

Public Procurement Law 244/2021: From Legislation to Implementation

Grand Serail, Beirut
29 July 2022

The national & international commitments are still ON



- **Whole-of-Government, Whole-of-Economy Whole-of-Society** reform highlighted in the Ministerial Declarations of Hariri (2019), Diab (2020) and Mikati Governments (2021).
- **At heart of the fight against corruption** (Law on Access to Information 28/2017, Law on Protection of Whistleblowers 83/2018, Law on Anti-Corruption 175/2020, Law on Illicit Enrichment 189/2020, National Strategy on Anti-Corruption)
- 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)



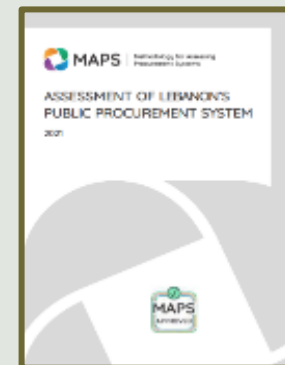
- **Conditionality of international aid to support the economic recovery** of Lebanon.
- Highlighted in **CEDRE** conference (April 2018), consecutive statements of the International Support Group for Lebanon (**ISG**), the French Roadmap, and in the ‘Reform, Recovery & Reconstruction Framework’ (**3RF**).
- 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**”.



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

I
Bring the regulatory and policy framework in line with good international practices

II
Create an institutional framework for successful procurement management and build corresponding capacity

III
Ensure economy and efficiency in procurement operations and practices

IV
Promote accountability, integrity and transparency in public

MAPS Pillar	Met	Partially Met	Not Met	Not Applicable	Total
I-Legal, Regulatory, and Policy Framework	9	27	30	1	67
II-Institutional Framework and Management Capacity	0	18	30	7	55
III-Public Procurement Operations and Market Practices	0	8	18	0	26
IV-Accountability, Integrity and Transparency	2	18	42	0	62
Total	11	71	120	8	210
Percentage	5%	34%	57%	4%	100%

Source: MAPS Assessment Report, 2021



Action Plan 2022-24 + Major KPIs

POLICY ADVISE
MONITORING & EVALUATION
STRATEGIC COMMUNICATION FOR INFORMATION & CONSENSUS BUILDING

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

Complaints authority established and operational

Public Procurement officially recognized as a profession

Code of Conduct adopted

Framework Agreements regulated and used by PE

PP law implementation harmonized with other policies

Internal audit framework in place; first auditors appointed and trained; initial successes achieved

Consultation mechanisms in place

Sustainable Public Procurement Policy in place

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

RESOURCE MOBILIZATION



Reform Management - Coordinated approach

Inter-Ministerial Committee (IMC)

National Coordinator & IMC Secretariat

Institut des Finances Basil Fuleihan

Partnerships building
and donor
relations/reporting

Technical Support Unit (TSU)

Technical Support to
Public Procurement
Authority

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

Technical Support to
Complaints Authority

Technical Support
Unit (TSU)

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

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

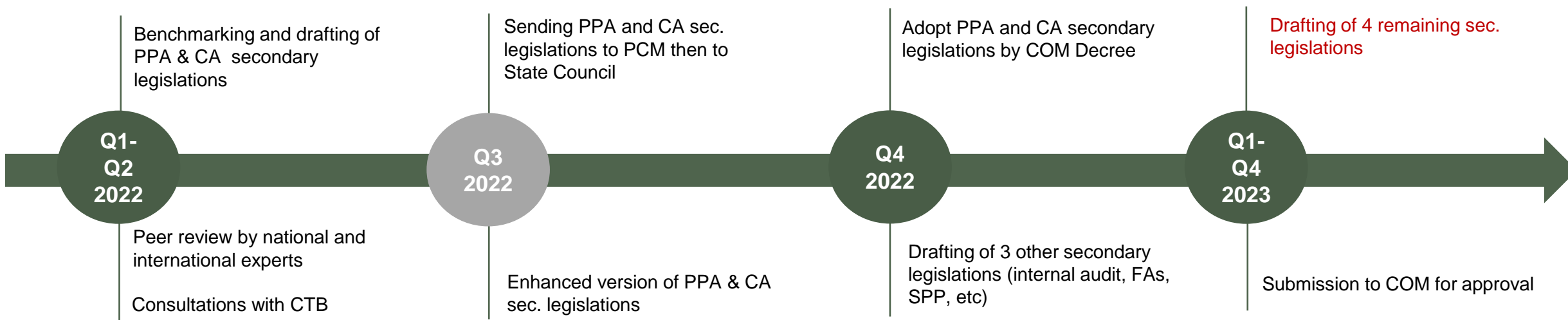


WG1: Priority secondary legislations

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



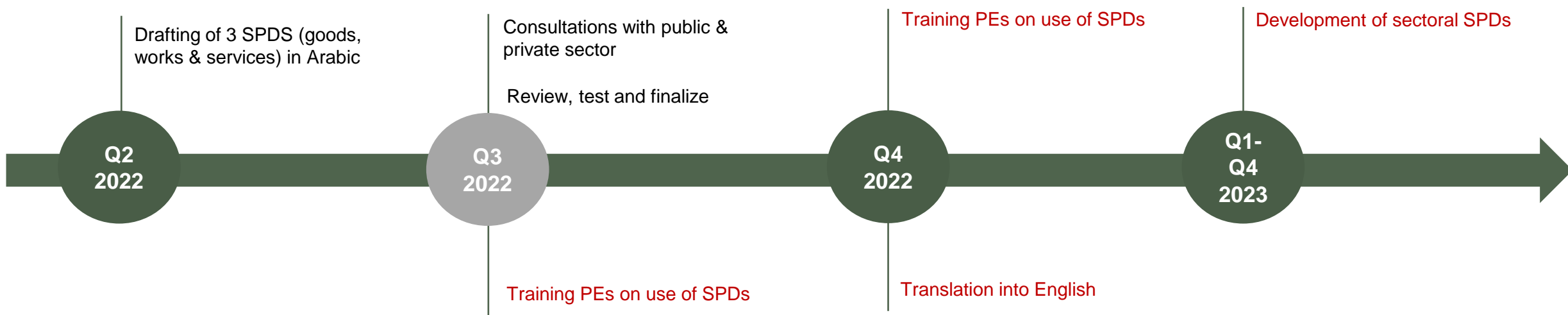


WG2: Standard procurement documents

Outputs

- 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

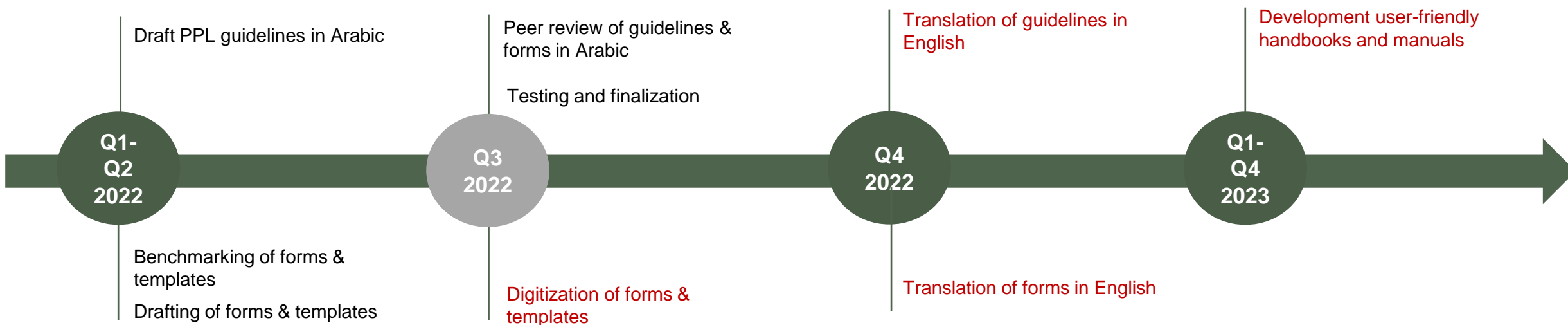


WG3: Guidelines and other tools

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

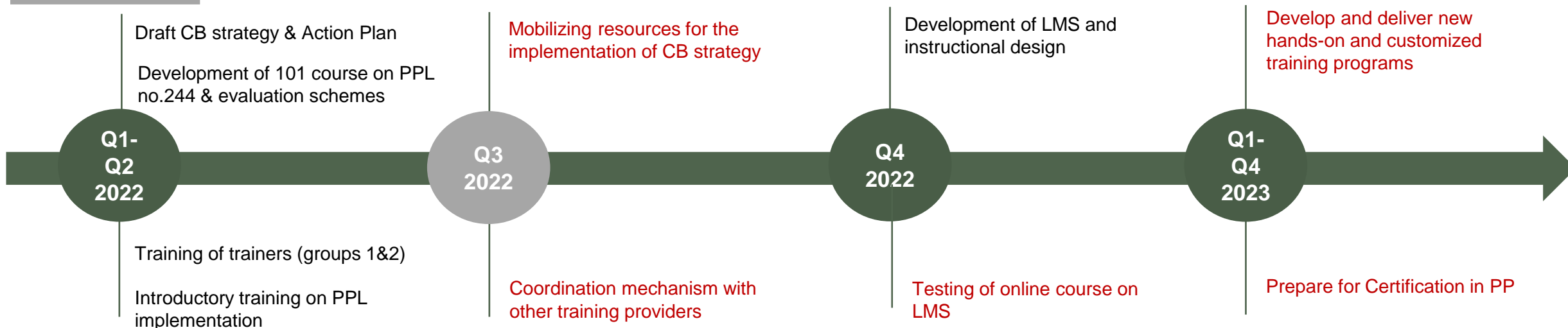


WG4: Training and professionalization

Outputs

- 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



WG4: Training and professionalization

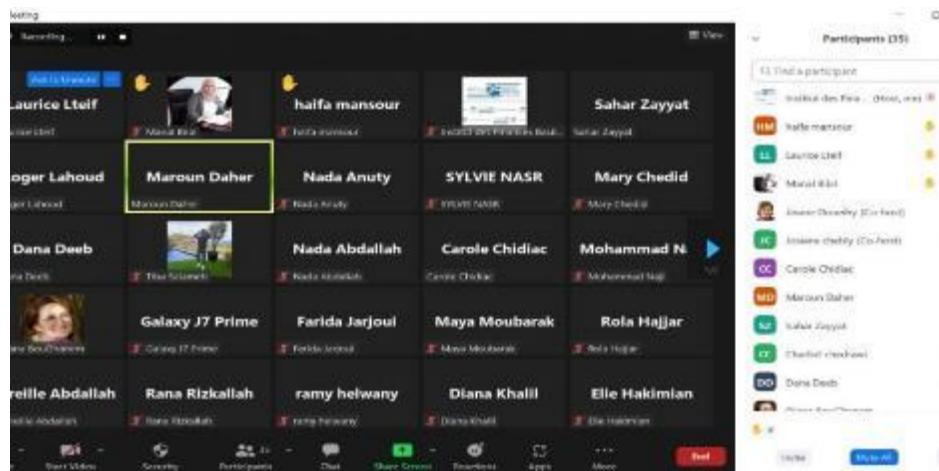
Lebanese Armed Forces and Internal Security Forces

- 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**



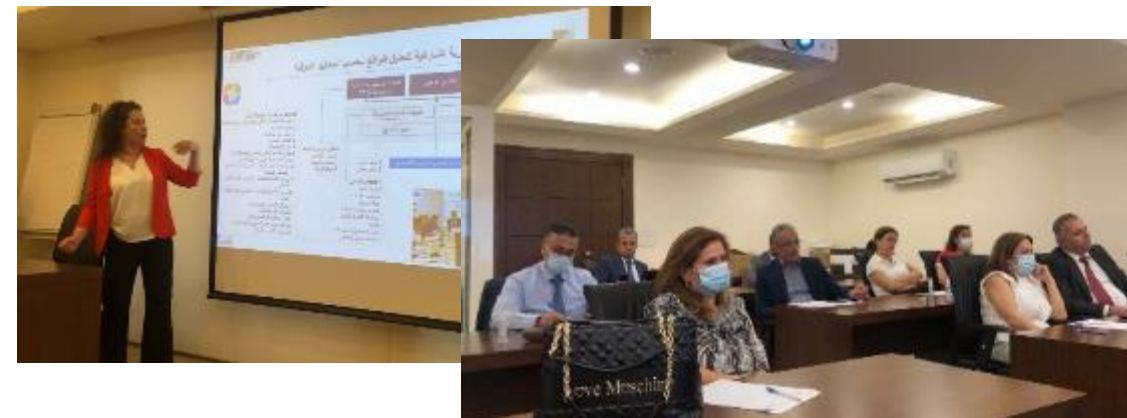
Ministries & public institutions

16 online training sessions on the Law
+600 participants



Oversight bodies

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



Municipalities and UoM

Mayors, senior officials and practitioners introduced to the Law

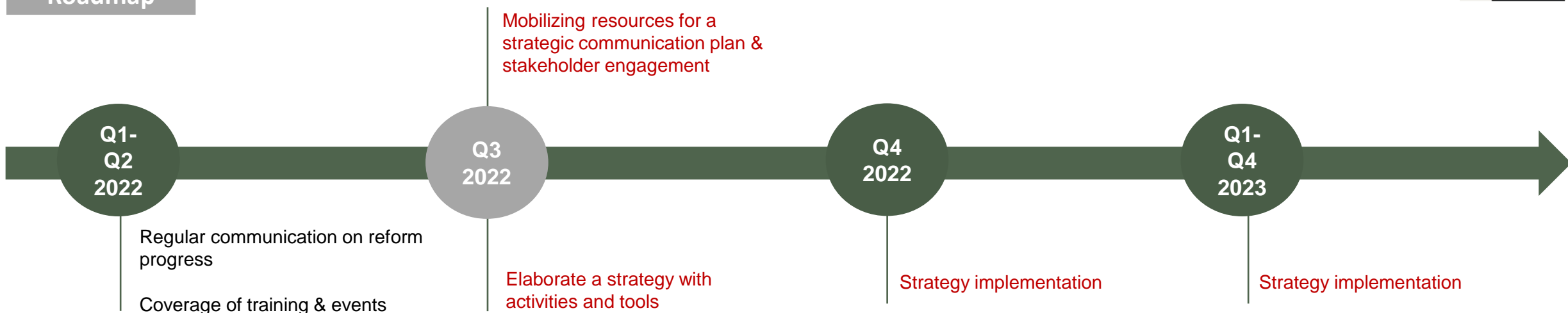


WG5: Communication & awareness

Outputs

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

Roadmap

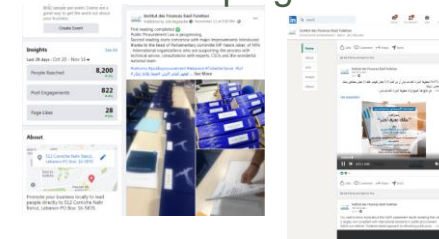


+15 articles in the press

+20 Interactive & consultative panels & webinars with stakeholders



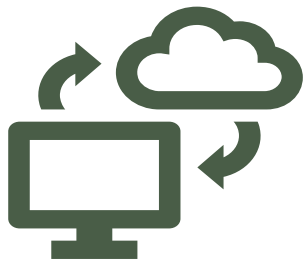
Targeted social media campaigns



+5 awareness videos largely broadcasted

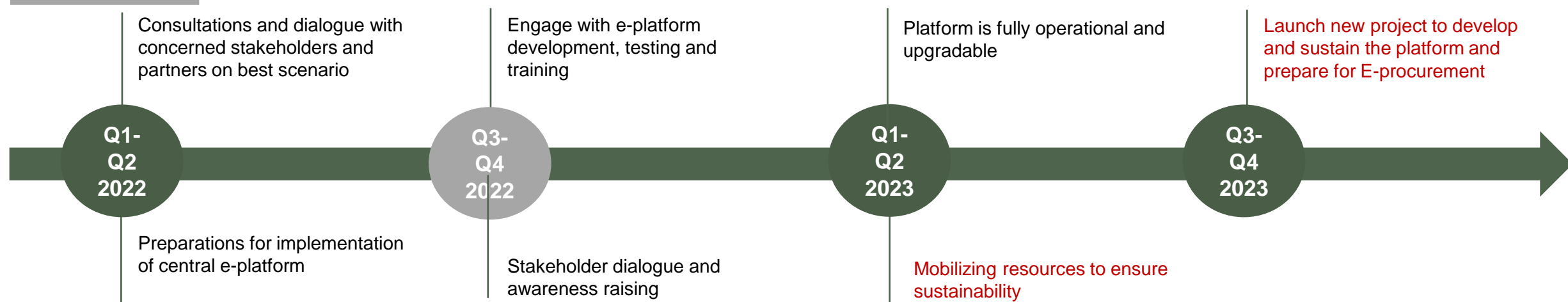
WG6: Central electronic platform

Outputs



- **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**

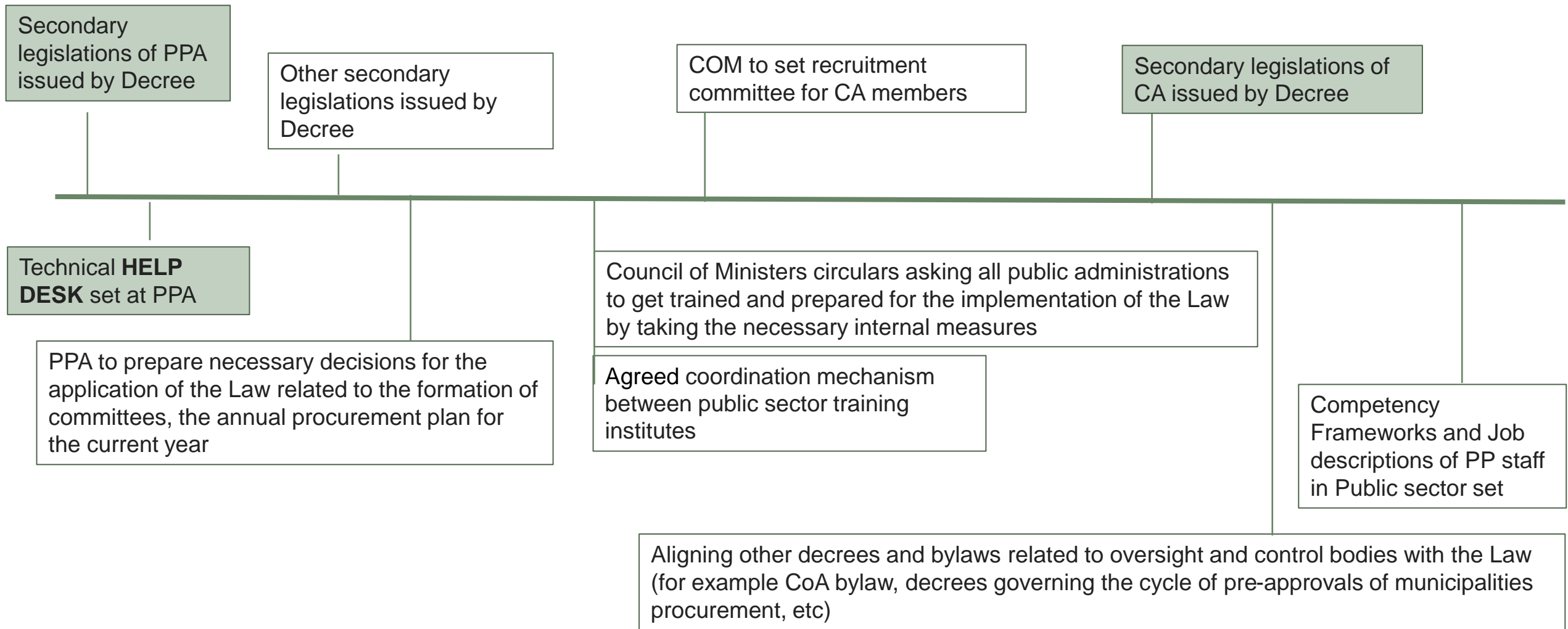
Roadmap





Critical Milestones and next steps

Law 244/2021 entry into force



Thank you

 IOFLebanon

 Institut des Finances Basil Fuleihan

 IOFLebanon

 IOFLebanon

 InstituteOfFinance