Background and Overview

In India, a significant portion of government expenditure involves procurement, which is estimated to be about 25 to 30 percent of India’s Gross Domestic Product (GDP). But unfortunately, at national-level, there is lack of uniformity in regulatory framework necessary to govern the key areas of functioning of the various governments. Whereas in Rajasthan, the legal framework is very strong and has implemented ‘Rajasthan Transparency in Public Procurement Act, 2012; ‘Rajasthan Transparency in Public Procurement Rules 2013; Public-Private Partnership (PPP) Guidelines, 2008 and Swish Challenge System. Implementation of these Acts, rules, guidelines and system is improving with time but proactive disclosure of procurement related information of various stages need to be promoted and overall the implementation need to be more effective by overcoming the impediments of collusion, bid rigging, fraud and corruption. More research, introducing best practices and capacity building initiatives are the need of the hour.

Abstract

In the above backdrop, a ‘Rajasthan Public Procurement Observatory’ has been set up in Jaipur in November 2014 in order to:

- Impart public access to procurement related information and current procurement and procurement process in order to ensure transparency and thus, trigger a mechanism of public watch.
- Enable learnings from past experiences and good practices in order to shed some light on past failures and provide guidance for future reforms and innovations.
- Consequently, making procurement processes cost effective by advocating better practices for process improvement.

Objectives

- Promoting civic engagement in public procurement processes in Rajasthan.
- Collection and analysis of public procurement (including contract implementation) related quantitative/quantitative data vis-à-vis selected procurement performance indicators.
- Monitor the procurement policies, rules and practices in Rajasthan and analyse actual implementation of the same.
- Documenting best practices from other states and sharing with stakeholders in Rajasthan.
- Share the findings of the mentioned analyses and its outcome with Rajasthan Government and other relevant stakeholders through workshop, seminars, web site and other means.

Outcome

- Dedicated web portal in place: An informative and interactive web portal is in place. (http://procurementobservatoryraj.in/). More than 17,000 people are benefitted by it so far in various ways.
- New resource pack is developed: A rapid analysis of state regulations/policies/practices pertaining to public procurement was accomplished and reports were produced. These reports are only of its kind for the state.
- For the first time, an analysis of actual status of implementation of Act and rules by a non-partisan agency: Based on the developed procurement performance indicators, secondary data on procurement practices from selected procuring entities was collected and analysed.
- The findings have been shared with the concerned procuring entities and Finance Department. Recommendations for action were also put forward for action. Some corrective actions have been taken and procurement framework has been improved in the state of Rajasthan. All the findings are available on the web portal.

Plan of Action

- Analysing actual implementation status of RTPP Act and Rules in selected four procuring entities and their procurement processes would be monitored.
- Survey on Procuring Officials to know the level of awareness about public procurement processes, RTPP Act and Rules of the state.
- To conduct vendors survey to capture their experiences about ease of doing business.
- Organising 15 public lectures on the RTPP Act, rules and public procurement processes at business schools/colleges/universities/prominent procuring entities.
- Documenting and sharing best practices related to effective implementation of Procurement Act and Rules, engaging citizen oversight, complaint redressal and others from some of the states like Karnataka, Tamil Nadu and Kerala for cross learning.
- Organising two dissemination workshops for sharing the project findings and learnings with the relevant stakeholders.
- Publishing news articles, briefing papers and case stories on relevant issues and areas.

Duration

The tentative timeline of phase-2 project is a year i.e. from April 18, 2016 to April 18, 2017.

Support

This phase-2 project of Rajasthan Public Procurement Observatory is supported by Asian Development Bank (ADB).

Implementation

Both the phases of the Rajasthan Public Procurement Observatory have been implemented by Consumer Unity & Trust Society (CUTS).