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**Ministry of Electronics and
Information Technology**
Government of India

Global Procurement Summit 2018

A Report by AIMA

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Inaugural Session

On the first day of the Summit, the inaugural session began with the welcome address by Mr Nikhil Sawhney, Treasurer AIMA, Vice Chairman and Managing Director, Triveni Turbine Limited. Mr Sawhney welcomed the dignitaries and the delegates. He mentioned that the procurement transformation is taking place with emphasize on the use of ICT and third party tools. The two day Summit was inaugurated by Honorable Minister of State, Ministry of Finance and Shipping, Shri. Pon. Radhakrishnan, who congratulated AIMA and the World Bank for partnering with government of India for organizing this summit. The minister, highlighting how public procurement involves nearly 20% of GDP, said that the current central government has vision and willingness to transform the public procurement and service delivery by putting greater emphasize on information technology. Bold steps and initiatives have been taken by government to streamline the system, reduce corruption and ensure discipline in procurement process. He remarked that government is using public procurement policies to promote SMEs, startups and promote the Make in India initiatives, so that there are more opportunities for job creation. Mr Minister expressed his confidence that the joint initiative of AIMA and the World Bank can bring



Shri Pon. Radhakrishnan, Minister of State- Finance and Shipping, Government of India

experience from all the sectors, for knowledge sharing. The minister also released the souvenir during the Summit.

The inaugural session was addressed by Mr. Vinay Sharma, Director, Global Governance Practice, The World Bank, who on setting the context of the Summit said that the role of Public Procurement has been transforming as the Global Supply Chain itself is changing. There are other changes taking place around the world, like globalization, technological advancement etc. because of which, world is becoming more



(L-R) Dr. Raj Agrawal, (Director – CME, AIMA); Mr. Nikhil Sawhney, (Treasurer AIMA, Vice Chairman and Managing Director, Triveni Turbine Limited); Shri Pon. Radhakrishnan, (Minister of State - Finance and Shipping, Government of India); Shri Ajay Narayan Jha, (Secretary (Expenditure), Department of Expenditure, Ministry of Finance, Government of India); Mr. Vinay Sharma, (Director, Global Governance Practice, World Bank)



Mr. Shanker Lal, Lead Procurement Specialist, World Bank

competitive today and it is in this context the public procurement and role of the government needs to change. He stressed on the disruptive technology, making the procedures simpler and talked about the methodology for assessment of procurement system tools and spend analysis for better efficiency and reducing corruption. His words were followed by Key note address by Secretary, Department of Expenditure, Ministry of Finance, Shri. Ajay Narayan Jha, who said there is a “paradigm shift” in public procurement over the years. Since there is big amount of hard earned money of tax payers involved in the entire process of procurement, therefore, it becomes important to make sure that there is more transparency and efficiency in utilization of these funds. There are General Financial Rules which came in 2017 which focuses on how to approach new economy in terms of reorienting entire procurement process to see that there is not only transparency but also, element of accountability and flexibility. There is also revision done in procurement manual for both goods & services in line with the new requirements. Apart from these reforms, digital technology can act as game changer, in terms of ensuring greater access to people. He shared about public procurement portal and Government e-marketplace portal as the initiatives taken by

government. Mr Jha mentioned that to make these initiatives a big success we need to build in capacity, train people and promote entrepreneurship in this entire project. He concluded by saying that a lot has been done to transform the public procurement, lot more can be achieved with the help of government and private sector together. The vote of thanks was extended by Dr. Raj Agrawal, Director-CME, AIMA who thanked the honorable chief guest and all the dignitaries and the delegates.

Launch of Procurement Knowledge Portal

AIMA, took initiative of designing India Procurement Knowledge Portal, with support of the World Bank. Mr. Shanker Lal, Lead Procurement Specialist from World Bank introduced the procurement knowledge portal. Ms Elmas Arisoy, Practice Manager, Global Governance Practice, World Bank launched the portal by cutting the electronic ribbon. Ms Arisoy congratulated AIMA for their innovative efforts for having built the interface for sharing the global practices with the people. This portal will be useful for procurement professionals and entities from entire country. She promised



Dr. Raj Agrawal, (Director – CME, AIMA) and Ms. Elmas Arisoy, (Practice Manager, Global Governance Practice, World Bank)

to provide full support to AIMA in terms of all the content from their world bank experts.

Plenary Session 1

SMART Procurement: Application of ICT tools

The first Plenary Session of the Summit on SMART Procurement: Application of ICT Tools was chaired by Ms. Radha S Chauhan, CEO Government e-marketplace, Government of India. The speakers in the session were – Prof. Gustavo Piga, Professor of Economics, University of Rome, Ms Caroline Nicholas, Senior Legal Officer, UNCITRAL Secretariat, Vienna, Mr O P Tiwari, GM (Information System), Indian Oil Corporation Limited.

Prof. Gustavo Piga, initiating the proceedings of the session shared about his thoughts on Artificial Intelligence and Big Data and the challenges ahead. He started his discussion by mentioning that artificial intelligence may affect job market by eliminating various manual jobs, due to the technological revolution. He shared the study which stated that the jobs which survive the revolution will be the one which require technical competencies and are social skills intensive, since computer is still poor in simulating reaction. He

added that even with the technological revolution, complex procurement cannot be left to machines and skilled people will be required to perform it. By stating the example of South Korea, Prof Piga explained how centralized information is fantastic gift given by the technology. While explaining about big data, professor talked about the good things and bad things about the big data. He emphasized that it is important to use the data positively; data should be used to empower and professionalize public procurement.

Building on the momentum, the next speaker Ms.Caroline Nichloas in her presentation elaborated on how procurement is dominated by legal rules and therefore one needs to have clarity on the legal aspects before writing about procurement manuals, guidance or documents.

She gave example of UNCITRAL model Law on public procurement and explained how we can balance discretion with transparency in public procurement.



Ms. S Radha Chauhan, CEO, Government e- Marketplace (GeM), Government of India

She talked about the challenges faced in the procurement system and how these challenges are handled well by SMART procurement. The procurement data can be integrated with the other state budget processes and other government system, we would not need to re-enter the basic data every time.

After her, the next speaker Mr. O P Tiwari, addressed the delegates and mentioned that application of ICT in Indian Oil Corporation Limited ranges from e-mail to e-procurement. Highlighting the importance of technology driven procurement, Mr Tiwari said that ICT gives us not only efficiency and cost saving but also leads to having robust compliance and security system. He added that now, they are able to have report management system in place, participation in terms of average number of bids received has increased , lead

time has reduced drastically. Followed by his presentation, Ms Radha S Chauhan, chairperson complemented the speakers for enriching the knowledge of the delegates. Mr Suresh Kumar, Additional Chief Executive officer, Government e-marketplace, on behalf of the chairperson represented GeM as end to end solution which is cash less, paper less, and contact less. Mr kumar mentioned about some of the benefits associated with different functionalities of GeM like the standardized cataloging system, user rating, bundling and bunching, search engine, online payment system features etc. He said GeM envisages in making revolutionary changes in the way in which entire ecosystem functions. Ms Radha S Chauhan while winding up the session said that, it is a journey which has huge learning curve and we all need to be patient and positive.



(L-R) Ms. Caroline Nicholas, (Senior Legal Officer, UNCITRAL Secretariat, Vienna); Prof. Gustavo Piga, (Professor of Economics, University of Rome); Ms. S Radha Chauhan, (CEO, Government e- Marketplace (GeM), Government of India); Mr. O P Tiwari (General Manager Information System, Indian oil Corporation Ltd.)

Plenary Session 2

Blind Spots in Procurement and Contract Management

The second session, Blind Spots in Procurement and Contract Management, was chaired by Mr. Vinay Sharma, Director, Global Governance Practice, World Bank. The speakers were Mr. William T Woods, Director, US Government Accountability office (GAO), Mr Kevin Bates, Head of commercial and Procurement from National Health Services (NHS), UK, Mr Majed M. El-Bayya, Lead Procurement Specialist, World Bank and Mr Subash Singhal, Chief General Manager, Contracts and Procurement, GAIL india Limited.

Mr Vinay Sharma as a chairperson, while introducing the session said that when we talk about procurement we do not discuss much about post award phase, the challenges faced while managing contract like issues relating to dispute resolution, timely execution of contract and claims made by the contract and so on. Therefore this theme is very important to deliberate today.

The first speaker for the session was Mr William T Woods, who talked about accommodating innovation in Public Procurement. He mentioned that most of our systems across globe have structure that allows bidders to challenge the decision; they are called challenge procedures in many countries. In US the number of days given for the protest system is 10 days, therefore timeliness has to be maintained along with this system. Another essential element mentioned by Mr Woods is access to information. The bidders need to know in fairly good detail, why they lost in procurement. Since companies spend good amount of time, manpower and money in designing the proposal therefore, they deserve to know why they lost. Third essential element, stated by the speaker, is that protest system must have the ability to stop procurement in its tracks. A bid challenge system is not of any benefit to the challenger if by the end of the process the challenge is upheld and the arbitrator decides that protestor was right. And the fourth essential element is that there has to be accountability and effectiveness of remedy. That means there has to be a way for the protestor to get some meaningful relief.



Kevin Bates, (Head of commercial and Procurement National Health Services (NHS), UK); Mr. Vinay Sharma, (Director, Global Governance Practice, World Bank); Mr. Subhash Singhal (Chief General Manager, (C & P), GAIL); Mr. William T Woods, (Director, US Government Accountability Office (GAO)); Mr. Majed M. El-Bayya, (Lead Procurement Specialist, World Bank, Washington)



Mr. William T Woods, Director, US Government Accountability Office (GAO)

The next speaker, Mr Kevin Bates in his presentation started by explaining the background of National Health Services (NHS), UK. He took audience through various stages of commercial life cycle and various blind spots experienced by NHS, UK. The first blind spot touched upon by Mr Bates was to have complete knowledge and understanding of what procurement is and what value procurement professionals can add. The second blind spot mentioned was lack of efforts to have market engagement, though it takes a lot of time and money. The third area to be taken care is that there should not be any conflict of interest. Another area of concern highlighted by the speaker was process of policy formation. Since in this process, we do not know the outcome therefore we need to be very careful and flexible in the process. Some other blind spots mentioned by Mr Bates were relationship management and Governance process.

Followed by Mr Bates, we had Mr Majed M. El Bayya as the next speaker for the session. He started his talk by explaining the meaning and importance of blind spots. He mentioned that a blind spot for one person might not be blind spot for other. One of the blind spots highlighted by Mr Majed was value for money. There is a long time taken in bid evaluation which leads to delay in the awarding of contract and hence the value for money is lost. He said that in our discussion, we talk about the number of days delayed but do not refer to the economic loss for the delays. He mentioned social aspect as another blind spot on which we need to work.

As procurement officers, we prepare documents and award contract to lowest bidder without caring about social outcome. Various aspects like human rights, SMEs, minimum wages, maximum hours of work etc need to be addressed apart from lowest bid price while designing the procurement.

The third area covered under blind spots is disruptive technology, where he touched upon e-procurement and SMART procurement. He emphasized that various disruptive technologies are internet, email, smart phones, cloud computing, social network etc. He ended up his talk by suggesting that to overcome such blind spots we need the skill build. We do not need degree rather skills to handle the task of procurement efficiently.

The last speaker for the session was Mr Subash Singhal. Mr Singhal shared with the audience some of the Blind Spots faced by his organization, Pricewatercoopers. He categorized the blind spots in two parts- one faced during procurement and the other in contract management. Some of the blind spots highlighted by him during procurement process were less circulation of tenders, lesser bid validity, errors in bids, price revision, less transparency in off line negotiation. He also elaborated about financial hardships of contractor, contractual disputes, different interpretation of contractual provision, competency of Engineer-in-charge as some of the blind spots faced in contract management.



Kevin Bates, Head of commercial and Procurement National Health Services (NHS), UK

Plenary Session 3

Sustainable Procurement: Balancing Economic, Social & Environmental Considerations

The second Day, at the GPS 2018, started with the third plenary session on **Sustainable Procurement: Balancing Economic, Social & Environmental Considerations**, chaired by Shri K Rajaraman, Joint secretary, Department of Expenditure, Government of India.

The speakers were Mr. Rajiv Aggarwal, Joint Secretary, Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce and Industry, Mr. Sanjay Kumar, General Manager, Dedicated Freight Corridor Corporation of India (DFCCIL), Ministry of Railways, Government of India, and Mr. Shivanshu Chauhan, Executive Director, PricewaterhouseCoopers.

The First speaker, Mr. Aggarwal started with asking participants to refer the Public Procurement (Preference to Make in India) Order, 2017. He talked about the volume in terms of spending of public procurement in India together by all states and central government. He presented examples of different tender documents which restricted the Indian suppliers to participate in the bid. Mr. Aggarwal mentioned, that in the case of public procurement all countries have right to decide criteria they want to lay down. Public procurement professional can provide level playing field to the domestic manufacturers and suppliers.

Mr. Aggarwal showed confidence in Indian suppliers and mentioned how without price preference Indian suppliers are able to compete with International suppliers without compromising on quality and lowest price. Mr. Aggarwal mentioned how DIPP & Department of expenditure come together and setup grievance redressal mechanism. Vendors and Suppliers can now raise their concerns if they find any of the criteria discriminatory in nature, restrictive or against the order of public procurement preference order 2017.

Mr. Aggarwal also stated the challenges in reviewing tender documents available in PDF, and how they are in the process of developing better data mining tool to highlight such discriminatory criterias.



Shri K Rajaraman, (Joint Secreatry, Department of Expenditure, Government of India) and Mr. Shivanshu Chauhan, (Executive Director, PricewaterhouseCoopers)

The second speaker for the session was Mr Kumar. In his talk, Mr. Kumar named some of the countries which adopted sustainable procurement in the first decade of current millennium, like China in 2005, South Korea started in 2006, Japan in 2003, Malaysia in 2008 and Thailand in 2009.

Mr. Kumar talked about how procurement professionals need to see beyond the lowest cost in public procurement to get best value out of public spending. He stated example of European Union audit done in 2012 which reflected that after adopting the sustainable procurement they saved money.

Then Mr. Kumar talked about how government can use its purchasing power as well as regulatory power to regulate the market to achieve sustainable goals at the same time it can also develop domestic manufacturing and create employment for people. He stated example of Energy Efficiency Services Limited (EESL) to explain his point. In his example, he elaborated, how ESSL project which is working towards changing the conventional bulbs with the LED Lights, is impacting the LED light market in India. Due to this project the cost of LED lights reduced drastically from INR 300-400 to as low as INR 40-60, it has also reduced the import of LED lights and encouraged domestic manufacturing and has tremendous impact on environment. He also said that, with this level of purchasing power (which is about \$ 600-700 billion) government can influence the market to produce more sustainable products by increasing the demand of such products.

Then Mr. Kumar talked about how procurement professionals can come forward to help the government to achieve Sustainable Development Goals. By referring the example of ESSL, Mr. Kumar said if demand of sustainable products can be created then only companies will invest in R&D to meet such demands.

Mr. Kumar also presented the SWOT analysis to show strength and weakness of Sustainable Public Procurement. The strength areas are government's purchasing power & regulatory power, rule-based procurement policy, big domestic market and leadership support.

He highlighted some of the weaknesses, such as lack of capacity and training of the officers involved in public procurement and lack of coordination among different ministries and departments of government. In his address, he emphasized on the issue of capacity building. There are 7 lakh professionals working in the field of public procurement and conventional or class room training will not work. The need is to reach such a large group of target audience. An online training program can be developed on sustainable public procurement.

The last speaker for the session was Mr Shivanshu Chauhan. Mr. Chauhan mentioned how the policies like "Make in India" will increase procurement from India. He discussed about the productivity-



Mr. Rajiv Aggarwal, Joint Secretary, Department of Industrial Policy and Promotion, Ministry of Commerce & Industry

based growth which is going to reduce because of technological advancements. He also mentioned after so many decades economic power is coming to Asian regions but this time we need to ensure that this has to be sustainable economic growth.

In his address, he mentioned that different people have different aspects of sustainability like social aspect, environmental aspect or financial aspect, the point is how we can balance all these forces to decide procurement policy. He believed that procurement should not be always based on lowest cost, we need to look at the total life cycle cost and the environmental impact of the product.

Mr. Chauhan talked how it can be institutionalized by including it in the procurement policy. It is not limited to only Government; private sectors also need to include sustainable procurement in their policy to insure procurement is sustainable.



Delegates at Global Procurement Summit 2018

Plenary Session 4

New Tools & Methods for the Management of Procurement & Public Private Partnership (PPP)

The fourth plenary session on **New Tools & Methods for the Management of Procurement & Public Private Partnership (PPP)** was chaired by Mr. Bhaskar Narang, Retd. Principal Executive Director, Railway Board, Ministry of Railways. The speakers were Mr. Michael Graeme Osborne, Senior Procurement Specialist, World Bank, Mr. Vasanth Rajasekaran, Partner, Phoenix Legal and Mr. Anand Kumar Srivastava Procurement Specialist, World Bank.

The session started by brief introduction to the topic by the chairperson. Mr Narang, the chairperson said that ICT which we have been using as a tool is further leading to optimization. We need to take care on how do we synergize and deliver with such tools. We also need to make sure that all the stakeholders be it buyer or seller etc need to be benefited. He mentioned that funding has become critical issue now and PPP has become handy in this area.

The first speaker for the session was Mr Osborne. He mentioned that successful delivery of quality infrastructure relies on good procurement. World Bank and other multilateral development banks have a leadership role to play. They can support in the strategic alignment of objectives to ensure that right projects are selected. He mentioned that good governance ensures a competitive, globalized business environment, with open and fair access to multi trillion dollar bidding opportunities. Mr Osborne talked about some specific tools which World Bank has developed to mobilize PPP model. The first tool mentioned by him was Five Business Case Model, where he talked about strategic Business case, Economic Business case, Financial Business case, the Management Business case and the Commercial Business case. Some of the other tools mentioned by the speaker for the better PPP outcome were a proper framework for disclosure in Public private Partnership, infrastructure prioritization framework etc. During his discussion on tools he also discussed about the Public-Private Partnerships Fiscal Assessment model. Mr Osborne emphasized about the need for mobilizing and promoting PPP certification Program as well to build the capacity and skills in the said area.



(L-R) Mr. Vasanth Rajasekaran, (Partner, Phoenix Legal); Mr. Michael Graeme Osborne, (Senior Procurement Specialist, World Bank); Mr. Bhaskar Narang, (Retd. Principal Executive Director, Railway Board, Ministry of Railways); Mr. Anand Kumar Srivastava, (Procurement Specialist, World Bank)

The next speaker for the session was Mr. Vasanth Rajasekaran. He started his talk by categorizing the impediments faced in the scaling up of PPP projects as three. The first being the Financial and the Viability constraints, second as capacity and procedural challenges and the last being policy regulator and institutional gaps. While sharing the viability constraints as an impediment in detail, he mentioned that under pressing of the project and aggressive bidding by the bidders, huge dependency on commercial bank for PPP financing and overleveraged balance sheet of the developers and inflation of the total project cost are some of the issues under the viability and financial constraints. Regarding the capacity development challenges some issues faced are lack of efficient project preparation facility, land acquisition issue and inadequate project monitoring activities. Mr Rajasekaran while elaborating on Policy and institutional gaps as one of the impediments mentioned that lack of independent regulators, lack of robust institutional mechanism, absence of dedicated PPP policy governing across all the sectors are some of the concern areas.

The last speaker for the session Mr Anand, shared his thoughts on Maximization of Finance for Development, using Fit-for-Purpose Procurement Strategies for Practitioners. In his discussion he talked about the infrastructure delivery, followed by risk management, PPP ability and PPP environment and supply positioning. Throughout his discussion he focused on water supply sector.

Plenary Session 5

Showcasing Innovation in Public Procurement

The fifth plenary session on **Showcasing Innovation in Public Procurement** was facilitated by Mr. Kalesh Kumar, Capacity Building Coordinator, Procurement, Global Governance Practice, World Bank. The speakers for the session were Mr. Srinivasa Raghavan, Senior Technical Director, National Informatics Centre, Mr. Rajneesh Rana General Manager, Business Development & Contracts Energy Efficiency Services Limited, Mr. Harsh Sharma, Additional Project Director presented on behalf of Ms V. Hekali Zhimomi Secretary, Department of Medical, Health & Family Welfare, Government of UP. The session started by Mr Kalesh briefing about the South Asia Regional Public Procurement Award where the World Bank awards the entities for the innovative work done at different levels. The objective of such award is to enrich learning and disseminate the knowledge across south Asian countries. He announced that out of 78 submissions 36 submissions belong to India.

The first speaker for the session, Mr Srinivasa Raghavan, who won the award started his talk with the introduction about GePNIC, The Government e Procurement System of National Informatics Centre. He mentioned, there are many challenges



Mr. Kalesh Kumar, Capacity Building Coordinator, Procurement, Global Governance Practice, World Bank

like last minute bid, transparency etc. which they face and work on daily basis to get solutions to it. The speaker stated the use of digital signatures and security audits as per MEITY guidelines as some of the steps they have taken to maintain security. The extent to which the portal is working across states, across various entities using different kind of services makes the portal unique from others.

The second presentation for the session was on “Unlocking Energy Efficiency Market in India - through Innovative Procurement Business Mode”. The presentation was made by Mr Rajneesh Rana, from EESL. They shared the winner’s trophy along with NIC (National Information Centre).He started by mentioning that the EESL focuses on Energy



Mr. Harsh Sharma, (Additional Project Director, Uttar Pradesh Health System Strengthening Project) receiving the 1st Runner-up's trophy of South Asia Regional Public Procurement Award from Mr. Vinay Sharma, (Director, Global Governance Practice, World Bank) and Mr. Sanjay Aggarwal, (Director, Department of Expenditure, Ministry of Finance Government of India).

efficient products. The key part of success of EESL is that they are good in Procurement as well as implementations. Some of their products are LED light, bulb, e vehicles, energy efficient pump sets. He talked about the Pay As You Save (PAYS) Model on which EESL works. He mentioned that there is no upfront capital investment. Investment is made by EESL and monetized savings over time is used to recover the cost of investment. There is aggregation of demand and supply. Market is attractive enough for industry to participate. There is no subsidy by Government. No cost and manpower resources are required from beneficiaries such as Utilities/ Municipal bodies/ State. Some of the reasons for their success state by Mr Rana were Quick Turn Around Time, Zero Project Risk to ULB/ Utility, Payment Guarantee, Transparent and Effective Procurement and Aggregation of demand and creating environment for 'Pull' marketing of project.

The next speaker for the session was Dr Sharma, who talked about Public Private Partnership for High End Laboratory Services in District Hospitals of Uttar Pradesh. He mentioned in his talk the objectives of having High End services in hospitals. Some of the objectives stated by him were to provide accuracy and speedier diagnosis, to make



Mr. Rajneesh Rana, General Manager, Business Development & Contracts, Energy Efficiency Services Limited

the services available at free of cost to the patients, to reduce out of pocket expenditure, to design provisions so that patients can download online their medical reports at their location, to reduce travel cost of all patients and to have repository of Laboratory tests performed. To make their innovative idea sustainable, various activities were performed. Activity started in 40 District Hospitals, was scaled up to 52 district hospitals, there was expansion of high end laboratory services in all District hospitals. Steps were taken to make sure that once the database is collected through the detailed software PDIS, it can be used for further researches in Public Health Sector.



Mr. Kalesh Kumar, (Capacity Building Coordinator, Procurement, Global Governance Practice, World Bank) and Mr. Srinivasa Raghavan, (Senior Technical Director, National Informatics Centre)

Plenary Session 6

Valedictory session

The valedictory address was delivered by Mr Sanjay Aggarwal, Director, Department of Expenditure, Ministry of Finance, Government of India and Mr. Plamen Kirov, Senior Procurement Specialist, World Bank.

Mr Aggarwal congratulated AIMA and the World Bank for putting a great show. He mentioned that while large amount of money is spent on public procurement, we need much more discussion, research and reforms. He stated that he would not only like to continue support for such events, but would also like to work on research and procurement reforms in the country. Mr Aggarwal made few observations on the discussion which happened in the past two days. He made it clear that there is no public procurement bill pending in India. In fact the General Financial Rules were revised to incorporate operative portion instead of bringing separate law on Procurement. He said that, India being federal structure, the states can independently have their own law like we already have law in four states like Tamil Nadu, Karnataka and the recent ones in Rajasthan and Assam. Before closing his talk, Mr Aggarwal kept the floor open for some feedback from the audience to improve the summit in future.

The next speaker for the valedictory session was Mr. Plamen Kirov, Senior Procurement Specialist, World Bank. Mr Kirov in this talk shared his experience and explained how one can be efficient procurement professional by giving examples from Hindu epic Ramayana. He mentioned about the blind spots and compared that with the “Lakshman Rekha”. The speaker congratulated AIMA in well organizing the summit by covering most of the important topics like SMART Procurement, Blind Spots, New Methods and PPP model, Sustainable Procurement, Innovation in Procurement etc. and wished Good Luck to all the delegated present.

Followed by the session from Mr Kirov, Dr Gurbandini Kaur, Program Director – GPS delivered Vote of Thanks . Dr Kaur thanked all the experts and the delegates from India and oversees for being present and having encouraging



Mr. Sanjay Aggarwal, Director, Department of Expenditure, Ministry of Finance, Government of India

discussions, deliberations and responses on all the sessions. She acknowledged the need for cross learning, more use of technology and big data in strengthening the procurement practices. In her address Dr.Kaur thanked Department of Expenditure, Ministry of Finance, National e Governance Division, Ministry of Electronics and Information Technology, Government of India and the World Bank for their support. She also thanked all sponsors: Pricewatercoopers, UNICEF, Government e-marketplace, Digital India, GAIL India Limited, EESL, MMTC, Hindustan Petroleum Corporation Limited (HPCL) for supporting the event.

The major recommendations highlighted in the two day summit were:

1. Recognizing the effectiveness of procurement portals like CPPP and GeM, it called for more participation and opening for small, micro enterprises and startups in the procurement portal. Therefore, steps like relaxing the registration formalities should be taken to expand and enlarge the reach of such portals.
2. The importance of events like Global Procurement Summit (GPS) was recognized. It was strongly recommended that more such platforms like GPS are required for building strong relationship between private, public sector, academia and multilateral organizations like World Bank, ADB, UNICEF etc. to share experiences and work together.

3. The significance of social skills along with the technical competencies while performing the procurement function was acknowledged. With the technology revolution taking place, officials having both the technical as well as social competencies will be able to retain their jobs. Therefore, it was recommended that there is need for training of professionals to improve their technical know-hows as well as social skills.
4. With newer techniques emerging with advent of technology, procurement has become a function that requires defined minimum levels of knowledge at the entry levels and continuous professional capacity development. The Summit stressed upon the skill building and capacity development to improvise capability of the procurement team. There is a need to ensure that the officials involved in procurement process have right skill sets. Support of online capacity development programs may be taken to reach a larger target audience.
5. The Summit emphasized that the data attracts dominant position in procurement decision making. With universal adoption of e-Procurement, handling of data has become crucial. There is a need to ensure that better quality data goes into system.
6. The Summit recognized the inevitability of considering social economic and legal aspects in Government Procurement. Traits like human rights, SMES, minimum wages, maximum



Dr. Raj Agrawal, Director- CME, All India Management Association



Mr. Plamen Kirov, Senior Procurement Specialist, World Bank

- hours of work etc. need to be addressed apart from lowest bid price while deciding strategy and approach.
7. Summit also highlighted the need to drive Senior Management / Board level involvement in procurement to ensure strong supplier relationship management which would result in aligned strategies.
8. Emphasizing on importance of dispute resolution mechanism, the Summit suggested to have Effective Preventive Dispute Revolution Mechanism in place, so that the disputes resulting into arbitration or court cases can be minimized.
9. Use of ICT in Public Procurement to make the entire system more effective and efficient was re- emphasized during the Summit deliberations. This should include uploading of tender's information E-tendering, Reverse auction, payment monitoring system and ERP to enforce entire procurement cycle.
10. There was emphasize on system of health monitoring of contracts at fixed intervals and quarterly closure of contacts to ensure that the contacts are managed and executed with quality, within the timeline, without any cost over-run and with the satisfaction of all the stakeholders.
11. The Summit also highlighted some of the areas where improvisation might lead to better quality

of work like bringing some behavioral changes, in terms of time management and accountability of both the parties to contract.

12. The Summit recommended that procurement professionals need to see beyond the lowest cost in public procurement to get best value of public spending. It was also suggested that there was a need to look at the total life cycle cost and environmental impact of the product.
13. Accentuating on the importance of sustainable procurement, Summit called upon the use of Government's purchasing power as well as regulatory power to regulate the market to achieve sustainable goals, to create employment for people.
14. In order to scale up the PPP projects, the Summit stressed on the need to strengthen the Lending Institution funding specially commercial banks for PPP models. Since only bank funding would

not suffice, it was also suggested that greater participation of insurance and pension funds should be involved to scale up PPP projects.

15. There is a need to establish dedicated court / tribunal to address issues related to procurement.
16. Better preparation of DPR with experts from industry and professionals was recommended during the Summit.
17. It was also suggested that there should be as Independent Project monitoring committee, sector wise, so that they can look into the issues faced in each sector in PPP project.
18. Increasing the vender coaching program, in order to eliminate gaps in understanding on the common lapses in tender process and contract execution was also recommended.



Delegates at Global Procurement Summit 2018



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