PART VI

ACCOUNTABILITY, RESPONSIBILITY, TRANSPARENCY AND CORRUPTION
EFFICIENCY, ACCOUNTABILITY AND TRANSPARENCY IN PUBLIC PROCUREMENT: THE LEVEL OF COMPLIANCE IN AFRICA (ETHIOPIAN CASE)

Gizachew Abebe*

ABSTRACT: A modern public procurement system requires high standards of efficiency, accountability and transparency because public procurement serves public interests. Out of the total public resources utilized, procurement constitutes a major share (about 70%) of public expenditure. Many development projects and programs are being funded by donor communities and other international financial institutions such as the World Bank and African Development Bank who emphasize in ensuring integrity in procurement. African countries have already taken a number of steps to improve their public procurement systems. However, ensuring efficiency, accountability and transparency in undertaking the national, regional and international public procurement process is challenging. This paper critically evaluates the actual practices of efficiency, accountability and transparency in public procurement in Africa, and it has been found that the level of compliance with the required best standards was low. The research employed the Ethiopian case and relied much on the qualitative and quantitative data generated through survey questionnaire.

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INTRODUCTION

Ensuring Efficiency, Accountability and Transparency in public procurement is critical to sustainable development. Public procurement is a key tool to the overall achievements of development goals such as reducing poverty and providing health, infrastructure, education and other services hence immensely contribute to best utilization of public resources. The limited public resources in developing countries especially in the Sub-Saharan Africa should be properly managed to get the most out of these resources. Studies have shown that out of the total public resources, procurement of goods, services and works account for about 70% of public expenditure.

Efficient public procurement practices contribute towards the sound management of public expenditure (Evenett, Simon J. and Hoekman, Bernard, M., 2005) which in turn can contribute towards the effectiveness of public sector management, and promoting the private sector. Besides, the objective of public procurement is to provide quality goods and services through open and fair competition in the exact quantity and proper quality as specified, and has to be delivered at the time and place where needed (Basheka, 2008,). The quality of goods, services, infrastructures, and the effectiveness of public services much depend on well-managed public procurement. Three key principles, among others, are required for effective and well-managed public procurement: Efficiency, Accountability and Transparency (EAT). It is an evident that these principles are based on international best practices. However, ensuring the level of compliance with best practices is a critical issue from the standpoint of practicality, therefore, in order to achieve the above mentioned objective, the three key principles should critically be investigated against the accepted standards.

Efficiency in public procurement is of importance in ensuring that the best value for money is obtained by public entities. Lack of accountability can negatively affect the condition of efficiency. Ensuring transparency of the procurement process is also an important determinant of efficiency because it enhances and
encourages competition by giving all potential suppliers a chance to bid. Transparency is crucial for sound decision making in procurement. There was an agreement that transparency is among the most effective deterrents to corruption in public procurement (OECD, 2006). Transparency procedures allow a wide variety of stakeholders to scrutinize public officials’ and contractors’ decision and performance (OECD, 2006). This is used as a mechanism to keep procurement officials and contractors accountable. Thus lack of transparency leads to lack of accountability. The procurement system that is envisioned to contribute to effective service delivery is expected to be both accountable and transparent (Basheka, 2008). Accountability and transparency have been recognized as key conditions for promoting integrity and preventing corruption in public procurement (OECD, 2007, P 10). Nonetheless, both of them should support efficiency in providing right quality, price and service within a timely delivery schedule. In designing transparency rules and procedures, serious reflection must also be given to establishing clear and precise disclosure requirements for various types of information. There is a need to use innovative approaches to promote transparency in procurement using new information and communication technologies.

**Efficiency**

The dictionary meaning of efficiency is productive use of resources, i.e., the ability to do something well or to achieve a desired result without wasted energy or effort. This is about ensuring value for money. Public procurement has to be practiced based on ensuring value for money. Driven by considerations of value for money, governments have put increasing efforts into rationalizing and increasing efficiency of procurement. There has been recognition that procurement officials need to be equipped with adequate tools for improving planning and management and that their decisions need to be well informed (OECD, 2007, P 13) so as to enhance efficiency in procurement. Good practices reduce costs and produce timely results, and poor practices lead to waste and delays. Lack of efficient procurement highly affects development issues such as service delivery, economic growth, private sector development and
decentralization. In addition, inefficient procurement adversely affects professionalism and international trade and investment. Public procurement is challenged to make savings by improving efficiency. Standards can enable procuring entities and suppliers to work together so that they share the advantages of innovation and collaboration (BSI group, 2008, p 10). Efficiency and value for money is delivered through the whole procurement cycle, from planning stage to contract management stage. The level of efficiency in public procurement is basically measured by the proper application of complete written procedures and standards of procurement such as pre and post qualification procedures; pre and post bid conference procedures; bid evaluation procedures; and bid challenge procedures. In addition professionalization of public procurement, institutional and professional capacity, extent of e- procurement, and the performance of procurement department indicate the level of efficiency.

**Accountability**

Accountability is a standard of public life, where holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their offices (Armstrong, 2005). Fighting corruption is not only an end in itself. It is of fundamental value in all government reform, which may require changes to legal and policy frameworks for the control and expenditure of public monies and improved procurement practices (Armstrong, 2005). A central theme of any procurement reform is the commitment to high standards for professional conduct of the public officers involved in procurement. The bid challenge system is one way to assure fairness to contractors and suppliers in the procurement process. Competition can also be promoted in many ways. From international best practices, we can identify the following important factors for measuring the level of accountability: clear chain of responsibility together with effective control mechanisms; handling complaints from suppliers; public review and scrutiny of procurement actions (OECD, 2009); commitments of public officers to high standards for professional conducts and principles; good conducts of suppliers and contractors; fairness and competition.
Transparency

Transparency refers to unfettered access by the public to timely and reliable information on decisions and performance in the public sector (Armstrong, 2005). Transparency is a key requirement of a modern public procurement system. It gives to the public information concerning, and access to the law, regulation, policies and practice of procurement by government agencies. Lack of transparency in public procurement is a major impediment to sustained economic growth through investment and trade. Lack of transparency in procurement activities can be the source of unwholesome activities such as corruption, scandal and abuse of public resources (Shu, H. W., Othman R., Omar H., N., Abdul R., R., & Husna, H., N. 2011). Transparency in public procurement is about information. The access to key procurement information by civil society, the media and other stakeholders, and the ways in which these can use the information, directly affects accountability (UNDP, 2010). Transparency is considered as one of the most effective deterrents to corruption and a pre-condition for ensuring public officials’ accountability (OECD, 2007). How is transparency in public procurement measured? Procurement of goods through an Internet or information and communication technologies-based process (e-procurement) is emerging worldwide with the potential to standardize processes, increase their transparency, improve access to markets, and promote integrity in public bidding. In the broadest sense, e-procurement begins with contract establishment, but can also cover publicity of tenders, ordering, invoicing and payment. Efficiency needs are a driving force for e-procurement, but so are increased transparency and competition among suppliers. Clear and comprehensive bidding documents, and contracts, are crucial to transparency in the procurement process. A transparent procurement process requires legislative and administrative measures such as transparent proceedings, protection against corruption, fair prequalification procedures and transparent selection of the winning (ADB/ OECD, 2006) bidder. Publication of annual procurement plans of procuring entities is also an important transparency measure, as well as dissemination of information concerning lists and registries of suppliers, and procedures to apply for registration. Publication of notices concerning the award of procurement contracts (OECD, 2009)
is another important transparency measure. Other transparency relevant measures include: open bidding procedures; prompt disclosure of the results of bids, i.e., prompt notification to successful as well as unsuccessful bidders; publication of annual procurement plan; bid challenges system; engaging the private sector in the procurement process; keeping a complete and an adequate records of procurement activities.

All development communities have recognized that increasing the effectiveness of the use of public fund, including funds provided through official development assistance requires the existence of an adequate national procurement system that meets international standards and that operates as intended (OECD, 2006). Public procurement policies, rules, and procedures by reference to international standards are increasingly seen as critical to support the economic growth and trade that will help countries reach their development goals (World Bank, 2010). International financial institutions, including the World Bank, the International Monetary Fund, the African Development Bank and regional multilateral development banks, have included the fight against corruption in their development and funding programmes. They have also established new procurement rules and procedures to reduce the potential for misuse of funds and sanctioning them when occurring. African Development Bank, for instance, help African countries build capable and responsive states by strengthening transparency and accountability in the management of public resources (AfDB, April 2008). Transparency and accountability in government procurement is also being addressed in the World Trade Organization (WTO) context. A WTO agreement could provide an international mechanism through which governments credibly commit themselves to transparent regimes (Evenette, Simon J. & Hoekman, Bernard M., 2005).

Many African countries have adopted procurement legislation and regulations that require public entities to commit to efficient, accountable and transparent procurement regimes. The need to find best practices in government procurement in the public sector in developing countries is becoming more intense and the demand for transparency and accountability is increasing (Raymond J., 2008).
Public procurement has undoubtedly become an increasingly important issue in economic and business circles globally. This is evidenced by the growing interest of donors, governments, civil society, professional organizations, the private sector and the general public on matters of public procurement (Odhiambo W. and Kamau P., 2006, p 41). The UNICTRAL Model Law, OECD- DAC Methodology for Assessment of procurement Systems, World Bank CPARs, COMESA Procurement Reforms are among the key tools addressing the major issues of procurement principles, standards, and procedures used in modern procurement systems. In line with these standards, most of the African countries have recently undertaken vast reform activities to improve their public procurement systems. However, ensuring efficiency, accountability and transparency in undertaking the national, regional and international public procurement process is challenging. This paper critically evaluates the actual practices of efficiency, accountability and transparency in public procurement in Africa considering the Ethiopian case as an example.

Public procurement in Ethiopia

Ethiopia follows federal system of government. It receives substantial aid from the international donor community. For example, it receives significant bilateral assistance from Germany, Sweden, the European Union, Italy and the United States. The UN has an extensive program in Ethiopia’s education sector (World Bank, 2002. Ethiopia has already begun implementing major reform programs such as Public Sector Capacity Building Program to enhance public sector efficiency, transparency and accountability. In fact, procurement forms part of the Government’s overall Civil Service Reform Program.

The Federal Government of Ethiopia Procurement and Property Administration Proclamation No 649/2009 were enacted by parliament replacing the previous law. The legal framework is based in the UNCITRAL Model Law for Public Procurement and now appears
clear and stringent, with a federal procurement proclamation supported by secondary implementing legislation (procurement directive) and guidelines/SBD’s, even though these are currently not updated. The law led to the establishment and operation of the Federal Public Procurement and Property Administration Agency (FPPA) and the independent Complaints Board. The law also emphasizes best practices including value for money, non discrimination, transparency and accountability as the major principles of public procurement in Ethiopia (The Federal Democratic Republic of Ethiopia, 2009). Significant improvements and progress has been made in establishing a proper institutional framework for supporting public procurement. The FPPA is now in place and functioning, although not yet adequately staffed with skillful and competent workforce, it is able to perform reasonably, and is starting to take its place as the key player in the formulation of public procurement policies and monitoring current practices. Also since 2002, the Federal Anti Corruption Commission has been established and has taken its place as a key player in the enforcement of proper conduct in public procurement, and fighting corruption. Procurement plans are prepared in most procurement entities. Federal oversight functions have been established (Auditor General and Complaints Board) and ethical officers have been appointed in many procuring entities. The public sector code of conduct is widely disseminated. Despite this, there are definite challenges and priorities of ensuring EAT throughout the procurement cycle. The actual practices and the level of compliance with international best practices regarding the EAT have not been evidently assessed. This paper attempts to fill this gap and contributes to the procurement efforts to enhance the modern procurement theory and practice.

The conceptual framework that was used for the study is presented in Figure 1 below. The conceptual framework was named by the researcher ‘BEST EAT model’.

Figure 1: The Best EAT Model
The model indicates the three highly interrelated, interconnected and key principles required in the modern public procurement systems. It is based on BEST international standards and practices discussed in the “introduction” part of this paper.

The aim of this study was to assess the level of efficiency, accountability and transparency observed in public procurement, and more specifically to:

- Evaluate how public procurement is actually practiced in terms of efficiency, accountability and transparency;
- Assess the level of compliance with the BEST EAT Model;
- Examine the level of relationship between the three principles;

**METHODOLOGY**

The Data used in this paper were collected from both primary and secondary sources. Initially the literature survey was used to examine international standards and best practices on EAT. This formed the theoretical base for the discussion. Primary data were collected mainly through structured questionnaire. A questionnaire survey instrument was carefully developed and administered to those purposively selected public entities. The questionnaire survey instrument was categorized into four sections. Section one was about general information regarding respondents’ profile. Section two contains questions related to efficiency in public procurement. The
third section of the questionnaire was allocated for questions related to transparency in public procurement. Section four was about questions related to accountability in procurement, and the last section was allocated for questions related to the actual practiced of public procurement in the area of efficiency and transparency. The typical items under the measure of efficiency, among others, were the completeness of written procedures of procurement; the extent to which pre and post-bid conference procedures were applied; the extent to which bid evaluation and bid challenge procedures were applied; professionalization of the procurement staff; the degree to which public procurement practices promote private sector development; the level of E-procurement; and, the level of institutional and professional capacity to implement public procurement activities in a cost-effective manner. Transparency measures under the third section consisted of the following items: accessibility of laws and regulations; availability of all written records including minutes of proceedings; publicizing of annual procurement plans, procurement opportunities and relevant information; use of standard bid documents; accessibility of information to the public; fairness of qualification requirements; involvement of private sector in procurement processes; and application of E-procurement. The typical items under the accountability measure were the commitments and integrity of procurement officers; an adequate review requirement of the conducts of the procurement; adequate system to prevent fraud and corruption in procurement; practices to follow established code of conduct; practices of bid challenge system; and availability and accessibility of practices for bidders to report bribes.

Data were also collected through semi-structured interview to validate the information obtained through questionnaire. The interview was conducted with 4 FPPA officials and 2 procurement senior officers all at the middle management positions. Further, the researcher in his capacity as the Ethiopian Management Institute representative had the opportunity to assess the status of procurement reforms through observation as he participated in two national workshops; the validation workshop of World Bank’s 2010 Country Procurement Assessment Report; and the Joint Forum of FPPA with Regional PPO and private sector.
In the first place, 65 questionnaires were distributed to respondents (5 for FPPA officials, 10 for regional PPO and 50 for federal procuring agencies). 48 questionnaires, correctly filled in and returned, were analyzed; a response rate of 73.9%. The questionnaire was administered personally to 65 respondents who were chosen on a disproportionate and purposive sampling basis. The study adopted Likert’s 5-point rating scale to analyze responses in the questionnaire.

The reliability of the measure was established by testing for internal consistency and stability using Cronbach’s alpha reliability coefficients for the set of items. The result obtained for Cronbach’s alpha test for efficiency level measure is .82. The result of alpha test for accountability measure is .73. The result obtained for Cronbach’s alpha test for transparency measure indicates that the coefficient for the 20-item is .82. Thus the internal consistency reliability of the measures used in this research can be considered good.

Finally, inferential statistics such as the Pearson correlation coefficient was obtained for selected variables.

RESULTS

The results of the research are presented and analyzed in the following paragraphs. Charts 1, 2 and 3 below describe the frequencies of important profiles of respondents. The frequencies for gender (chart not shown) were found that 89% of the respondents are men and 11% women. From the frequencies obtained for the age group (chart not shown) it was found that 77% of the respondents are 30-50. From the frequencies obtained for other variables it was found that about 4% had diploma, 55% a first degree, 33% second degree and 3% had third degrees. About 27% of the respondents have had less than 10 years of work experience and about 73% respondents had worked over 10 years. About 79% respondents came from the managerial positions and 21% from none-managerial. The greatest number of respondents came from the middle management position in their respective institutions. All these show that the respondents were well-educated, well-experienced and had the necessary
knowledge and ability to give accurate and valid information on public procurement practices.

Chart 1

Educational qualification of respondents

- Diploma
- 1st Degree
- 2nd Degree
- 3rd Degree
Experiences on the job

- Below 5 years
- 6 - 10 years
- 11 - 15 years
- 16 - 20 years
- 21 and above years

Job status of the respondents

- Top Management
- Middle Management
- First-Level
- First- Level
- None- Managerial
Table 1 below describes the perceived and practical level of efficiency as rated by the respondents. The variables used to measure the level of efficiency in public procurement were tapped on a 5-points scale. The minimum of 1 indicates that there were some who rated the status and condition of public procurement in their respective institution as very low, and the maximum of 3 for most of the variables indicates that some are rated average. From the results, it can be seen that the mean on the 5-point scale ranges from 1.08 to 2.73 for all the variables, and this indicates that most of the respondents rate the level of efficiency as very low or low. The mean of means or the overall mean scores for the responses was computed as 2.15 indicating low assessment on the level of efficiency in public procurement.

**TABLE 1**

**The level of Efficiency in Public Procurement**

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>The level of efficiency/ value for money in public procurement</td>
<td>48</td>
<td>1</td>
<td>3</td>
<td>2.38</td>
</tr>
<tr>
<td>The level of transparency in public procurement</td>
<td>48</td>
<td>1</td>
<td>4</td>
<td>2.44</td>
</tr>
<tr>
<td>The level of accountability in public procurement</td>
<td>48</td>
<td>1</td>
<td>4</td>
<td>2.23</td>
</tr>
<tr>
<td>The completeness of written procedures and standards of procurement</td>
<td>48</td>
<td>1</td>
<td>4</td>
<td>2.73</td>
</tr>
<tr>
<td>The extent to which pre qualification procedures were applied</td>
<td>48</td>
<td>1</td>
<td>4</td>
<td>2.33</td>
</tr>
<tr>
<td>The extent to which post-qualification procedures were applied</td>
<td>48</td>
<td>1</td>
<td>3</td>
<td>2.35</td>
</tr>
<tr>
<td>The extent to which pre-bid conference procedures were applied</td>
<td>48</td>
<td>1</td>
<td>3</td>
<td>1.98</td>
</tr>
<tr>
<td>The extent to which bid evaluation procedures were applied</td>
<td>47</td>
<td>1</td>
<td>3</td>
<td>2.53</td>
</tr>
<tr>
<td>The extent to which bid challenge procedures were applied</td>
<td>47</td>
<td>1</td>
<td>3</td>
<td>2.23</td>
</tr>
<tr>
<td>The status of the public procurement staff as compared to finance,</td>
<td>47</td>
<td>1</td>
<td>3</td>
<td>1.89</td>
</tr>
<tr>
<td>marketing, operation, human resource management staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The level of professionalization of the procurement staff</td>
<td>48</td>
<td>1</td>
<td>3</td>
<td>1.87</td>
</tr>
</tbody>
</table>
The salary structure of public procurement staff as compared to that of the private sector

The degree to which the top management promote a culture of accountability

The degree to which public procurement practices promote private sector development

The level of electronic procurement (E-procurement)/ or IT utilization

The level of institutional and professional capacity to implement public procurement activities in a cost effective manner

The level of integrity observed on suppliers

The level of integrity observed on procurement staff

The level of competition between suppliers or contractors

The level of performance of procurement department

Valid N (list wise)

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Officers involved in procurement are committed to high standards for professional conduct or ethical principles</td>
<td>2.32</td>
</tr>
<tr>
<td>There is an adequate review of the conducts of procurement officers by the management of the organization</td>
<td>2.37</td>
</tr>
<tr>
<td>There is an adequate system in place to prevent fraud and corruption in procurement on the part of the procurement officers and the suppliers/contractors</td>
<td>2.44</td>
</tr>
</tbody>
</table>

**TABLE 2**

The level of Accountability in Public Procurement
Table 2 above indicates summary measures for the responses obtained on the perceived and practical level of accountability in public procurement. Respondents to the research were asked to consider 10 variables (out of which 7 were found to be valid) regarding accountability in public procurement and to indicate the extent to which they agreed or disagreed with each. It is clear from the table that respondents were most likely to disagree with almost all the statements. Overall, the mean of means is computed as 2.5 indicating low assessment on the level of accountability prevailing in the public procurement practices.

Table 3 below indicates summary measures for the responses obtained on the perceived and practical level of transparency in public procurement. Respondents were asked to consider 20 variables regarding transparency in public procurement and to indicate their degree of agreement with each variable. From the table, it was found that respondents were most likely to disagree with almost all the statements. The mean of means of scores computed for all items was found 2.5 on the 5-point scale. On average, respondents were in agreement that transparency in public procurement is low. Respondents were very much in disagreement with the statements that electronic Procurement (E-procurement) has already been practiced, and that electronic records of the bidding process at each stage are disseminated to all interested parties. This is followed closely by the statements that Annual procurement plan is published on the website of the FPPA Agency; and that All written records of procurement including minutes of proceeding of all
meetings are made available to the general public. However, on the average respondents were slightly agree with the statements that all advertised biddings were opened in front of the public; and that qualification requirements for bidders were fair and appropriate.

**TABLE 3**
The level of Transparency in Public Procurement

<table>
<thead>
<tr>
<th>_aspect</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Laws and regulations concerning procurements are easily accessible to the public</td>
<td>2.85</td>
</tr>
<tr>
<td>All written records of procurement including minutes of proceeding of all meetings are made available to the general public</td>
<td>2.10</td>
</tr>
<tr>
<td>Summaries of information about public procurement are usually published</td>
<td>2.19</td>
</tr>
<tr>
<td>The Institution holds regular meetings with the business community to discuss public procurement issues</td>
<td>2.19</td>
</tr>
<tr>
<td>Bid/procurement opportunities are adequately publicized</td>
<td>3.15</td>
</tr>
<tr>
<td>Annual procurement plan is published on the website of the PPPA Agency</td>
<td>2.02</td>
</tr>
<tr>
<td>Standard Binding Documents are used for all types of procurement</td>
<td>2.96</td>
</tr>
<tr>
<td>Citizens and Business Community do have access to information regarding the practices of procurement</td>
<td>2.71</td>
</tr>
<tr>
<td>Clear and Comprehensive bidding documents are published in standard form and made available to the public</td>
<td>2.77</td>
</tr>
<tr>
<td>All successful and unsuccessful bidders are promptly informed about the results of the bid at the same time through written notification</td>
<td>3.23</td>
</tr>
<tr>
<td>Notices concerning the award of procurement contracts are usually published by the organization</td>
<td>2.71</td>
</tr>
<tr>
<td>All advertised biddings were opened in front of the public</td>
<td>3.65</td>
</tr>
<tr>
<td>Qualification requirements for bidders are fair and appropriate</td>
<td>3.25</td>
</tr>
<tr>
<td>Electronic Procurement (E-procurement) has already been practiced</td>
<td>1.19</td>
</tr>
</tbody>
</table>
The dichotomous scale as additional and practical measure of efficiency, accountability and transparency in public procurement was used to elicit Yes or No answers. Respondents to the research were asked to consider 14 questions regarding public procurement practices and to answer each by pointing yes or no on the data collection instrument. The nominal Yes is coded 1 and No coded 2. The output (table not shown) indicates that all respondents confirmed the existence of inefficient and non-transparent public procurement practices in 10 out of 14 issues. In this regard, the following factors can be considered as problems:

(a) Lack of regularly conducting market survey for prices of goods and services;
(b) Lack of computerized procurement monitoring and administration;
(c) Problems of overall and detail planning on the requirements of goods, works and services;
(d) Evaluations NOT conducted by qualified evaluating committees;
(e) Completion/delivery schedule NOT generally met for good, works and consultant services contracts;

<table>
<thead>
<tr>
<th>Statement</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>There is a clear mechanism for bid challenge by a disappointed or potential bidder</td>
<td>2.63</td>
</tr>
<tr>
<td>A complete and an adequate records of procurement activities are kept by the organization</td>
<td>2.37</td>
</tr>
<tr>
<td>Electronic records of the bidding process at each stage are disseminated to all interested parties</td>
<td>1.77</td>
</tr>
<tr>
<td>A de-briefing session usually used to allow the unsatisfied bidder to ascertain the facts</td>
<td>2.48</td>
</tr>
<tr>
<td>Private sector can involve in the procurement process</td>
<td>2.40</td>
</tr>
<tr>
<td>The most frequently used method of procurement is open bidding</td>
<td>2.71</td>
</tr>
<tr>
<td>Valid N (list wise)</td>
<td></td>
</tr>
</tbody>
</table>
(f) Inappropriate procedures to monitor delivery of goods and services to verify quantity, quality and timelines;

(g) Bid evaluations NOT carried out thoroughly and on the basis of criteria specified in the document.

The Pearson correlation matrix obtained for the five interval-scaled variables is shown in Table 4. From the results, we can see that the relevant variables selected are all positively correlated to each other indicating that the level of Efficiency, Accountability and Transparency (best EAT) are all interrelated. The overall perceived and practical compliance level (the average of 2.15 for efficiency, 2.5 for accountability, and 2.5 for transparency) is 2.38 or about 47%. This indicates low compliance level. Figure 2 below shows the compliance level against the BEST EAT Model.

Figure 2: The level of Compliance
DISCUSSION

The findings of the study suggested that the level of efficiency, accountability and transparency observed in public procurement was low. Although the legal and institutional frameworks including detailed procedures of public procurements are more or less laid down, this is an important indication for African countries to ensure the actual practices against the available international best practices. If public procurement is to play a role of economic development and utilization of public resources, assurance of Best EAT is a decisive requirement. Insofar as public procurement has important economic and political implications, ensuring that the process is economical and efficient is crucial (Odhiambo W. & Kamau P., 2006). African countries have already taken important steps to reform their procurement systems. The procurement system of Kenya, for example, encompasses elements of good governance like training and accountability, open competition, and the principles of efficiency in value for money (Perera O., Chowdhury N. & Goswami A, 2007).

<table>
<thead>
<tr>
<th></th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>The level of efficiency/ value</strong></td>
<td>Pearson</td>
<td>Correlation</td>
<td>1</td>
<td>.669**</td>
</tr>
<tr>
<td><strong>for money in public procurement</strong></td>
<td>Sig. (2-tailed)</td>
<td></td>
<td>.000</td>
<td>.021</td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td><strong>The level of transparency in public procurement</strong></td>
<td>Pearson Correlation</td>
<td>.669**</td>
<td>1</td>
<td>.512**</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.000</td>
<td>.000</td>
<td>.001</td>
<td></td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td><strong>The level of accountability in public procurement</strong></td>
<td>Pearson Correlation</td>
<td>.441**</td>
<td>.512**</td>
<td>1</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.002</td>
<td>.000</td>
<td>.158</td>
<td></td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
</tr>
<tr>
<td><strong>The level of institutional and professional capacity to implement public procurement activities in a cost effective manner</strong></td>
<td>Pearson Correlation</td>
<td>.474**</td>
<td>.470**</td>
<td>.207</td>
</tr>
<tr>
<td><strong>Sig. (2-tailed)</strong></td>
<td>.001</td>
<td>.001</td>
<td>.158</td>
<td></td>
</tr>
<tr>
<td><strong>N</strong></td>
<td>48</td>
<td>48</td>
<td>48</td>
<td>48</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
This is not enough. Above all, lack of efficiency, accountability and transparency in public procurement negatively affects the whole process and systems, and leads to mismanagement of public resources and corruption. However, as one important pillar of public procurement system, complete rules and regulations contribute to the efficiency, accountability and transparency principles. Clear, consistent, comprehensive and flexible procurement laws and regulations lead to procurement efficiency (Thai, 2009). In addition, accessibility to rules and regulation contribute to transparency thereby resulting in more economic procurement (Thai, 2009), and the procurement laws, regulation and procedures should include how to ensure EAT. For example, a transparent system has clear rules and mechanisms to ensure compliance with the rules (United Nations, 2006). Ensuring EAT that meet international BEST standards has to be an on-going concern for African countries.

The perceived and practical level of compliance with the BEST EAT model was found low as evidenced from the findings. In addition, information obtained from interview sessions and the workshop participation also approved this fact. One important issue raised and discussed was regarding women employees in public procurement. Public entities are reluctant to assign women employees in the procurement activities. On the other hand, studies have shown that the number women employees engaged in malpractices and corruption was lower (FEACC, 2011). African countries beyond reforming the systems, should need to recognize the importance of ensuring EAT in public procurement, and should improve the level of compliance with international Best standards in order to maintain sustainable development and to avoid mismanagement of public resources. If we recognize public procurement as a strategic governance issue (Rothy, R. ADB, 2011), achieving EAT is as critical as it is the largest single cause for allegations of corruption and government inefficiency. To ensure efficiency, accountability and transparency in public procurement countries should take the initiative and the lead; and all stakeholders including the government, the procuring public entities, the business community, the academic institutions and the procurement professionals should cooperate and undertake complete procurement transformation through business process reengineering and change management. To be successful,
sustainable procurement practices also help countries to implement the international standards; and leadership is a significant factor in Sustainable Procurement being implemented by public sector management (Brammer S., Walker H., 2011). Public Procurement needs strong leaders who will focus both inwardly and outwardly (Snider, K. F., 2006). The opportunities for genuine reform and a break in the cyclical re-invention of the procurement management framework require a holistic approach to each of the political and operational realities of public procurement (Schapper, P. R., Veiga J. N., & Gilbert, D.L, 2006). In addition, human resource capacity development programs should aggressively be undertaken by governments. Two important focus areas are coordinated trainings and ethical behaviors of public procurement officials. Improving both the skills and attitudes of procurement staff and enhancing high moral standards through modern management philosophies and techniques are among the critical components required for successful public procurement reform strategy (Basheka, B.C, 2009).

As public procurement in general is very complicated requiring a very broad-based or interdisciplinary knowledge, a systems approach is useful (Thai, 2001) to modernize procurement practices.

Based on the findings, we can finally recommend African countries in general and Ethiopia in particular to (1) recognize the importance of continuously ensuring EAT in public procurement through establishing procurement monitoring and evaluation unit; (2) improve the level of compliance with Best standards; (3) assure the cooperation of all stakeholders through taking the initiative and the leadership; (4) undertake complete procurement transformation through business process reengineering and change management; (5) aggressively implement human capacity development programs through training, system development and changing ethical behaviors; and (6) develop and assign women employees in all procurement activities.

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