

# Bright Opportunities for a Good Financial Culprit

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**W**e the people of Pakistan are perhaps the most fortunate nation of the World, because despite of the fact that our names are being taken with the top ranked corrupted societies, we don't pay taxes but still we are enjoying the fruits because someone is paying taxes in USA for us. But today I pick my pen with the intension of writing on the subject of future for a good financial culprit. We are fortunate again because we do not have any Comprehensive General Procedural Guidelines for procurement by government departments and ministries. Although in this regard Federal Government has notified the Public procurement Regulatory Authority (PPRA) and its Rules as a compendium of general provisions in the form of executive instructions to be followed by all offices of Government of Pakistan while dealing with matters of financial nature specifically to the procurement of Goods & Services.

Corruption in Procurement is a serious but common issue in Pakistan. Although the formation of PPRA is the first sincere effort to take notice and to take some control of the situation. The rules defined by PPRA provides a broad regulating framework for transparent Public Sector Procurement and are applicable to all Public Sector Departments of Federal Government, but only strict compliance of these rules can lead to a transparent and accountable process of procurement in public sector. But here it is worthy to mention that the PPRA Rules does not deals with many major component of the transaction for example PPRA does not deals with the mode of payments which is damn good for the culprit society like us.

The accountants as well as auditors of this Global Village are moving towards the transactional Cycle approach, but we have missed many basic component that leads towards the corruption and many times It enhances the corruption to the level of intellectual corruption for example

due to unavailability of mode of payment cash payments in various cases beside this it also leads towards the undocumented transactions.

Despite these efforts, challenges in combating corruption in public sector procurements still lay ahead of PPRA in many departments of government. Most of these challenges concern the loopholes in the regulation of procurement frameworks. A number of departments have only rudimentary checks to follow the rules and regulations set by PPRA.

In many departments, procurement policies and procedures remain too often dispersed in several areas, executive orders, or not abiding by the guidelines and great discretion is left to the lower staff of the administration. Conflicts with PPRA regulations and between numerous executive orders sometimes render these frameworks vulnerable to ambiguity.

All departments have orders to follow procurement regulations set by PPRA but they do not apply these to certain procurement orders, reasons well-known to everyone. Some departments exempt certain procuring entities or certain goods and services from the application of procurement rules. These exempt areas may constitute very large proportions of public purchases. However, substitute rules that override the defined principles of procurement framework in these exempt areas seldom exist.

Often, planning or implementation is not regulated at all according to Public Procurement Rules, 2004, these procurement phases also often escape the scrutiny of auditors and the general public. Hence, the fight against corruption in procurement is still in rudimentary stage and the only hope to combat corruption is the strict application of the Public Procurement Regulatory Authority Ordinance 2002, Public Procurement

Rules, 2004, Procurement regulations of PPRA..

The Bright future will always be there until every authority, delegated with financial powers for procurement will act in such manner so as "to bring efficiency, economy, transparency in matters relating to public procurement and for fair and equitable treatment of suppliers and promotion of competition in public procurement".

We require a central procurement organization In case, however, a ministry or department does not have the required expertise, it would request the central purchase organization to make the procurement on its behalf, with the approval of the competent authority in the ministry/department.

In addition to the PPRA, a manual on policies and procedures for purchase of goods should be published by Department of Expenditure, Ministry of Finance, to assist the procuring entities and their officers in the procurement of goods and services.

Further, the Central Vigilance Commission (CVC) could be set up by the Government in having the primary responsibility of exercising a general check and supervision over vigilance and anti-corruption work in ministries and departments of the government and other organizations to which the executive power of Government extend. This may enables the (CVC) from time to time, to issue circulars which would be required to be followed during procurement of goods and services by the ministries and the departments. Circulars issued by the (CVC) would also aim to increase transparency and objectivity in public procurement supplementing the PPRA Rules. Via this continuously required updates could be made in Procedures and Rules and Regulations. Technical Releases could also be the add-on.