Opening Remarks

By

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at the

2nd South Asian Regional Public Procurement Conference

“Moving from Compliance to Performance in Public Procurement”

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Islamabad

Distinguished Guests, Ladies and Gentlemen

On behalf of the Asian Development Bank, it is my pleasure to warmly welcome you to the Second South Asian Regional Public Procurement Conference ‘Moving from Compliance to Performance in Public Procurement.’

Public procurement is a vital tool to improve public service delivery and development outcomes. Recognition of the significance of public procurement reform in the Asia Pacific region’s development agenda dates back to January 2003 when a Procurement Roundtable on Strengthening Procurement Capacity in Developing Countries was formed. The objective was to develop an integrated set of tools and good practices to help strengthen procurement systems and their contribution to development outcomes.

To this end, the formation of South Asia Regional Public Procurement Coordination Group at the end of first Public Procurement Forum in Kathmandu in 2011 was a big step forward. I hope that the Group is actively pursuing the recommendations to establish regional public procurement capacity building mechanism; enhancement of involvement of private sector and civil society; modernization of public procurement; collection and compilation of good public procurement Acts, regulations and practices relating to development of legislative and regulatory frameworks; and introducing regional arbitration mechanism and harmonization of procurement SBDs. These measures will help enhance the commonalities of bidding and contract documents.

The ADB’s public sector portfolio in Pakistan amounts to $4.49 billion as of 31 December 2013 including 28 active loans for 19 projects. The volume of the portfolio is expected to further increase to about $5.00 billion by 2016. The energy sector now comprises more than half of the active portfolio. The remaining portfolio consists of Agriculture and Natural Resources, Health and Social Protection, Transport, Urban and multi-sector projects.

ADB is assisting Pakistan to improve its public procurement systems, and enhance procurement capacities in the government agencies. Presently, there are 15 technical assistance (TA) projects amounting to $15.18 million including a regional technical assistance on developing procurement capacity for improved procurement outcomes.

ADB is also working closely with the Public Procurement Regulatory Authority (PPRA) to devise a comprehensive procurement strategy in the light of international best practices, focusing on: (i) optimization of procurement staffing; (ii) acquisition of proper procurement skills; (iii) reviewing and redesigning procurement processes; (iv) information technology systems; (v) staff incentives to achieve new performance targets; (vi) overcoming financial, legal, technological, cultural and other constraints during implementation.

Therefore, the conference theme of moving from compliance to performance in public procurement is of paramount importance to us. It is high time that we develop a road-map to move from rules-led procurement practices to performance-based practices. I hope that in the next three days the distinguished participants from South Asian countries, WB and ADB would proactively share their knowledge and experience to achieve this goal. Thank you.