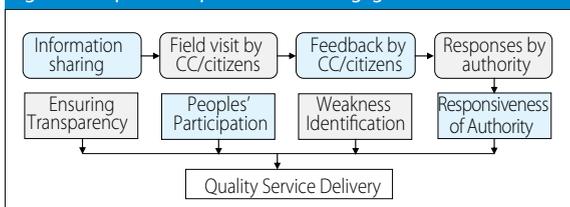
The process of involving citizens in the procurement process is still at an elementary phase as it has been started very recently in target areas and significant tangible changes are yet to be achieved. So far, the following are considered to be the results of civic engagement in the procurement process:

- People in the local community are interested in ensuring that the project proceeds according to the specifications of the project agreements. This was particularly found in the case of female members living in close proximity to the construction work areas. Thus, this constant monitoring tends to ensure better quality work.
- There are some technical factors involved in understanding/monitoring of the quality of the construction process. Such factors include knowledge of the ratio of mixture of materials, thickness of the road, etc. These technical sides of the

construction work are being observed by professionals (i.e. ex-engineers) of the CC who have sound technical knowledge regarding the construction process.

- All relevant stakeholders including LGED engineers, bidders, workers, members of the community, and professionals are currently working together that allows the monitoring to be conducted in an integrated manner. Such an integrated approach is a prerequisite for ensuring better service delivery and social accountability.

Figure 03: Expected Impacts of Citizen Engagement in Procurement



## Conclusion

Citizens are the stakeholders with the right to know how their money is being spent in public procurement activities. Their role of observing implementation is supposed to ensure the accountability of

the actors such as bidders/contractors. Such third party monitoring through direct citizens'

engagement is expected to effectively contribute in achieving the target of a socially accountable procurement process. In this regard, increasing technical knowledge of citizens will bring expected results.

Following are the recommendations for the improvement of citizens' engagement in the procurement process:

- CC members sometimes are not in possession of sufficient knowledge; hence they will require intensive training before they can partake in monitoring of public procurement activities.
- Project information should be displayed in Bangla for efficient information dissemination. Along with summary information, some details on project specification can be kept at the project site for citizens to access.
- Partner organisations have to provide sufficient guidance to the local people in order to help improvement of monitoring activities.
- Contribution of CCs ought to be recognized by the local authority, so that the other stakeholders, including members of the community, can be inspired to participate in the process.

## Local Citizen Committee Members Selection Criteria

### Appendix 1

#### Citizen Committee Members Selection Criteria

1. Journalist
2. Retired School teacher
3. NGO Representatives
4. Retired contractor/businessman
5. Lawyer
6. Retired Engineer
7. Retired government officials
8. Retired female
  - a. head teacher
  - b. NGO representative

c. Health worker

9. Social worker (Independent)
10. Businessman (not contractors)
11. At least 30 percent of the Committee members will be women.

#### Governance structure of the committee:

1. Chair of the Committee will be selected on a rotational basis (a different Chair will be chosen each month from the Committee members).
2. The NGOs will facilitate the selection process of the Chair.

## Appendix 2: Roads constructions

Title	Rangpur District		Sirajganj District	
	RangpurSadar	Mithapukur	SirajganjSadar	Belkuchi
Name of The project	Panbazar GC to Harkoli Road	Paglarhat to DhapUdoypur Bazar road	Fulkocha R&H to Pangasi Road	Rajapur UP to Mobpur Road
Connectivity	Union Road	Village Road	Upazila Road	Union Road
Length (Meter)	1938	1000	1780	11650
Duration	May 2016 to May 2017	April to September	April, 2016 to April, 2017	May, 2015 to February, 2016 (Extension Phase)
Allocated budget (BDT)	1,49,69,890	45,37,325.86	1,12,85,331	2,54,75,983
Distance from Upazila (km)	18	16	15	5
Bidder	Md. RabiulAlam Bulbul	Abdullah-AI-Mamun	Md. AbulKhair-Salim	Md. Liton
Sub Contractor	N/A	Mr.Manik	N/A	N/A
Manager	N/A	N/A	N/A	N/A

## Appendix 3: School buildings constructions

Parameter	Rangpur District		Sirajganj District	
	Sadar	Mithapukur	Sadar	Belkuchi
Name of The project	Jagodispur Government Primary School	Khaiyapara Government Primary School	Kalia Abdul Jabbar Government Primary School	Bagvaroa Primary School
Size (square feet)	2016 (length = 64' Width 31.5')		1426 (length = 46' Width 31')	2250 (length = 75' Width 30')
Duration	April to September, 2016	April to December, 2015	April, 2016 to April, 2017	April to June, 2016
Allocated budget (BDT)	47,50,900	37,00,000	40,04,000	61,63,394
Distance from Upazila (km)	08	23	5	12
Construction formation	New Building construction	New Building construction	New Building construction	New Building construction
Bidder	Md. Abdul Malek	Abdullah-AI-Mamun	ImdadulHaque-Shipon	Md. Nurul Islam
Sub Contractor	KhatierRahman	N/A	N/A	N/A
Manager	MujiburRahman	N/A	N/A	N/A



## **BRAC Institute of Governance and Development**

SK Centre (Basement, 3rd - 7th, 9th Floor), GP, JA-4, TB Gate,  
Mohakhali, Dhaka 1212, Bangladesh

Tel: +88 02 58810306, +88 02 58810326, +88 02 58810320 +88 02  
8835303 +88 02 883 2542