Public Procurement Reforms: Enhancing Efficiency, Effectiveness and Value for Money in the 21st Century – Challenges and Way Forward

*Competition *Transparency *Efficiency

A Presentation at the August 2025 Edition of the Lunch Time Reform Seminar by the Bureau of Public Service Reforms (BPSR)

Date: Tuesday, 12 August, 2025,

Venue: Auditorium, Federal Ministry of Finance, Abuja

Dr. Adedokun A. Adebowale, FCIPS (Chartered), ACFE Director-General, Bureau of Public Procurement

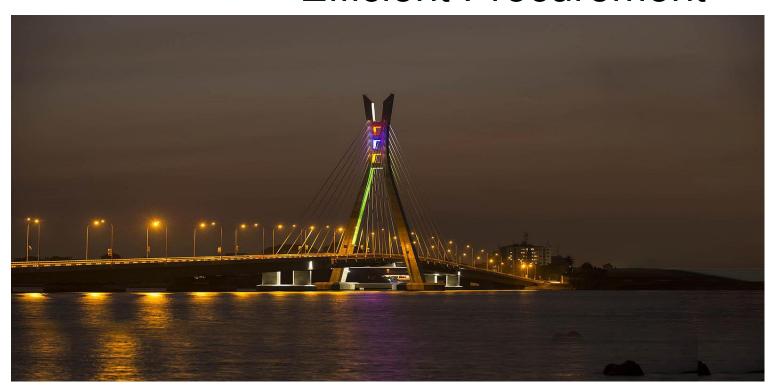
Outcomes of Inefficient vs Efficient Procurements

Inefficient Procurement





Efficient Procurement





DIRECTOR-GENERAL'S QUOTES



"Procurement connects citizens with the government to deliver values and end users' satisfaction"

■ ■ ■ Dr. Adedokun A. Adebowale, FCIPS (Chartered), ACFE



"Procurement exposes your appetite for transparency, accountability, efficiency and fairness to all strata of humanity" Dr. Adedokun A. Adebowale, FCIPS (Chartered), ACFE



Why Procurement Matters

Procurement is the Silent Power Behind National Development

- 60%+ of public budgets flow through procurement.
- Determines quality of roads, schools, hospitals, and services.
- When done well: value for money, jobs and trust in government.

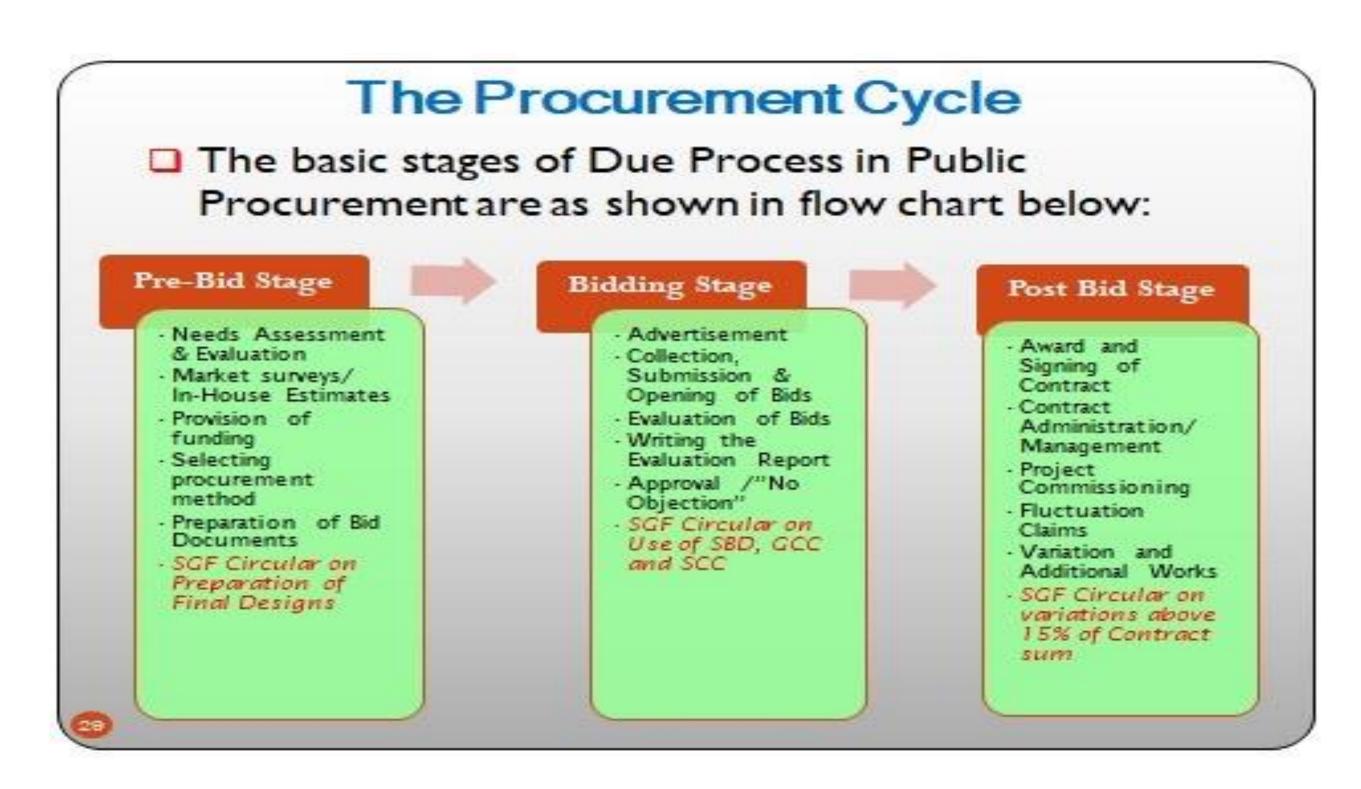
The Enabling Law

Our Legal Framework:

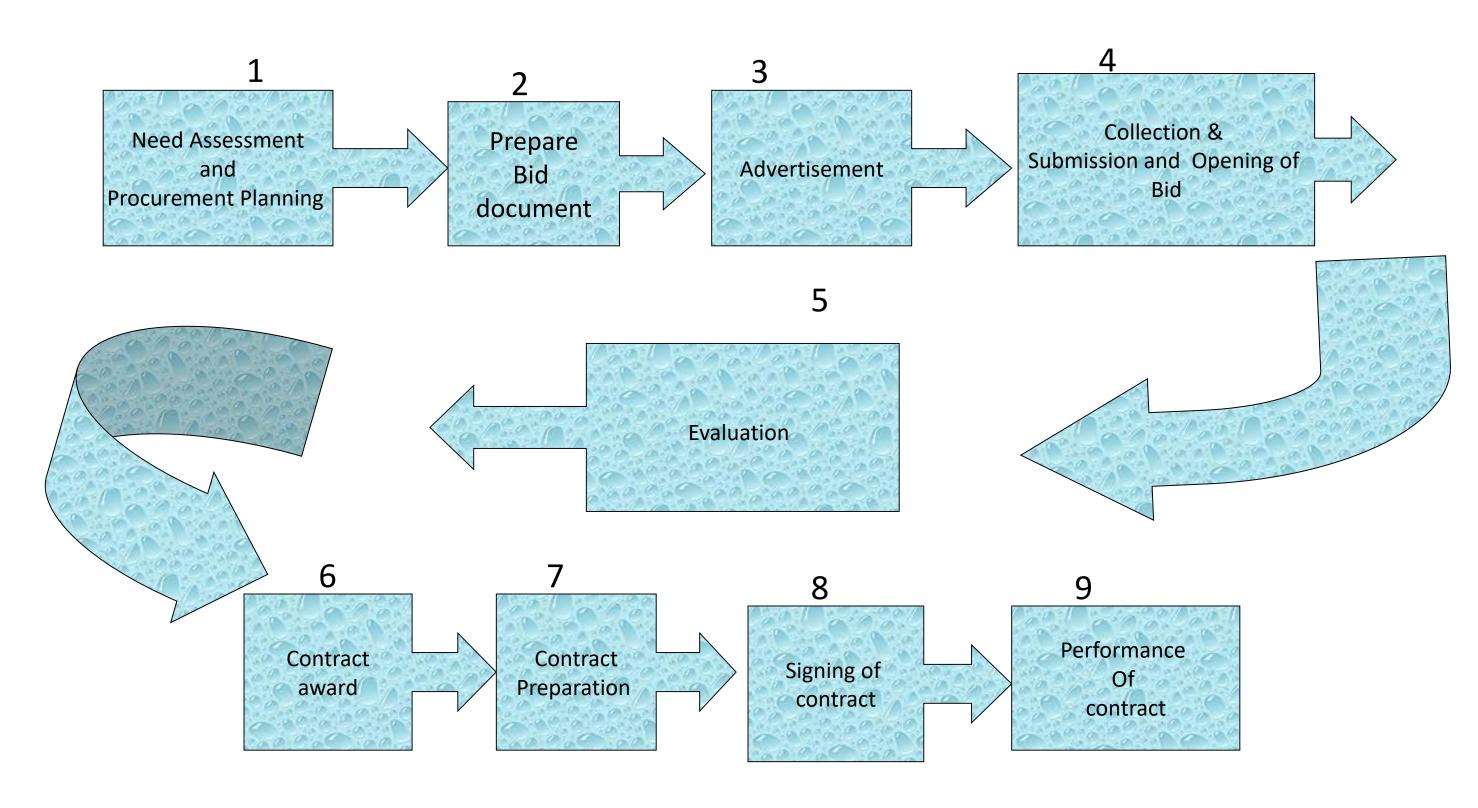
- The Public Procurement Act, 2007
- Finance Act
 - 1. Establish fairness, competition, transparency.
 - 2. Aligned with UNCITRAL Model Law.
 - 3. BPP is empowered to carry out Regulation, monitoring, sanctions, training.

The Procurement Cycle

The basic stages of Due Process in Public Procurement are as shown in flow chart below:



Processes in Public Procurement



Public Procurement Reforms



What Are These Reforms?...1/3

- 1. Revised Service-Wide Prior Review and Monetary Thresholds implementation Guidelines
- 2. E-government procurement system
- 3. Nigeria First Policy
- 4. Community/Affirmative Procurement
- 5. Return of Mobility of Procurement Officers to BPP
- 6. Nigeria E-Market
- 7. Revised Standard Bidding Documents

What Are These Reforms?..2/3

- 7. Debarment Policy
- 8. Price Intelligence and Benchmarking
- 9. Strengthening of Collaboration with Anti-Corruption Bodies
- 10. Collaboration with International Bodies
- 11. Collaboration with Professional Bodies
- 12. Empowering Procurement Excellence through Capacity Building

What Are These Reforms?..3/3

- 13. Efficient procurement planning and records keeping
- 14. Advertisement- online and submit to BPP website and PE's website
- 15. CCSP- updating the database
- 16. Developing Ethical Standards
- 17. Sector based procurement frameworks
- 18. Enforcement of Sanctions
- 19. Submission of requests via dedicated emails
- 20. Developing a National Repository of Procurement Experts- BPP to issue practice license and MDAs must get no objection before engaging a trainer on public procurement trainings

Revised Prior Review and Monetary Thresholds – Highlights.... 1/5

1. Defines financial limits for:

- Request for Quotations (RFQ).
- National Competitive Bidding (NCB).
- International Competitive Bidding (ICB).

2. Guides approvals at MDA and Bureau levels, ensuring:

- Appropriate procurement method selection.
- Prevention of contract splitting.
- 3. Ensures compliance with value-for-money principles and fiscal discipline

Revised Prior Review and Monetary Thresholds – Highlights.... 2/5

 The updated thresholds replace any previously existing ones - except for the special, self-adjusting thresholds tied to expenditures by the Nigerian National Petroleum Company Limited (NNPCL)

Tendering & Procurement Method Thresholds:

International / National Competitive Bidding

Goods: N1 billion and above

Works: N5 billion and above

Non-Consultant Services: N1 billion and above

National Competitive Bidding

Goods: N30 million ≤ value < N1 billion

Works: N50 million ≤ value < N5 billion

Non-Consultant Services: N30 million ≤ value < N1 billion

Revised Prior Review and Monetary Thresholds – Highlights.... 3/5

Request for Quotation

Goods: Less than N30 million Works: Less than N50 million

Non-Consultant Services: Less than N30 million

Single-Source / Direct Contracting (Minor Value Procurements)

Goods, Works, Non-Consultant Services: Less than N5 million

Consultant Services: As stipulated in the Public Procurement Act (2007)

Pre-qualification Requirements

Goods: N500 million and above **Works**: N1 billion and above

Non-Consultant Services: N500 million and above

Consultant Services: Not applicable under pre-qualification

Quality & Cost-Based Selection

Consultant Services only: N100 million and above

Not applicable for Goods, Works, or Non-Consultant Services

Revised Prior Review and Monetary Thresholds – Highlights.... 4/5

BPP's Enhanced Oversight & Compliance Measures

- Open Competitive Bidding must now serve as the default procurement method. Other methods—like restricted tendering or direct procurement—are limited only to instances permitted under the Public Procurement Act (2007)
- The Bureau of Public Procurement will intensify its prior and post-procurement reviews, alongside audit, surveillance, and monitoring activities to ensure transparency, compliance, and to enforce sanctions where needed, as per the PPA (2007)
- Audit reports are to be submitted biannually to the National Assembly in line with Section 5(p) of the PPA, 2007

Revised Prior Review and Monetary Thresholds – Highlights.... 5/5

• Procurements approved by Ministerial Tender Boards must be forwarded to BPP for review prior to contract award, including evaluation reports, MTB meeting minutes, and draft contract agreements:

N1 billion for Goods & Services

N5 billion for Works

- MDAs are also required to:
 - adhere strictly to then revised procurement processing timelines (including Standstill Period),
 - provide quarterly progress reports,
 - promptly issue notification of awards, and
 - debrief unsuccessful bidders
- The policy emphasizes enforcement against non-performing or fraudulent contractors; BPP may debar such entities from future procurement opportunities

Standstill Period – Safeguarding Transparency

Defined period between Notice of Contract Award and Contract Signing.

Purpose:

- Allows unsuccessful bidders to seek clarifications or lodge complaints.
- Prevents hasty or concealed awards.

✓ Enhances fairness, openness, and trust in public procurement.

✓ Aligned with global best practice to reduce procurement disputes.

E-Government Procurement System

Purpose: Enhances transparency, speed, and value-for-money in public procurement through digitalization.

Key Benefits:

- Transparency: Real-time access to tender information and audit trails.
- Efficiency: Reduced paperwork, faster processing, automated workflows.
- Cost Savings: Competitive bidding increases value-for-money.
- Accessibility: Wider supplier participation, including SMEs.
- Accountability: Data-driven monitoring and performance reporting.

Core Features:

- Online tender publication & submission
- Digital contract management



"Nigeria First" Procurement Policy



- Historic Milestone: First-ever national policy framework to guide procurement across all MDAs.
- Objective: Institutionalize transparency, competition, and value-for-money in line with the Public Procurement Act.

Core Pillars:

- Standardization of procurement procedures.
- Strengthened oversight & compliance mechanisms.
- Promotion of local content and sustainable procurement.
- Strategic Alignment: Supports the Renewed Hope Agenda and Nigeria's commitment to good governance.

Impact

- Boost investor confidence.
- Reduce corruption and inefficiency.
- Enhance service delivery to citizens.

Community-Based Procurement

Definition: Procurement approach that prioritizes engaging community-based enterprises and local suppliers.

Objectives

- Promote local economic development.
- Strengthen community ownership of projects.
- Create employment opportunities within beneficiary communities.

Benefits:

- Builds trust between government and communities.
- Ensures project relevance and sustainability.
- Reduces logistics costs through local sourcing.



Strategic Fit: Supports Nigeria's Renewed Hope Agenda on poverty reduction, inclusion, and grassroots empowerment.

Affirmative Procurement

Definition: Procurement policies designed to give preference or access to disadvantaged groups.

Target Beneficiaries:

- Women-owned enterprises.
- Youth-led businesses.
- Persons with disabilities.
- SMEs in rural/underserved areas.

Policy Tools:

- Set-asides for targeted groups.
- Preferential evaluation scoring.
- Reduced compliance barriers.

Impact:

- Enhances economic participation of marginalized groups.
- Reduces inequality in public contract opportunities.
- Strengthens inclusive growth in line with sustainable development goals.



Return of Mobility of Procurement Officers to BPP

Based on Mr. President's directive, this reform has the following implications:

- The deployment of all Procurement Officers shall be carried out solely with the approval of the BPP
- 2. The procurement officer assumes accountability in the same manner as the Accounting Officer
- 3. Professionalization of the Cadre
- 4. Deployment of Digital Procurement Systems
- 5. Scheme of service
- SPESSE Capacity Building

Reform Objectives

- 1. Strengthen Professional Independence
- 2. Enhance Skills & Knowledge Transfer
- 3. Promote Uniform Application of PPA 2007
- 4. Build an Agile Procurement Workforce

Efficiency Gains

- Faster Approvals & Clearer Compliance → Reduces bid processing delays.
- Reduction in Irregularities → Minimises contract inflation, split tenders, and undue influence.
- Performance Benchmarking → Officers' output can be measured objectively across MDAs.
- 4. Stronger BPP Oversight → Direct link to central policy monitoring and enforcement

Procurement Cadre – POMS

A trained procurement workforce is the backbone of transparent, efficient, and accountable public spending.

Establishment of a dedicated Procurement Cadre in line with the Public Procurement Act and international best practices.

Introduction of the **Procurement Officers Management System** (POMS) for:

- Tracking career progression.
- Enhancing accountability & professionalism.
- Streamlining capacity building and performance monitoring.



Strategic Goal: Align procurement personnel with Renewed Hope Agenda – delivering efficiency, transparency, and value-for-money.

Nigeria e-Market

What is Nigeria e-Market?

An **online government procurement platform** providing a **one-stop marketplace** for MDAs to source goods and services transparently, competitively, and efficiently.

Key Features

- Centralised Catalogue Pre-qualified suppliers and standardised product listings.
- Real-Time Transactions Faster approvals, instant order placement.
- Full Transparency Track every purchase from request to payment.
- Data Analytics Monitor spending patterns and supplier performance.

Benefits

- Efficiency: Cuts procurement timelines by eliminating manual processes.
- Cost Savings: Leverages bulk purchasing and price benchmarking.
- Inclusivity: Opens access for SMEs and local content suppliers.
- Accountability: Every transaction is digitally recorded and auditable



Revised Standard Bidding Documents (SBDs)

- Previous SBDs had outdated clauses, ambiguous requirements,
 and inconsistencies with recent procurement reforms.
- The revision aligns documentation with the Public Procurement
 Act (2007), international best practices, and Nigeria's digital
 procurement evolution.

Reform Objectives

- **1. Clarity & Uniformity** Eliminate ambiguity to ensure all MDAs follow the same interpretation of procurement rules.
- 2. Efficiency & Time Savings Simplified formats reduce bid preparation and evaluation timelines.
- **3. Digital Integration** Structured to fit seamlessly into Nigeria's e-Procurement & e-Market platforms.
- **4. Risk Mitigation** Stronger contractual clauses to reduce disputes, cost overruns, and delays.

Efficiency Gains

- Faster Tender Processing → Less back-andforth over unclear requirements.
- 2. Better Competition → Clearer templates encourage wider bidder participation, including SMEs.
- 3. Reduced Administrative Burden → One standardized set for all MDAs, lowering training and review costs.
- Improved Contract Performance → Welldefined obligations and deliverables ensure timely, quality delivery.

Debarment Policy

- Previous SBDs had outdated clauses, ambiguous requirements,
 and inconsistencies with recent procurement reforms.
- The revision aligns documentation with the Public Procurement
 Act (2007), international best practices, and Nigeria's digital
 procurement evolution.

Reform Objectives

- Promote Contractor Accountability Only firms with a proven record of performance remain eligible.
- 2. Deter Fraud & Misconduct Acts as a strong disincentive against contract inflation, bid rigging, and substandard work.
- **3. Improve Project Delivery Rates** Eliminates habitual defaulters from the procurement ecosystem.
- **4. Align with Global Standards** Matches World Bank, AfDB, and UNCITRAL best practices on procurement integrity.

Efficiency Gains

Faster Completion of Projects – Reliable contractors meet deadlines and quality standards.

Reduced Contract Management Costs – Fewer disputes, penalties, and contract terminations.

Higher Bid Quality – Encourages serious, capable bidders to compete.

Restored Public Confidence – Citizens see tangible value for every naira spent.



Price Intelligence and Benchmarking

- 1. BPP's NOCOPO and price database for informed procurement decisions
- 2. Real-time market surveys to determine fair, competitive prices.
- 3. Benchmarking against regional and global standards.
- 4. Detection of inflated bids before award.

Impact:

Between January and June 2025 alone, BPP's Upgraded NOCOPO saved billion, \$155 million, and €1.7 million through improved price intelligence. More than a tool, NOCOPO has become a digital watchdog of transparency, putting procurement information directly in the hands of the public.

Better negotiation power for procuring entities.



Informed buying is smarter buying — data is the new currency of procurement efficiency.

Collaboration with Anti-Corruption Agencies

Integrity in Procurement: A Shared Responsibility

- 1. Partnerships with EFCC, ICPC, Code of Conduct Bureau.
- 2. Real-time information sharing on procurement red flags.
- 3. Joint investigations to deter fraud, collusion, and bid-rigging.
- 4. Compliance monitoring for high-value projects.

Impact:

- Reduced corruption risks.
- Strengthened trust in public procurement.



Transparency and integrity are not optional — they are the foundation of public procurement

Collaboration with Professional Bodies

Harnessing Expertise Through Professional Partnerships

- 1. Collaboration with NIQS, NSE, ARCON, ICAN, NBA, etc.
- 2. Joint policy reviews & technical advisory on procurement practices.
- 3. Professional bodies as custodians of ethical standards.
- 4. Co-development of procurement guidelines & standard documents.

Impact:

- Stronger quality assurance.
- Better cost management & technical evaluation.

Empowering Procurement Excellence Through Capacity Building

A trained procurement workforce is the backbone of transparent, efficient, and accountable public spending.

 Skilled people, stronger systems – Procurement excellence starts with trained professionals.

BPP Initiatives:

- Nationwide training for procurement officers.
- Certification & continuous professional development.
- Integrating procurement studies into tertiary curricula.

Impact:

- Improved compliance with the Public Procurement Act.
- Faster, transparent, value-driven procurement.





Further Reforms Driving the Transformation

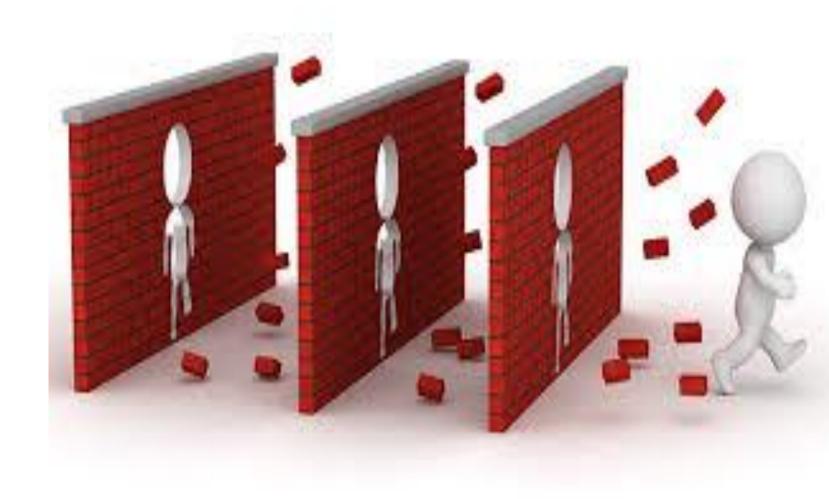
- 1. Efficient procurement planning and records keeping
- 2. Advertisement- online and submit to BPP website and PE's website
- 3. CCSP- updating the database
- 4. Developing Ethical Standards
- 5. Sector based procurement frameworks
- 6. Enforcement of Sanctions
- 7. Submission of requests via dedicated emails
- 8. Developing a National Repository of Procurement Experts- BPP to issue practice license and MDAs must get no objection before engaging a trainer on public procurement trainings

Challenges

Challenges

Barriers We Must Break

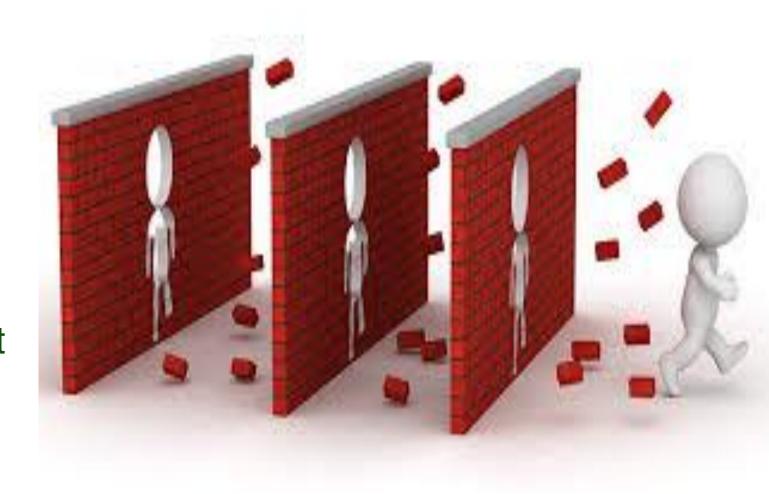
- 1. Capacity gaps in MDAs.
- 2. Budgetary Constraints
- 3. Political interference.
- 4. Resistance to change.
- 5. Amendment of the PPA, 2007
- 6. Abuse of procurement methods- emergency against urgency
- 7. Manipulation of bid evaluation process
- 8. Manipulation of concept of LERB



Challenges

Barriers We Must Break

- 9. Misapplication of scope of application
- 10. Rampant engagement of external consultants for bid evaluation
- 11. Awarding contracts to the same contractor for design and supervision
- 12. Procurement Department/Unit under another Department and not the Accounting Officer
- 13. Non skilled Officers in donor funded projects
- 14. Mis-use of Direct Labour



Way Forward

Way Forward

- Scale e-procurement nationwide. (Digitization)
- Deepen citizen/private sector engagement.
- BPP will firmly protect and champion any officer who upholds the highest standards of integrity and due process.
- Enforce sanctions consistently.



Closing

"Procurement creates your legacies that define your contribution to humanity"

■ ■ ■ Dr. Adedokun A. Adebowale, FCIPS (Chartered), ACFE



Thank you

For further inquiries, please reach out through our website or email.

www.bpp.gov.ng

Info@bbp.gov.ng

