

The Assam Public Procurement Act, 2017 and Draft Rules

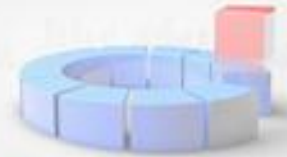
Current Position and the Way Forward...

22nd January 2018



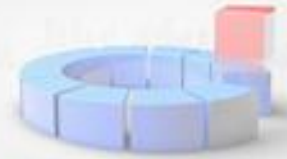
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Background



- Assam Public Procurement Act, 2017 enacted in April 2017.
- Finance Department (through AS-CFMS) is driving the process of formulation of the Assam Public Procurement Rules.
- Cross-functional task-force studied best practices from across world and drafted a comprehensive and latest version of the public procurement bill and draft rules
- Draft rules were circulated to 25 departments on 10th December 2017 for comments
- Views received from 3 departments, namely, GAD, Transport and Higher Education, till date.

Rationale for the Act



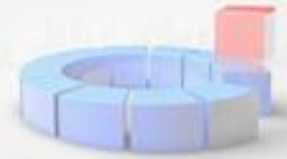
- Procurement & Contract Management – biggest reasons for delay in execution
- Multiple documents guide Procurement in Assam (eg: Assam Financial Rules, Delegation of Financial Powers, Treasury Rules, Notifications of Finance Department, Industry Department, CVC etc.)
 - Often these documents are contradictory
 - No standardization of Bidding Documents
 - Traditional Operating Manuals don't comply with Global Standards for Procurement and Supply
- Suboptimal level of procurement & delays

Salient Features of the Act



- All procuring entities funded by the govt. exchequer brought under uniform legislation.
- Procurement lifecycle, necessary procedures & documentation outlined clearly.
- New methods, modes and types of procurement such as Swiss Challenge, GeM and Limited Bidding are recognized.
- ‘State Public Procurement Portal (SPPP)’ to be designated as the single source of truth.
- Procedures for debarment of fraudulent & irresponsible bidders is streamlined.
- Sensitive procurement information shielded due to ‘Confidentiality’ clause
- ‘State Procurement Facilitation Cell (SPFC)’ to drive the procurement reforms in the state.

Methods / Types of Procurement as per APPA, 2017



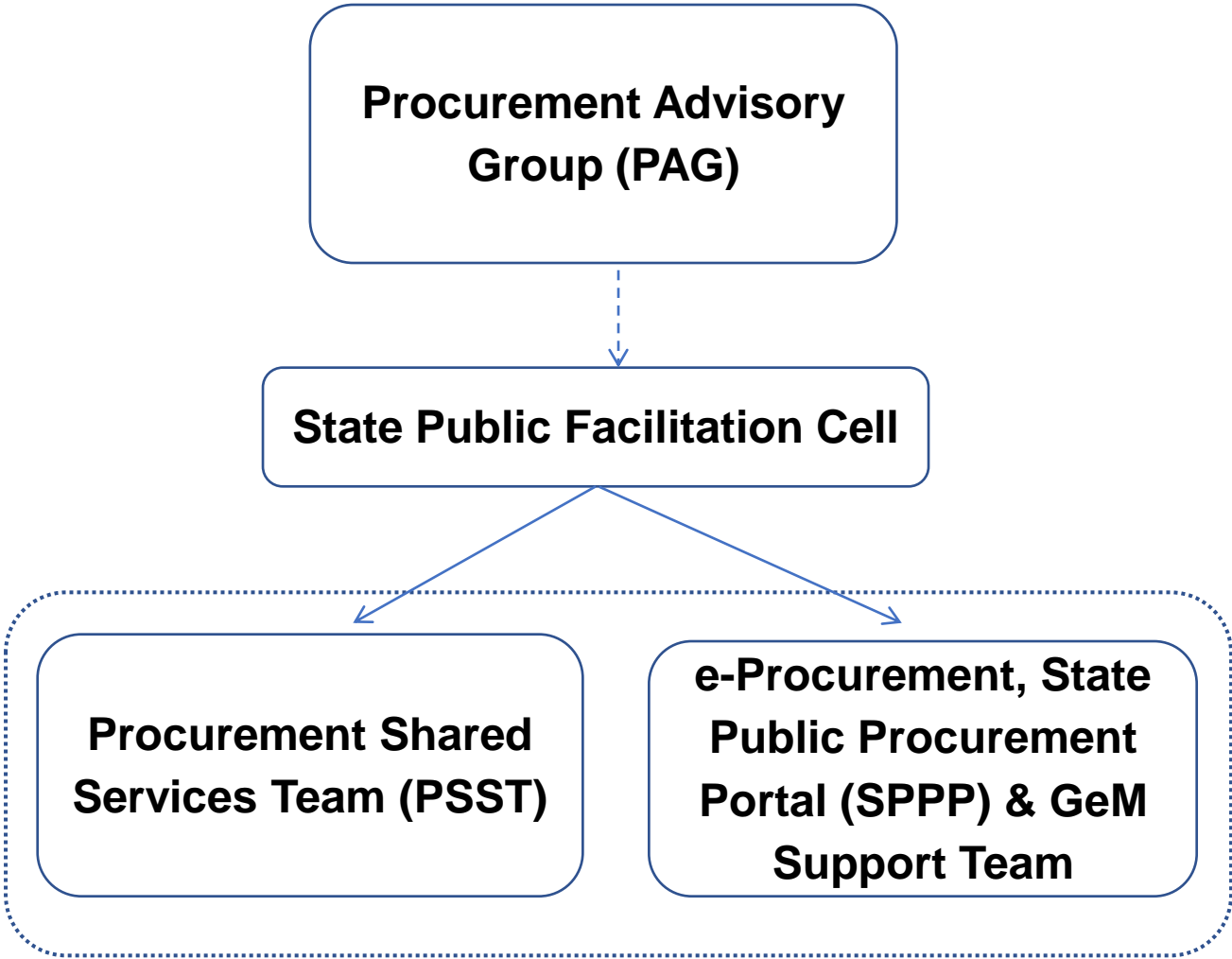
- Open Competitive Bidding
- Limited Bidding
- Two stage Bidding
- Single Source Procurement
- Electronic Reverse Auction
- Request for Quotations
- Spot Purchase
- Competitive negotiations
- Rate Contract
- Framework agreement
- e-commerce or community procurement for community driven schemes
- Any other method of procurement notified by the State Govt.

Additional Provisions under APPA, 2017



- Electronic Reverse Auction
- Government E-Market
- Framework Agreement
- Swiss Challenge

Execution of APPA, 2017



Procurement Advisory Group



- Permanent advisory group consisting of Senior-most Secretaries of certain high-spending Departments
- **Functions of the PAG**
- Advisory body to the Finance Department to make necessary amendments as may be required to
 - Revisions to the Procurement Act and Rules
 - Definition of standards for goods, works and services
 - Finalization of Standard Bidding Document Templates
 - Recommending various procurement thresholds/notifications
- Will meet at least on quarterly basis to review the overall progress of enforcement of the APPA, 2017 across the State

State Procurement Facilitation Cell



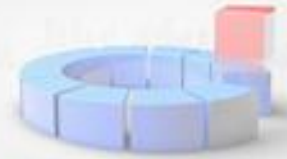
- To be housed within Finance Department – statutory function defined by the Act
- To maintain and update the State Public Procurement Portal set up
- To arrange for training and certification
- To provide guidance, consistent with the provisions of this act and the rules and guidelines

State Public Procurement Portal



- Matters related to Public Procurement
- Pre-Qualification Documents
- Bidder Registration Documents and any amendments
- Particulars of Bidders who have been debarred by the State Government

Procurement Shared Services Team (PSST)



- Team of domain experts providing technical support for carrying out procurement activities
- Consisting of Procurement, Legal, Financial experts hired on Contractual Basis/ Deputation
 - Evaluating procurement requests from departments and recommending suitable procurement method (including pooling common requests)
 - Techno-Legal feasibility assessment of TOR prepared by Departments
 - Assistance in preparation of bidding documents
 - Preparation of procurement timeline and issuing follow-up notices
 - Assistance in pre-bid meetings, bid evaluation and contract negotiation

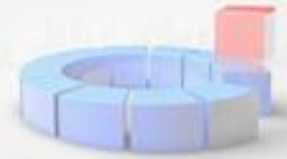


Action Plan for Implementation

- Assam Public Procurement (Draft) Rules circulated to
 - 25 large procuring Departments for comments
 - Placed on Public Domain for comments
 - Discussion with all stakeholder departments – 22nd January 2018
 - Rules to be finalized and sent to the Legislative Department – 31st January 2018
- Preparation of Standard Bidding Documents initiated

First draft SBD for Goods for F&ES Dept.	Prepared & Delivered on 7 th December
Study of SBDs across states and from Gol	Ongoing; Shri. Nandy (Advisor, Procurement Rules & SBDs) in charge
Constitution of Task Teams for drafting SBDs for 5 categories	Nominations reqd. from departments for SBDs (Goods, Major Works, Minor Works, Consultancy Services, Non-Consultancy Services.)
Finalization of draft SBDs	By 20 th February 2018

Capacity Building of Officials



- Training Sessions on Procurement Rules, SBDs to be held in Feb/ March
- Assam Institute of Management has submitted 'Strategy Paper' for capacity building of officials handling procurements.
- In the first phase, following officials may be trained:
 - 3 officials (FA, Jt. Secretary/Deputy Secretary and other official handling procurement activities) from each of the administrative departments
 - 2 officials (directors and other officials handling procurement activities) from each of the directorates
 - This translates to a total of approximately 385 officials ($55 \times 3 + 110 \times 2$)
- FAQs and User Manuals to be prepared by 15th March 2018.
- Act to be in force tentatively from **1st April 2018.**

The Assam Public Procurement Rules 2017 (Draft)



Thank You!



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