



BRAC  
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# PUBLIC PROCUREMENT WATCH

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## CAN WE HAVE A PROCUREMENT MONTH IN BANGLADESH?

— Md. Aziz Taher Khan, Director, CPTU



For North American countries, March is an exceptional month—it is celebrated as the 'National Procurement Month'. In this month, they celebrate the role of public procurement (United States National Institute of Governmental Purchasing) and acknowledge the contribution of procurement officials of both the public and private sector. Understated as a strategic work, one needs to look at the history of it to understand this sector.



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## PROCUREMENT AND EGYPTIAN PYRAMIDS

In ancient history, the first instance of procurement can be found from the Egyptians in 3000 BC. Although there were no specific procurement procedures for acquiring resources, they used to appoint a manager for product management in large projects. S/he used to note down the amount of materials and labourers required in the building of a pyramid, and kept track of the amount of goods bought and used. Analysts believe this is the first case of public procurement in history.

## PROCUREMENT REVOLUTION

Until the 1800s, there was no institutional structure in public procurement. However, in Charles Babage's 1832 book, 'On the Economy of Machinery and Manufactures', he indicated the need for a 'materials man' in the mining sector who selects, purchases and tracks essential goods and services. This book by Babage is considered as the first book on procurement procedure, with the idea of a central procurement office introduced.

During the Industrial Revolution, the importance of procurement related work increased. One could call it a procurement revolution as well. Marshall Kirkman's 1887 book 'The Handling of Railway Supplies: Their Purchase and Disposition', mentioned procurement's strategic contributions to the railroad industry, specifically in acquiring and distributing goods.

## REDESIGNING PROCUREMENT PROCESS

Unfortunately, the two World Wars forced procurement initiatives to shift back from a strategic role to strictly clerical. Due to the lack of materials during war, more importance was given to order placement than to procurement procedure. During wartime and the economic depression, the objective was to obtain sufficient raw materials, services, and supplies to simply keep the economy running.

Until the mid-1960s, procurement was merely considered as a managerial role. It was only kept limited to product management. Procurement professionals emphasized competitive bidding, but price became the determining factor for most

contracts. An increase in trained professionals during this period helped procurement regain its departmental status.

In the 1980s, competition among suppliers increased exponentially. It came with more emphasis on the supplier's quality and reliability. During this time, supply management became an important factor in procurement and it remains so today. By the late 1990s, the role of procurement started to shift into strategic sourcing. Procurement officials looked at suppliers as 'procurement partners' and long-term contracts were encouraged. This was the beginning of procurement's modern era.

## DEVELOPMENT OF PROCUREMENT

At present, the role of procurement professionals in the success of organizations is undeniable. They take charge of all sorts of procurement works, even selection and evaluation of suppliers. Technology adds a whole new dimension in this sector. Currently, through electronic portals, strategic procurement can be implemented with higher efficiency and lower use of time and resources.

Despite all the history, the role of procurement as a strategic part of the organizational structure is still relatively new. Keeping up with the rapid development of professional procurement, the advantages of technology have increased too. The number of procurement officials and their range of work has increased, contributing even more to the national economy. From finalizing the organization's budget to signing the procurement deal, they are part of all the important works at every level. Similarly, implementation of procurement deals, maintaining the quality of work, and also final handover is done by them.

Therefore, by considering everything, similar to the North American countries, even in Bangladesh a month every year can be celebrated as procurement month and we can show respect to the officials working in the procurement field. This way it can be hoped that not only will the officials feel encouraged, but also further development and expansion of procurement organizations will take place.

**Source: *The History of Procurement: Past, Present and Future***



## BARISHAL DIVISIONAL FORUM

On 24<sup>th</sup> February, Monday, a divisional forum was organized at Conference Hall, Barishal Circuit House, Barishal. This was the 5<sup>th</sup> Divisional Workshop organized under DIMAPPP on the topic of Citizen Engagement in Public Procurement.

All the guests and participants engaged in a series of discussions regarding Public Procurement, e-gp, and Citizen Engagement. At the end of the forum, a session was held as group work to allow everyone to have discussion among their own group members and present their ideas with everyone. For this, the participants were divided into groups of “Government Officials”, “Tenderers”, “Local Government Representative”, “General Citizens”, and “Citizen Monitoring Group”, who shared their views on the advantage and disadvantage of involving citizens in public procurement.

Almost all the participants felt Citizen Engagement in Public procurement is necessary because it increases accountability and transparency, helps to develop ownership, and improve the quality of work. Even though they all agreed on the advantages, there were differences in suggestions and probable disadvantages depending on the groups.

The government officials talked about providing allowance and proper training to the Citizen Group members, otherwise they might not be as efficient and the work would be hampered. Tenderers

expressed fear in increasing corruption and difficulty in working under political influence. They suggested not having any elected representatives as committee members and being stricter in the prevention of goods being stolen. The civil society suggested necessary legal modification to be made to ensure wide citizen participation and be more gender inclusive. Otherwise they believed, the work would not be community inclusive and would cause delay in project implementation. The Citizen Monitoring Group members were afraid that they could be threatened by employees of tenderers and for that they suggested having local reputed personnel be part of the group. They also suggested selection of group members after proper verification, or else development might be hampered in the presence of dishonest people.

The Chief Guest of the event was Mr. Abul Mansur Md. Faizullah, NDC, Secretary, IME Division, Planning Ministry, and the Special Guests were Mr. Md. Zakaria, Additional Divisional Commissioner (General), Barisal., Deputy Commissioner, Barishal, Chaired the event.



## JOINING OF NEW DG OF CPTU

On 1<sup>st</sup> March 2020, Mr. **Mohammed Shoheler Rahman Chowdhury**, a national trainer of public procurement, took over the role of Director General of the Central Procurement Technical Unit (CPTU). The Ministry of Public Administration in a circular issued on 22 January 2020 appointed him the DG of CPTU on deputation. Before joining CPTU, Mr. Mohammed Shoheler Rahman Chowdhury, a Joint Secretary to the Government of Bangladesh, worked as the General Manager (Planning & Development) of the Bangladesh Economic Zones Authority (BEZA). He is a member of the 13<sup>th</sup> batch of the BCS Administration cadre. We believe CPTU will reach a new height under his leadership.



## FIELD SUCCESS STORY-1

On 26<sup>th</sup> January 2020, Citizen Monitoring Group member and Principal of Ganginarpar Government Primary School complained to the Field Officer assigned on that area about the base of the school building not being constructed according to the guidelines set. The Upazila Engineer then gets immediately informed on the matter via

phone. On 29<sup>th</sup> January, the field officer visited the engineer along with the School Principal and the citizens who had made the complaint. After the engineer was shown pictures of the site, he elaborated everyone on the work manual and gave assurance on developing a well-made structure following all the guidelines.

## REFRESHERS' TRAINING

From 26<sup>th</sup> to 27<sup>th</sup> January, a Refreshers' Training took place at Brac Learning Center, Dhaka. Here both new and old Field Officers were trained by BIGD and Brac-CEP officials as the Citizen Engagement component was soon to be implemented on a larger scale across 48 Upazilas of Bangladesh. The attendees were BIGD field officers, BRAC CEP Upazila managers, District managers and Regional managers. They were trained by Syeda Salina Aziz, Mahan Ul Hoque, Farhana Razzaque, Rabiul Islam, Evan Iqram, and Erina Mahmud, who conducted 4 sessions with extensive discussion on implementation methods, reporting process and communication materials. Updates and challenges of the existing work were heard from the field officers, and also new roles were assigned to allow better coordination between BRAC CEP and BIGD. Mr. Mosta Gausul

Hoque, Principal Project Management Consultant, and Mr. Shafiu Alam, Senior Communications Consultant, from Central Procurement Technical Unit – CPTU also attended the sessions and shared their thoughts and ideas with the participants. The 2 days training session saw massive enthusiasm and participation from all the field officers.

### Citizen engagement activities at field: Quarterly update

Activities	Achieved till March, 2020
Group formation	78
Group orientation	78
Site meetings	83
Grievances	97
Total grievance from group member	75



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