

SPPRA CIRCULAR NO.: 2/2015

ADDRESSED TO: ALL CONTROLLING OFFICERS AND CHIEF EXECUTIVE OFFICERS OF PROCURING AND REQUESTING ENTITIES

SUBJECT: SUBMISSION OF REPORTS TO THE AGENCY IN TERMS OF SECTION 11 OF THE ACT

EFFECTIVE DATE: 10 JUNE 2015

STATUTORY REFERENCE: SECTION 66 AS READ WITH SECTION 11 OF THE PROCUREMENT ACT, 2011

1. This Circular has been issued in terms of Section 66 as read with Section 11 of the Public Procurement Act, 2011, which requires procuring and requesting entities to submit reports, data, and information pertaining to all procurement activities carried out by that entity.
2. In order to enable the Agency to carry out its monitoring and evaluation functions and to report on the performance and functioning of the public procurement system, procuring and requesting entities are hereby required to submit to the Agency:
 - a) Copies of minutes of the Government Tender Board or Entity Tender Board, not later than fourteen days after the issue of an award decision;
 - b) Copies of decisions concerning complaints or disputes in procurement proceedings, not later than fourteen days after the issue of such decisions;
 - c) Not later than seven days after issuing the instruction to amend, alter or vary any procurement contract, submit a report to the Agency of any amendment, alteration or variation of a procurement contract giving details on the reasons, cost implication and approvals;
 - d) Annual procurement plans not later than fourteen days after their approval by the appropriate budget approving authority;

- e) Information on tender invitations, quotation invitations and requests for proposals within seven days after the invitation or request has been approved for publication; and
 - f) Monthly and quarterly procurement implementation reports within seven days after the end of the respective month or quarter containing details of purchase requisitions, purchase orders, names of suppliers, quantities, and prices paid. Such monthly and quarterly reports must be accompanied by a comparison of actual versus planned procurement. Any deviation from the procurement plan must be accompanied by a full explanation of the reasons for such deviation.
3. In order to accommodate the time that has already lapsed in regard to submission of procurement plans for the 2015/16 financial year, as a one-off transition arrangement, all entities are required to submit their 2015/16 procurement plans to the Agency within fourteen calendar days from the effective date of this circular. Thereafter, paragraph 2(d) hereof will apply.
 4. The attached template (TEMPLATE NO.: SPPRA/2015/01) should be populated fully, as a bare minimum, for the submission of all annual procurement plans to the Agency.
 5. All procuring and requesting entities are required to adhere to the above to facilitate the monitoring and compliance mandate of the Agency.

B.J. Motsa

EXECUTIVE DIRECTOR

SWAZILAND PUBLIC PROCUREMENT REGULATORY AGENCY

Procurement Plan Template

Issued by: Swaziland Public Procurement Regulatory Agency (SPPRA)

Date: 10th June, 2015

A. Introduction

The Swaziland Public Procurement Regulatory Agency (SPPRA or the Agency) is mandated to collect any data or reports from procuring entities, as determined by the Agency, as well as make information accessible to the public. In this connection, the Agency will promulgate public procurement templates for use by procuring entities. Procuring entities are required to develop and submit procurement plans to the Agency on an annual basis following the approval of the respective indicative or final budgets. In this regard, the Agency requires all procuring and requesting entities to use the attached template to develop and submit their annual procurement plans to the Agency not later than fourteen calendar days after their approval by the appropriate budget approving authority.

B. Why procurement planning?

A procurement plan helps procuring entities to achieve maximum value for expenditures and enables the entities to identify and address all relevant issues pertaining to a particular procurement before they publicise their procurement notices to potential suppliers of goods, works and services.

The whole procurement process begins with procurement planning. A procurement plan involves the identification and assessment of the need for the procurement, the methods to be used in the procurement process, how much to procure, where to procure from and when to undertake the procurement.

The centre of any procurement plan is the budget to facilitate expenditure quality and ensure that procurement transactions are done in an acceptable and professional manner.

The development and submission of procurement plans serve as ways of enforcing good financial management principles. The plans make it easy for the Agency to check whether all procurement undertaken by the various public entities is provided for in the submitted plans. Such checks and balances are required because they provide the financial discipline and seriousness that is expected of those responsible for the management of public funds.

C. Factors to be considered when planning

A procurement plan is influenced by a number of factors. These include: the value of the procurement; the type of procurement (e.g. whether the procurement is sensitive, unique, high risk, or of strategic significance to the Procuring Entity's success); and the nature of the procurement (e.g. whether the procurement involves intrinsic risks and ethical or process issues).

When developing their procurement plans, Procuring Entities are encouraged to take into account the following risk factors:

- 1) External market factors;
 - Nature of the supply market
 - Probability of supply failure

(E.g. - Strong bargaining power of large pharmaceutical companies due to relatively small demand from Swaziland may require use of long-term framework agreements to avert supply failure arising from loss of interest in tendering.)

2) Internal factors (your organisation);

- Strategic importance of product to the organisation
- Impact of supply failure

(E.g. – Appropriate lead times and strong security of supply will have to be considered when preparing the procurement plan.)

3) Relationship factors (your organisation and market);

(E.g. – See example on external market factors above.)

D. Aspects relating to different types of products

When developing their procurement plans, Procuring Entities are encouraged to take into account the following aspects:

Product Type	Examples	Nature	Required focus
Strategic products	Works and Electricity transformers for SEC	High risk supply and high relative expenditure	Supply risk and cost reduction through effective supplier relationship management
Critical products	Telephone cables for SPTC	High risk supply and low relative expenditure	Supply risk reduction
Leverage products	Common use items such as laptops and stationery	Low risk supply and high relative expenditure	Quantity discounts (e.g. through aggregation of demand and use of framework agreements)
Routine products	Petty cash items	Low risk supply and low relative expenditure	Transaction cost reduction

An example of a possible outcome of an assessment of the above issues would be the identification of complex contracts whose risks can be minimised through the use of the two-stage tendering method. Such a method permits early involvement of prospective bidders in the definition of the technical specifications and scope of work.

General Guidelines:

- a) Procuring and requesting entities shall prepare procurement plans for each financial year and shall revise them as appropriate during the course of each year.
- b) Annual procurement planning shall be integrated with applicable budget processes and based on indicative or approved budgets, as appropriate.
- c) The annual procurement plan for each Procuring Entity shall include:
 - i) a list of the goods, works and services required;
 - ii) a schedule of the delivery, implementation or completion dates for all goods, works and services required;
 - iii) an indication of which items can be aggregated for procurement as a single package or for procurement through any applicable arrangements for common use items in accordance with section 37 of the Act;
 - iv) an estimate of the value of each package of goods, works or services required and details of the budget available and sources of funding;

- v) an indication of the rules applicable to the procurement, where any procurement is not subject to Public Procurement Regulations;
 - vi) an indication of the anticipated procurement method for each procurement requirement, including any need for pre-qualification, and the anticipated time for the complete procurement cycle, taking into account the applicable approval requirements; and
 - vii) an indication of the lead Procuring Entity expected to manage the procurement.
- d) Requesting entities shall submit a copy of their annual procurement plan, and each update, to the Technical Secretariat and the Agency not later than fourteen days after their approval by the appropriate budget approving authority.
- e) Procuring Entities are required to use the attached template for submission of procurement plans to the Agency.

**PROCUREMENT PLAN TEMPLATE FOR USE BY PROCURING AND REQUESTING ENTITIES
ISSUED IN TERMS OF SECTIONS 11(2)(a) AND 66 OF THE PUBLIC PROCUREMENT ACT NO. 7 OF 2011**

Name of entity:

Type (Govt./Parastatal/Local Authority):

FY:

Ver.

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V	W	X
Procuring Entity	Requesting Entity	Ref/Item /Output No.	CUI? (Yes/No)	Description of goods, works, or services	Specification	Type of requirement (good/works/services)	Quantity	Unit of Measure	Single Package Reference	Estimated unit price (SZL)	Estimated total price (SZL)	Budget available (SZL)	Funding source	Procurement Method	Solicitation Document	Completion / Delivery Date	Advertisement of Bid / EOI / Prequalification			Tender submission deadline / Tender closing and opening	Evaluation completion date	Responsible authority	
																	Advert date	Tender period duration (days)	Local/Regional/International Advert deadline				

Specific guidelines for filling in the details required under each of the columns of the template are provided as follows:

- A -** The name of the procurement entity must be entered.
- B -** The requesting entity is the entity that will benefit from the procurement or whose budget will be utilised.
- C -** A reference number must be provided for each requirement to enable easy tracking of implementation.
- D -** Insert "Yes" or "No" to indicate whether the item/s fall/s under Common Use Items (CUI).
- E -** The description of the goods, works, or services must match (as far as possible) with the title of the Tender notice.
- F -** State a brief description of the technical, performance, and functional specification is required (e.g. 200ml stainless steel, 27cm height, for a sterilizing jar).
- G -** State whether the category of the procurement requirement – i.e. whether: "goods", "works", or "services".
- H -** State "1" if not easily quantifiable.

- I -** For example "unit" if an items comes in units and "Kg" if in kilograms.
- J -** A reference number must be provided for each group of items that is combined as a single package (e.g. "package 1" for consultancy services in a works tender or, conversely, for a grouping of items that need to be acquired under a single contract).
- K -** All amounts must be translated to Emalangenzi (i.e. SZL).
- L -** See above comment.
- M -** See above comment.
- N -** This must state whether the funds will come from "regular resources" or "donor funding."
- O -** State whether "Open tendering", "Limited Tendering", "Pre-qualification notice / Expression of Interest", "Request for Quotations", "Single Source, Procurement", "Selection of Individual Consultants" or "Two Stage Tendering."
- P -** State type of standard bidding document (e.g. RFQ, RTF, ITB, IFB, RFP, other RFX, or LOI).

- Q -** State the contact completion or goods or services delivery date.
- R -** State the date of the first day of advertisement of the invitation document or solicitation of tenders.
- S -** State the total number of days from the first day of advertising up to the tender closing/submission date (i.e. column "S" minus "P").
- T -** State whether the advert will be advertised "locally", "regionally" (as in SADC, SACU or COMESA), or "internationally" or a combination.
- U -** State the tender submission deadline.
- V -** Ideally must be the same date as above.
- W -** State the date on which the evaluation must be submitted to a tender committee or, if the threshold permits, the controlling officer or CEO.
- X -** State the designation and not the name of budget holder (i.e. either the controlling officer, CEO, or a formally designated official or department)