

UPDATAION OF STANDARD OPERATING PROCEDURES (SOPs)
PUBLIC PROCUREMENT REGULATORY AUTHORITY (PPRA)

under

PUNJAB CITIES PROGRAM (PCP) - WORLD BANK



TRAINING
WORKSHOP
REPORT



Punjab Municipal Development Fund Company (PMDFC)



ACRONYMS

- Public Procurement Regulatory Authority (PPRA)
- Standard Operating Procedures (SOPs)
- Punjab Cities Program (PCP)
- Punjab Municipal Development Fund Company (PMDFC)
- Environment and Social Management Framework (ESMF)
- Environment and Social Management Focal Person (ESMFP)
- Environment and Social Management (ESM)
- Minimum Access Conditions (MACs)
- Performance Measures (PMs)
- Project Appraisal Document (PAD)
- Punjab Local Government Act (PPLGA)

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01

INTRODUCTION

LG&CD Department is implementing Punjab Cities Program (PCP) for selected MCs in Punjab with the technical assistance of Punjab Municipal Development Fund Company (PMDFC) and financial support of the World Bank. The main objective of the program is to strengthen MCs through capacity building support, providing financial assistance for improved management and to bring up adequate and cost-effective infrastructure development for efficient municipal service delivery. As enshrined in the Project Appraisal Document (PAD) agreed with the World Bank, one of the foremost activities was to update the PPRA SOPs in order to facilitate the MCs to implement the PPRA Rules while undertaking the project to ensure transparent procurement for all activities. Accordingly, PPRA SOPs were finalized and are seeking clearance from PPRA. Updated PPRA SOPs were shared with all MC and also uploaded on the PMDFC Website which can be accessed. Moreover, Being Fiduciary requirement, besides it is mandatory upon PMDFC to conduct continuously training courses for capacity building of the MCs and to ensure adherence of PPRA Rules in letter & spirit while initiating all the projects out of the funds released under PCP project funded by the World Bank. In this regard training work shop was organized by PMDFC titled updating of standard operating procedures of Public Procurement Regulatory Authority under Punjab Cities Program World Bank.

02

VENUE & PARTICIPANTS

Workshop was conducted on Saturday January 21, 2023 was arranged at Avari Express Hotel, 11-X, Main Boulevard Gulberg, Block-X, Gulberg-2, Lahore. Participants were invited from 16 partner MCs including Chief Officers, Municipal Officers Finance, Municipal Officers Planning, and municipal officers Infrastructure and Services. Resource Persons from PPRA and World Bank were invited to share their knowledge and experience. Officials from PMDFC also provided trainings. Institutional strengthening department of PMDFC organized the training and registration of the participants were done prior to the trainings.

The training session started with the recitation of the Holy Quran. Afterwards Chairman Board of Directors, PMDFC, Mr. Pervaiz Iqbal delivered opening remarks and praised PCP and considered PCP as an opportunity to improve the conditions of the partner cities. He also praised the role of PMDFC and consider the efforts of PMDFC as remarkable. He emphasized that infrastructure development and other initiatives taken on the platform of PCP not only improving the conditions of the cities but also setting standard in urban planning. He also emphasized on need of collaborative efforts to utilize vacant lands in cities and generation of revenues through development activities which is a hallmark of modern urban planning. Afterwards, MD, PMDFC Syed Zahid Aziz gave welcome address and opening remarks. He welcomed the audience and praised the role of partner MCs in achieving their targets and taking keen interest in the training sessions. Comprehensive participation was observed from partner MCs and an interactive and participatory session was observed in a learning-oriented environment.



MD, PMDFC, Syed Zahid Aziz giving welcome address to the audience (Right). Chairman Board of Directors, PMDFC, Mr. Pervaiz Iqbal delivering opening remarks to the participants (Left)

03

TRAININGS

Resource Persons from PPRA and World Bank were invited to share their knowledge and experience and provide trainings on following grounds. Internal speakers of PMDFC also participated and provide trainings. The training was given on following topics.

- Salient features of PLGA 2022 and its impact on PCP
- Need of PPRA Rules and SOPs Implementation
- PPRA website handling/Interfaces
- Fiduciary requirements of World Bank and MACs/PMs and SOPs
- Compliance of ESMF in PCP Subprojects

3.1

Salient features of PLGA 2022 and its impact on PCP

Mahmood Masood Tamana General Manager (ID) PMDFC presented salient features of Local Government Act 2022 and its impact assessment on PCP. He thoroughly defined local government as a government which is established through an act of parliament and created to deal with matters of local concern by bringing government near to the people, ensure local participation, community development and training and development of future political leaders. He explained the constitutional provision to establish local government and the importance of Local Government Act. Local Government Act is expanded to the whole of Punjab except the area notified as cantonments or such other area under the active possession and direct control of the Armed Forces of Pakistan, that may be notified by the Government.

He elaborated that the salient features of the act are basically it is term of 4 years with urban and rural split with the approval of Minister which may establish one or more municipal unit. As for as mode of election is concerned, it is direct & party-based and 40% on the basis of panel (Head, Deputy Head and councilors on reserved seats) and 60% on the basis of closed list proportional representation (general councilors). One ballot paper for one local government will be considered.

Mr. Mahmood Masood Tamana

General Manager ID, PMDFC addressing the training session regarding impact assessment of PPLGA 2022 on PCP



He further explained; In connection to impact assessment, according to section 2(1) of the act, Metropolitan Corporation, District Council and Union Council are the local government and according to section 7, Partner Municipal Committees, after constitution of new local governments, will convert into municipal unit which is a sub-office of a local government administration established for the performance of its functions in an urban area. He further explained, existing officers of the Partner MCs may be posted out, which may bring in the HR, who would not be acquainted with Punjab Cities Program. Administrative/financial authority and responsibility of the defunct local government shall be transferred and entrusted to the new local government. No vertical or horizontal linkage of these municipal units with the mother local government will be issued.

3.2

Need of PPRA Rules and SOPs Implementation

Mr. Adul Salam, Director (Legal) PPRA given detailed presentation on Punjab procurement rules and elaborated the concept of public procurement as procurement of goods, works or services by a procuring agency wholly or partly financed out of the provincial and as a consolidated fund or the public account of the province or funds of a procuring agency. He also elaborated public procurement principles that include value for money, fair competition, transparency, efficiency and economy. He went on explaining that, kinds of procurements include restricted procurement, open tendering and without tendering. He further provided details on procurement cycle and its components.

Procurement planning and its salient features were defined in detailed oriented manner including need assessment, annual procurement plan, budget and market analysis. Similarly, he emphasized prequalification as a second phase in procurement cycle is composed of formulation of prequalification documents as well as advertisement for prequalification and expression of interest in case of consultancy services.

Mr. Abdul Salam

Director (Legal) PPRA addressing the training session regarding need of PPRA rules and SOPs implementation



He went on explaining that formulation of bidding documents or request for proposal which is an important component of procurement cycle. Specification, procurement methods, advertisement in case of non-prequalification were thoroughly elaborated which are main components of formulation of bidding. In connection to that, advertisement process for national competitive bidding with response time of 15 days and international competitive bidding with response time of 15 days were elaborated. After explaining the procurement planning, he explained bidding process with major components including evaluation report, grievance redressal and contract award. Further, he conceptualized the components of evaluation report that include submission of bids, opening of bids and evaluation of bids including both technical and financial. Participants were well explained the concept of grievance redressal with formulation of independent committee and time duration to settle the grievance. Lastly, contract award explained and its components including negotiations, payment scheduling, pre-shipment and inspection were elaborated.

3.3

PPRA Website Handling/Interfaces

Miss Maryam, IT Head PPRA provided training on website and interface handling. She explained The Public Procurement Regulatory Authority is an autonomous body endowed with the responsibility of prescribing regulations and procedures for public procurements by Federal Government owned public sector organizations with a view to improve governance, management, transparency, accountability and quality of public procurement of goods, works and services. It is also endowed with the responsibility of monitoring procurement by public sector agencies/organizations and has been delegated necessary powers under the Public Procurement Regulatory Authority Ordinance 2002. Besides, knowledge of opening an account on website and its proper utilization is an important consideration which enables the user follow are the instructions for uploading a bidding

document with mandatory conditions. She thoroughly explained the procedure to open an account and the way the bidding documents are uploaded correctly without any blockage of account. Audience also shared their real time experience and issues while using PPRA website for uploading bidding documents and other considerations.

Miss. Maryam

IT Head, PPRA addressing the session regarding PPRA website handling/Interfaces



3.4

Fiduciary requirements of World Bank and MACs/PMs and SOPs

Mr. Wajahat Ali, procurement specialist World Bank presented fiduciary requirements under financing agreement for Profit for Result. He explained fiduciary Assurance assures that funds are used for the intended purpose and the financing under the program is subject to World Bank Guidelines on preventing and combating fraud and corruption in Program for Results financing. Moreover, the loan Agreement governs the legal relationships between the Borrower (i.e., Government) and the Bank (i.e., World Bank). He went on explaining that the responsibility for the implementation of the program and thus the primary responsibility for preventing and combating fraud and corruption rests with the Borrower. Fraud and corruption lead to wasted resources and undermines effectiveness. Hence, Bank and Borrower agrees that all the individuals and entities participating in program must observe the highest standards of ethics.

Syed Wajahat Ali

Procurement specialist, World Bank addressing the session regarding fiduciary requirements of the World Bank



All individual and entities participating must take all appropriate measures to prevent and combat Fraud and Corruption. Additionally, he shed light on corrupt, fraudulent, collusive, coercive and obstructive practices are collectively referred as “Fraud and Corruption”. He explained, various kind of borrower actions are needed to prevent and combat fraud and corruption which include adopting and implementing appropriate fiduciary and administrative practices and institutional arrangements as well as promptly informing the Bank of all credible and material allegations or other indications of fraud and corruption. After the training on fiduciary requirements, Mr. Tariq Farooq Khan explained about minimum access conditions and performance measures for partner MCs.

These minimum access conditions include MC has prepared Procurement Plan for previous year and the formulation of evaluation Committee has been done. Moreover, Procurement grievance redressal committee has been formed and it is active and functional. Further, public disclosure of contract has been awarded and all document related to evaluation and award of work made public. As for as performance measures are concerned, he explained, adequate relevant auditable records on procurement process are available and bidding documents are in accordance with PPRA Rules and regulations. Procurement grievance redressal committee has been formed and tender advertised on appropriate medium. Moreover, tender evaluated as per criteria in bidding documents and recommendation to award made accordingly.

Mr. Tariq Farooq Khan

Procurement consultant, PMDFC
addressing the session regarding MACs
and PMs



3.5

Compliance of ESMF in PCP Subprojects

Miss Rizwana Anjum, Senior Program Officer, E&SM explained Environment and Social mandatory requirements for PCP and design phase of subprojects. Besides, Environment and social compliance in PC-I and preparation of Environment and social Instruments were also discussed along with E&S Compliance in bid documents and implementation/execution of subprojects. He further explained, as for as mandatory requirements is concerned, MCs will only be allowed to invest in eligible infrastructure, which keeps environmental and social management risks within acceptable level. Similarly, ESMF development is based upon local legal framework, World Bank Policies as well as international protocols. Design phase of sub-projects is based upon the finalization of scope of work with the findings of E&S Screening Survey. Moreover, if any impact is anticipated such as loss of structures, cutting of trees, ESMF hierarchy will be followed at design & planning phase e.g., avoiding,

minimization and mitigation of such risks. E&S Compliance in PC-I includes signed E&S checklists, inclusion of environment cost approved by the ESM PCP Wing and inclusion of social cost.

Miss Rizawana Anjum

Senior Program Officer, E&SM, PMDFC
addressing the session regarding compliance
of E&SM in PCP subprojects



While explaining, E&S compliance in bid document, E&S related clauses were elaborated which are to be incorporated in bid documents. Execution of subprojects will be done as per E&S instruments. E&S monitoring will be done by internal monitoring MCs, supervision consultants, regional office PMDFC and ESM Wing. Besides basic agenda of the presentation, Minimum Access Conditions and Performance Measures explained in detail. MACs include MC has designated Environment and Social Management Focal Persons (ESFPs) and MC has developed an environment and social management system with gender considerations, including procedures for preparation, approval, and supervision of investments. Similarly, MC has developed acceptable capacity to prepare, approve, and supervise management instruments.

PMS include annual targets set for incremental application of environmental and social screening including gender considerations, assessment, and mitigation processes on all infrastructure investments and eligible investments screened for potential environmental and social safeguard impacts. Moreover, Environmental and Social Assessments, Resettlement Action Plans and other management plans for social and environmental impacts prepared and implemented.

04

CLOSING REMARKS

At the end of the training session, closing remarks was given by Deputy Program Director, PCP Mr. Iftikhar Rasool. He praised the commitment of partner MCs to achieve their targets and also discuss the way forward for the MCs. He further praised MCs for taking keen interest in the training sessions and comprehensive participation from MC staff. He assured that PMDFC will continue to provide all kind of assistance to partner MCs in utilizing their maximum potential to get most out of the resources provide in the realm of PCP. He emphasized on commitment and hared work to get development grants to improve the conditions of the cities not only in context of PCP but other sources as well.



Deputy Program Director, PCP Mr. Iftikhar Rasool giving closing remarks to the workshop participants

05

QUESTION AND ANSWER SESSION AND CERTIFICATE DISTRIBUTION

Participants were well engaged during the training sessions. They raised their queries and questions which were well entertained by the speakers. After the training session, a comprehensive question and answer session was arranged for the participants where they shared their knowledge and highlighted their issues, concerns and queries related to the topics covered in the trainings. For instance, queries were raised by the participants regarding how the fiduciary assurance ensures safety of the funds, whether the funds are used for intended purpose or not. Presenter Syed Wajhat Ali added that adherence and implementing appropriate fiduciary and administrative practices and institutional arrangements ensures safety of the funds. Similarly, questions were raised regarding the territorial implementation of the PLGA 2022.

Mr. Mahmood Masood Tamana elaborated that Local Government Act 2022 is expanded to the whole of Punjab except the area notified as cantonments or such other area under the active possession and direct control of the Armed Forces of Pakistan, that may be notified by the Government. Questions were also raised about why the account is blocked on PPRA website. Miss, Maryam explained that there are certain terms and conditions of the PPRA web site, violations to that

terms and conditions result in blockage of the account. One of the common reasons is uploading wrong or blur image of the advertisement which may result in termination or blockage of the account. Moreover, in connection to the question regarding Environment and social Management Framework development, Miss Rizwana Anjum elaborated that ESMF development is based upon local legal framework, World Bank Policies as well as international protocols. Design phase of sub-projects is

Workshop on updation of PPRA SOPs under PCP – World Bank

based upon the finalization of scope of work with the findings of E&S Screening Survey. When, participants asked to explain MACs and PMs pertaining to the procurement, MR. Tariq Farooq Khan thoroughly explained the both conceptualizations. It was an interactive session conducted in a learning-oriented environment. At the end of the training session, participation certificates were presented to the workshop participants and refreshment was also given.



Deputy Program Director, PCP Mr. Iftikhar Rasool presenting participation certificates to the workshop participants

06

APPENDIX



Trainings being delivered to the participants



Participants during the training session



Group photo session of the participants



Participants engaged in group discussion



Participants engaged in an interactive question and answer session



Participation certificates are being distributed among the workshop participants

B

Training Agenda

Punjab Cities Program (PCP)
Agenda for Training Session on Procurement
Saturday, January 21, 2023

Sessions	Activity	Time	Resource Person
Introduction	Registration	09:30 – 10:00 am	IS Team
	Recitation of Holy Quran	10:00 – 10:05 am	-
	Welcome Address & Opening Remarks	10:05 – 10:15 am	Syed Zahid Aziz, MD PMDFC/ PD (PCP)
	Salient Features of Local Govt Act. 2022 and Its Impact on PCP	10:15 – 11:00 am	Mr. Mahmood Masood Tamana, GM-ID, PMDFC
Tea Break		11:00 – 11:30 am	
First Session	Need of PPRA Rules & SOPs Implementation	11:30–12:15 pm	MD, PPRA or Mr. Abdul Salam, Director (Legal), PPRA
	PPRA Website Handling/ Interfaces	12:15 – 01:00 pm	Ms. Maryam, IT Head, PPRA
Lunch & Prayer Break		01:00 – 02:00 pm	
Second Session	Fiduciary requirements of the World Bank and MAC/ PMs/ SOPs	02:00 – 02:45 pm	Syed Wajahat Ali, Procurement Specialist, WB. In case of non-availability Mr. Tariq Farooq Khan, Procurement Consultant & Mr. Abdul Rahman, PO (Procurement)
	Compliance of Environment and Social Management Framework (ESMF) in PCP Sub Projects	02:45 – 03:30 pm	Ms. Rizwana Anjum, SPO-E&SM, PMDFC
Certificate Distribution		03:30 – 04:00 pm	

Venue:

11-K, Main Boulevard Gulberg-II, Adjacent to Imtiaz Mega Store, Lahore

Participants:

**Chief Officers, Municipal Officers (I&S) & Municipal Officers (Planning)
from 16 PCP Participating Cities**

Organized by

Punjab Municipal Development Fund Company (PMDFC)