Public Procurement Law 244/2021: From Legislation to Implementation

Grand Serail, Beirut
29 July 2022
The national & international commitments are still ON


- The Council of Ministers formed an **Inter-ministerial Committee**, chaired by the Minister of Finance. The Institut des Finances was designated as **Secretariat** of the Committee (Feb 2022).

  **The Government’s declaration commits** “..... to pursue efforts and follow up on the implementation of the Public Procurement Law including the issuance of secondary legislations.”

- **PP Reform Strategy** endorsed by COM (Decision no.66, 20/5/2022)

- **Conditionality of international aid to support the economic recovery** of Lebanon.

- Highlighted in CEDRE conference (April 2018), consecutive statements of the International Support Group for Lebanon (ISG), the French Roadmap, and in the ‘Reform, Recovery & Reconstruction Framework’ (3RF).

- Following the **Port of Beirut explosion** (August 4, 2020), the international community **recalled the urgent need to reform public procurement** to address the deepening crisis, strengthening governance & accountability, and restoring confidence in State institutions.

- **A condition under the IMF’s SLA** (April 2022) that mentioned “the modernization of the PFM framework, implementation of the recently approved procurement law... will increase transparency and spending efficiency”.

#Procurement4Prosperity
Nationally-led Public Procurement Reform
Progress against all odds

✓ June 2018: First national Forum on Public Procurement
✓ 2019-2020: MAPS Assessment and design and drafting of new PP LAW (Law voted June 30, 2021)
✓ July 29, 2021: PP Law 244/2021 issued
✓ March 2022: Lebanon report got MAPS secretariat quality seal
✓ August 1st 2022: PP Law 244/2021 will enter into force
  ✓ Paves the way for Sustainable Public Procurement
  ✓ Frameworks for real accountability and fighting corruption
  ✓ A governance framework aligned with best practices (an independent regulatory authority and a independent review body will be created).
✓ May 20, 2022: A National Strategy and action plan endorsed by the Council of Ministers on. all thanks to an amazing team and partners
✓ Stakeholders in government agencies (civil and military) owning the reform are now training and working to prepare the implementation phase
✓ Lebanese civil society organizations and good businesses are actively lobbying for accountability transparency and fair competition
✓ A group of expert-trainers are now organized in 7 working groups preparing implementation ready to form a “Help desk”
✓ A group of supportive decision makers and Parliamentarians
A National Reform Strategy
Nurturing a common vision & addressing identified gaps & challenges

<table>
<thead>
<tr>
<th>MAPS Pillar</th>
<th>Assessment Criteria</th>
<th>Met</th>
<th>Partially Met</th>
<th>Not Met</th>
<th>Not Applicable</th>
<th>Total</th>
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<tbody>
<tr>
<td>I-Legal, Regulatory, and Policy Framework</td>
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<td>9</td>
<td>27</td>
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<td>II-Institutional Framework and Management Capacity</td>
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<td>30</td>
<td>7</td>
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<td>III-Public Procurement Operations and Market Practices</td>
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<td>18</td>
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<td>26</td>
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<tr>
<td>IV-Accountability, Integrity and Transparency</td>
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<td>2</td>
<td>18</td>
<td>42</td>
<td>0</td>
<td>62</td>
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<tr>
<td>Total</td>
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<td>11</td>
<td>71</td>
<td>120</td>
<td>8</td>
<td>210</td>
</tr>
<tr>
<td>Percentage</td>
<td></td>
<td>5%</td>
<td>34%</td>
<td>57%</td>
<td>4%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: MAPS Assessment Report, 2021

Bring the regulatory and policy framework in line with good international practices
Create an institutional framework for successful procurement management and build corresponding capacity
Ensure economy and efficiency in procurement operations and practices
Promote accountability, integrity and transparency in public

#Procurement4Prosperity
Action Plan 2022-24 +

Major KPIs

- All PP staff at the national level are introduced to the provisions of the new law
- Standard Bidding Documents for Goods/Works and consultancy services available and used by all PE
- Tools and Guidelines are made available to the PP staff at the national level
- All procuring entities have at least one duly trained official

Central Electronic Platform Operational and all PE connected to it

- PP authority established & operational
- PP law implementation harmonized with other policies
- Internal audit framework in place; first auditors appointed and trained; initial successes achieved
- Consultation mechanisms in place
- Code of Conduct adopted
- Sustainable Public Procurement Policy in place
- Framework Agreements regulated and used by PE
- Sectoral Standard Bidding Documents available and used by all PE
- Oversight bodies’ Reports and information freely available on the central platform
- risk management strategy in place and tools developed
- E-procurement implemented by all PE
- E-market Place ready to be used by PE for aggregated procurement

- LAW ENTRY INTO FORCE August 2022
- SHORT TERM
- MEDIUM TERM
- Dec 2024

RESOURCES MOBILIZATION

POLICY ADVISE
MONITORING & EVALUATION
STRATEGIC COMMUNICATION FOR INFORMATION & CONSENSUS BUILDING
Reform Management - Coordinated approach

Inter-Ministerial Committee (IMC)

National Coordinator & IMC Secretariat
Institut des Finances Basil Fuleihan

Technical Support Unit (TSU)

Legislations
Preparing 16+ legislative decree & proposals for amending other legislations

Standard Documents
Preparing and testing 12+ standard bidding documents for use by procuring entities

Guidelines & Policies
Developing law guidelines & procurement policies

Forms & Templates
Developing & digitizing forms and templates

Central Electronic Platform

Communication & Awareness
Communication, information & awareness to all stakeholders

Capacity Building
Developing and delivering general & specialized courses for 5000+ worker

Risk Management
Developing and delivering general & specialized guidance

Partnerships building and donor relations/reporting

International Support

Technical Assistance
Expertise
Policy advise
Research
Policies
Guidance
Etc.

AFD, WB, IMF, EBRD, UNCITRAL OECD, EU-Sigma, bilateral cooperation
Seven working streams launched

**WG1: Priority secondary legislations**
Decrees for establishing PPA and CA & proposals for amending other legislations

**WG2: Standard Procurement Documents**
Drafting, consultation and testing of 10+ standard documents

**WG3: Guidelines & other tools**
Developing law guidelines & procurement tools and forms

**WG4: Training and professionalization**
Developing and delivering general & specialized courses for 5000+ beneficiaries

**WG5: Communication & Awareness**
Communication on reform progress and milestones & awareness to stakeholders

**WG6: Central Electronic Platform**
A central electronic platform for publication and open data

**WG7: Resource mobilization & partnership**
Mobilizing human, technical and financial resources for reform implementation
WG1: Priority secondary legislations

**Outputs**
- 4 draft secondary legislations for Public Procurement Authority in progress
- 5 draft secondary legislations for Complaints Authority in progress
- 3 other secondary legislations planned (internal audit, FAs, SPP) planned for 2022-23
- **FINANCING GAP** for 4 remaining secondary legislations for 2023-24 (PP units' composition; conditions of contract acceptance in case of deficiencies; job description, competencies & recruitment; e-procurement)

**Roadmap**

- **Q1-Q2 2022**
  - Benchmarking and drafting of PPA & CA secondary legislations
  - Peer review by national and international experts
  - Consultations with CTB

- **Q3 2022**
  - Sending PPA and CA sec. legislations to PCM then to State Council
  - Enhanced version of PPA & CA sec. legislations

- **Q4 2022**
  - Adopt PPA and CA secondary legislations by COM Decree
  - Drafting of 3 other secondary legislations (internal audit, FAs, SPP, etc)

- **Q1-Q4 2023**
  - Drafting of 4 remaining sec. legislations
  - Submission to COM for approval
WG2: Standard procurement documents

- 3 draft SPDs (Goods, Works, and Consultancy Services) in line with intern’l standards & adapted to the national context
- Consultation meetings with stakeholders (public sector & business associations)
- FINANCING GAP for training on SPDs use
- FINANCING GAP for development of sectoral SPDs and translation into English for 2023-24

Roadmap

- Drafting of 3 SPDS (goods, works & services) in Arabic
- Consultations with public & private sector
- Training PEs on use of SPDs
- Review, test and finalize
- Development of sectoral SPDs
- Training PEs on use of SPDs
- Translation into English
WG3: Guidelines and other tools

**Outputs**
- Drafting of **explanatory guidelines** on PPL no. 244 for sound implementation
- +60 forms and templates identified and drafting of +10 forms is in progress
- **FINANCING GAP** for development of remaining forms and translation into English
- **FINANCING GAP** for development of user-friendly handbooks & manuals to guide procuring entities & businesses on efficient practices.

**Roadmap**

<table>
<thead>
<tr>
<th>Q1-Q2 2022</th>
<th>Q3 2022</th>
<th>Q4 2022</th>
<th>Q1-Q4 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draft PPL guidelines in Arabic</td>
<td>Peer review of guidelines &amp; forms in Arabic</td>
<td>Translation of guidelines in English</td>
<td>Development user-friendly handbooks and manuals</td>
</tr>
<tr>
<td>Benchmarking of forms &amp; templates</td>
<td>Testing and finalization</td>
<td></td>
<td>Translation of forms in English</td>
</tr>
<tr>
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<td></td>
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</tr>
</tbody>
</table>

Digitization of forms & templates
WG4: Training and professionalization

- Draft capacity building strategy & action plan in line with intern’l good practices and national needs
- A pool of **14 national trainers (+17 additional)** currently being trained
- **1 full introductory course** on PPL no.244 with an exam
- **+900 participants** introduced to PPL across public sector to date (PAs, PIs, military & security, municipalities, oversight bodies)
- **FINANCING GAP** to sustain training and implement the CB strategy (starting with continuous training, priority hands-on, customized training to public and private sectors, MOOCs, coordination & synergy building, etc.)

**Roadmap**

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<thead>
<tr>
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<th>Q3 2022</th>
<th>Q4 2022</th>
<th>Q1-Q4 2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Draft CB strategy &amp; Action Plan</td>
<td>Mobilizing resources for the implementation of CB strategy</td>
<td>Development of LMS and instructional design</td>
<td>Develop and deliver new hands-on and customized training programs</td>
</tr>
<tr>
<td>Development of 101 course on PPL no.244 &amp; evaluation schemes</td>
<td>Coordination mechanism with other training providers</td>
<td>Testing of online course on LMS</td>
<td>Prepare for Certification in PP</td>
</tr>
<tr>
<td>Training of trainers (groups 1&amp;2)</td>
<td>Introductory training on PPL implementation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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WG4: Training and professionalization

Lebanese Armed Forces and Internal Security Forces
- 2 TOT programs for LAF; 24 trained trainers; 10 trainers prepared for delivery
- 9 training sessions on the Law
- 300 LAF officers trained; 31 ISF officers & practitioners trained

Oversight bodies
- 24 Judges from the Court of Accounts & the State Council
- 12 auditors from the Court of Accounts

Ministries & public institutions
- 16 online training sessions on the Law
- +600 participants

Municipalities and UoM
- Mayors, senior officials and practitioners introduced to the Law
WG5: Communication & awareness

**Outputs**

- Communication strategy and activities until PPL entry into force
- **FINANCING GAP** for strategic communication/advocacy plan and activities that accompany reform implementation

**Roadmap**

- **Q1-Q2 2022**
  - Regular communication on reform progress
  - Coverage of training & events

- **Q3 2022**
  - Mobilizing resources for a strategic communication plan & stakeholder engagement

- **Q4 2022**
  - Elaborate a strategy with activities and tools

- **Q1-Q4 2023**
  - Strategy implementation

+20 Interactive & consultative panels & webinars with stakeholders
+15 articles in the press
+5 awareness videos largely broadcasted
Targeted social media campaigns
WG6: Central electronic platform

- **Series of consultations** with civil society, private sector and donor community
- **A simple and adjustable central electronic platform**, owned and managed by the Public Procurement Authority (PPA), user-friendly by all stakeholders, **compliant with OCDS, and expandable**. The Platform is **linked to a learning management system to allow training delivery by IOF**, monitoring of knowledge transfer in public procurement, and access to learning resources.
- Testing, training, piloting and stakeholders’ dialogue
- **FINANCING GAP to sustain the solution, expand, and adopt full e-procurement system**

### Roadmap

**Q1-Q2 2022**
- Consultations and dialogue with concerned stakeholders and partners on best scenario
- Preparations for implementation of central e-platform

**Q3-Q4 2022**
- Engage with e-platform development, testing and training
- Stakeholder dialogue and awareness raising

**Q1-Q2 2023**
- Platform is fully operational and upgradable
- Mobilizing resources to ensure sustainability

**Q3-Q4 2023**
- Launch new project to develop and sustain the platform and prepare for E-procurement
Critical Milestones and next steps
Law 244/2021 entry into force

- PPA to prepare necessary decisions for the application of the Law related to the formation of committees, the annual procurement plan for the current year.
- Agreed coordination mechanism between public sector training institutes.
- Competency frameworks and job descriptions of PP staff in Public sector set.
- Council of Ministers circulars asking all public administrations to get trained and prepared for the implementation of the Law by taking the necessary internal measures.
- Aligning other decrees and bylaws related to oversight and control bodies with the Law (for example CoA bylaw, decrees governing the cycle of pre-approvals of municipalities procurement, etc).
- Technical HELP DESK set at PPA.
- Secondary legislations of PPA issued by Decree.
- Other secondary legislations issued by Decree.
- COM to set recruitment committee for CA members.
- Secondary legislations of CA issued by Decree.
Thank you