

## PROCUREMENT SYSTEMS ASSESSMENT

### PROGRAM PROCUREMENT SYSTEMS CAPACITY ASSESSMENT REPORT AND RECOMMENDATIONS

<b>Proposed Program Name:</b> Skills Sector Enhancement Program	<b>Proposed Amount:</b> \$100 million
<b>Executing Agency</b> Ministry of Youth Affairs and Skills Development	<b>Source of Funding:</b> Asian Development Bank Government of Sri Lanka
<b>Prepared by:</b> SARD/SAHS	<b>Date:</b> December 2013

#### A. Introduction about the Program

1. The Skills Sector Enhancement Program (SSEP) will finance the Government of Sri Lanka's (Government) Skills Sector Development Program (SSDP) and support a large subset of the overall SSDP, aiming at an efficient skills education system to meet the local and foreign labor market demand by 2020 by adopting a five-pronged strategy for vocational training by improving its quality, relevance, accessibility, recognition, and supportive policies and structures. SSDP activities will be implemented by the Ministry of Youth Affairs and Skills Development (MYASD) and the selected technical and vocational education and training (TVET) agencies under MYASD. MYASD, the main line ministry for skills development, is responsible for (i) quality assurance of public and private TVET providers; (ii) an extensive network of public TVET providers, consisting of over 600 training centers all across the country; and (iii) implementation of more than 90% of SSDP financing. The program procurement will exclude activities that involve high-value contracts in line with Asian Development Bank (ADB)'s policy on results-based lending (RBL).

#### B. Indicative Program Procurement Profile

2. The procurement aspects under SSDP involve (i) construction of about 30 new training centers, rehabilitation and improvement of about 100 existing training centers and (ii) supply of training equipment, teaching aids, office furniture, laboratory/information and communication technology (ICT) equipment, vehicles, and engagement of consulting services. Procurement of all goods, works, and consulting services will be conducted using the country procurement systems that follow the National Procurement Guidelines (2006)<sup>1</sup> and National Guidelines on Selection and Employment of Consultants (2007),<sup>2</sup> which are in line with sound procurement principles of open competition; economy and efficiency; and transparency and fairness. Disbursements will be based on the achievement of agreed sector results indicators.

3. The procurement functions will be carried out by MYASD and eight TVET agencies.<sup>3</sup> About two-thirds of procurement under SSEP will comprise of civil works and training

<sup>1</sup> Government of Sri Lanka, National Procurement Agency. 2006. *National Procurement Guidelines*. Colombo.

<sup>2</sup> Government of Sri Lanka, National Procurement Agency. 2007. *Guidelines: Selection and Employment of Consultants*. Colombo.

<sup>3</sup> Eight TVET implementing agencies are: (i) Tertiary and Vocational Education Commission, (ii) Department of Technical Education and Training, (iii) Ceylon German Technical Training Institute, (iv) University of Vocational Technology, (v) Vocational Training Authority of Sri Lanka, (vi) National Apprentice and Industrial Training Authority, (vii) National Institute of Fisheries and Nautical Engineering (NIFNE), and (viii) National Youth Service Council.

equipment. The majority of civil works packages will cost below SLR650 million (i.e. equivalent to \$5 million) and will be procured using the National Competitive Bidding procedures. The packages for procuring training equipment will range from SLR50 million (\$0.4 million) to SLR250 million (\$2 million) and use the International Competitive Bidding procedures. In addition, a few small value National Competitive Bidding procurements will be conducted for office furniture, laboratory and ICT equipment, teaching aids, vehicles, etc., costing below SLR50 million (\$0.4 million). Small-scale procurements valued up to SLR5 million (\$40,000) will follow shopping procedures by inviting a minimum of five sealed quotations and direct contracting may also be used for small-value contracts valued up to SLR2 million (\$16,000) by inviting a minimum of three sealed quotations from registered suppliers as indicated in the National Procurement Guidelines. MYASD as well as each of the eight TVET agencies will prepare their respective procurement plans by appropriately packaging similar nature of civil works, wherever possible to achieve economy and efficiency. Similarly, training equipment would be appropriately packaged by each TVET agency to improve overall efficiency and economy and competition by enhancing the bidder participation.

4. The procurement responsibilities will be shared between MYASD and all eight TVET agencies under their respective procurement plans. All consulting services recruitments will be managed centrally at MYASD through open competition using quality- and cost-based selection method. Few individual consultants would be recruited by advertising expression of interests. The majority of consulting services would be sourced domestically; however, a few specialized consulting assignments would be categorized as 'international'. The consulting services assignments would generally be related to skills development issues.

### **C. Information Sources**

5. The proposed RBL program will rely on country procurement system. Therefore, credibility and reliance on the implementation within the framework of the country system at the ground level is of utmost importance to the success of the program and achievement of its outcomes. Disbursement is triggered by the achievement of disbursement-linked indicators which are pre-agreed results, and not against specific expenditures. Hence, the procurement and fiduciary aspects of the country system need to be adequate and will be strengthened further as part of the program.

6. The responsibility of the procurement functions will be shared between MYASD and eight TVET implementing agencies. Therefore, this procurement assessment is based on a detailed review of procurement systems, capacities, and practices at the MYASD and eight TVET agencies under MYASD. The assessment was carried out from October to December 2013 in accordance with standard methodologies prescribed in ADB's 'Procurement Capacity Assessment' and 'Procurement Review for Effective Implementation' questionnaires and tools. The assessment also benefited from earlier country procurement assessments.<sup>4</sup> In arriving at the conclusions and recommendations, field visits were also conducted to the offices of MYASD and all TVET agencies, detailed discussions were held, and representative samples<sup>5</sup> of procurement transactions in each category (financed directly under the national budget and

<sup>4</sup> World Bank and Asian Development Bank. 2012. *Report on Public Procurement Modernization and Reform Assessment in Sri Lanka*. (Unpublished)

<sup>5</sup> The field visits in preparation of the Procurement Capacity Assessment involved focus group and individual consultations with the MYASD and TVET agencies. The questionnaire included in the Procurement Review for Effective Implementation (PREI) manual was completed for each TVET agency. Contracts for procurements under government financing in each agency were carefully reviewed following the guidance and questionnaires in the PREI. Procurement Capacity Assessment and PREI detailed findings are available upon request.

governed by the national procurement guidelines) were reviewed to complete the assessment. MYASD along with three TVET implementing agencies i.e. Vocational Training Authority, University of Vocational Technology, and Department of Technical Education and Training will assume a major role in the program procurement activities and carry out about 75% of the total program procurement.

#### **D. Summary Procurement Capacity Assessment**

7. The government has a functional public procurement system, based on comprehensive 'National Procurement Guidelines' issued in 2006 and 'National Guidelines on Selection and Employment of Consultants' issued in 2007. In the absence of a codified public procurement statute, these guidelines have the force of law. These national guidelines are supplemented by detailed manuals on procedural aspects and standard bidding documents (SBDs) issued by the 'Institute for Construction Training and Development' for procurement of civil works. These manuals and SBDs are improved and updated from time to time through various appropriate amendments. The amendments would need to be consolidated for ease of reference and accessibility to all TVET implementing agencies and prospective bidders. Overall, the public procurement in Sri Lanka at central, provincial, and agency level is governed by these national guidelines, manuals, and SBDs.

8. The central MYASD, which is the apex policy making body in the skills development sector, has implemented many government-led skill sector initiatives, and has extensive experience in implementing donor-funded projects, including two major projects under past ADB-financing (SDP<sup>6</sup> and TEDP<sup>7</sup>). Through this experience and technical support from various TVET agencies, MYASD as an institution has gained the required understanding and knowledge on the basic procurement principles, guidelines, and procedures of international donors and government. At MYASD, three procurement units, each headed by an Assistant Secretary level officer, manage procurement functions. Public officials, primarily accountants and engineers, bear the primary procurement responsibilities in these procurement units, under the overall guidance of the Additional Secretary (Administration and Finance). Similarly, each of the eight TVET implementing agencies has two to three procurement units headed by the Director level official reporting to Director General. MYASD would conduct comprehensive capacity building trainings with ADB's support for its own staffs and TVET agencies on procurement, consultant recruitment, and contract management to further strengthen their procurement capacity.

9. The assessment concluded that MYASD and all TVET implementing agencies have reasonable procurement capacity except for 'National Institute of Fisheries and Nautical Engineering' and 'National Youth Services Council' which have limited capacity to carry out procurement functions. These two agencies will handle only about 10% of the total procurement volume. Major proportion (about 75%) of the procurement volume will be managed by MYASD, Vocational Training Authority, Department of Technical Education and Training, and University of Vocational Technology which have reasonable procurement capacity. Findings of the assessment conclude that the key risks relating to the program procurement include: (i) inadequate number of suitably-trained procurement staff and associated facilities like office space, computers, printers, etc. to meet with additional procurement workload under SSDP; (ii)

<sup>6</sup> ADB. 1999. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the Democratic Socialist Republic of Sri Lanka for the Skills Development Project*. Manila.

<sup>7</sup> ADB. 2005. *Report and Recommendation of the President to the Board of Directors: Proposed Loan to the Democratic Socialist Republic of Sri Lanka for the Technical Education Development Project*. Manila.

absence of well-structured systematic capacity building programs in procurement, consultant recruitment, and contract management; (iii) weak procurement planning and compliance monitoring; (iv) inefficient document management and retrieval systems; (v) inadequate monitoring and tracking of contractual performances; and (vi) insufficient complaints-handling mechanism. Mitigating measures to manage the procurement risks have been identified and included in the Program Action Plan.<sup>8</sup>

10. Given that many of the development works in the technical and vocational education sector in the past have been financed by ADB and World Bank through project lending modality, most public procurements in the sector were processed by MYASD. The TVET implementing agencies in the technical and vocational education sector have had limited exposure to international best practices in procurement. While they are aware of, and have experience in following the government's national procurement and consultant selection guidelines, staff capacity and knowledge is limited due to inadequate capacity building measures and weak compliance monitoring mechanisms. Historically, there has been an absence of well-structured systematic capacity building trainings on procurement, consultant recruitment, and contract management for these officials. ADB will conduct capacity building trainings for this program in-part under an ongoing Capacity Development Technical Assistance for Human Capital Development and Implementation Support.<sup>9</sup> These procurement capacity building measures would greatly benefit the efficiency, economy, and transparency of procurement practices at all levels.

11. The additional workload associated with the procurement activities under SSDP would necessitate augmenting staff strength and other facilities such as dedicated office space, computers, printers, etc. in the procurement units in MYASD as well as TVET agencies to carry out program procurement functions effectively. In addition, MYASD will set up a dedicated procurement cell under the Sector Development Division (SDD)<sup>10</sup> to provide overall technical support to TVET agencies on procurement matters. The identified issues in the country procurement system; procurement planning, staffing, compliance monitoring, document management and retrieval; and complaints handling system will need strengthening. The procurement risk, particularly at TVET agency level is high. Therefore, the following key interventions are proposed under the SSEP to mitigate and manage the procurement risks and ensure a system-wide and lasting improvement in procurement practices in the sector:

- (i) **Establish adequately staffed dedicated procurement unit under the SDD of MYASD and augment staffing and associated facilities at MYASD and TVET agencies.** To ensure procurement efficiency and quality, SDD under MYASD will have sufficient staff dedicated to procurement headed by a procurement specialist to assume a central role in (i) procurement planning and management, (ii) budgeting, (iii) recruiting consultants, (iv) monitoring and reporting, (v) auditing, and (vii) providing overall guidance to each TVET agency. MYASD and all TVET agencies should augment their staff strength and associated facilities to manage additional procurement under SSDP.
- (ii) **Well-structured capacity building program for the procurement officials of MYASD and TVET implementing agencies.** A well-structured comprehensive capacity building program will be planned under SSEP for procurement officials

<sup>8</sup> Program Action Plan (accessible from the list of linked documents in Appendix 2).

<sup>9</sup> ADB. 2012. *Technical Assistance to Sri Lanka for Human Capital Development Capacity and Implementation Support*. Manila.

<sup>10</sup> The Sector Development Division is a dedicated division set up under the Ministry of Youth Affairs and Skills Development to look after the implementation of Skills Sector Development Program.

of all agencies. The conduct of this procurement capacity building program is one of the key actions under the SSEP to ensure that it receives high priority and implementation support. Technical assistance for this program will be provided in-part under the Capacity Development Technical Assistance for Human Capital Development and Implementation Support. These resources and efforts combined will form a key part of SSEP's procurement risk mitigation plan. The proposed capacity building activities under SSEP will also be extended to include the staff of the Auditor General's Department (AGD).

- (iii) **Effective monitoring and interface with TVET Agencies by MYASD.** MYASD will establish a systematic interface with all TVET agencies, in order to set out clear and agreed targets and implementation arrangements for SSDP. As part of these arrangements, the procurement-related requirements and protocols will be clearly articulated, including the requirements for strict compliance with national guidelines, submission of regular procurement activity updates, periodic reviews of SSDP procurements, and participation of procurement staff in the capacity building programs.
- (iv) **Appropriate contract packaging to improve efficiency and economy and enhance competition.** The responsibility of procurement of goods and civil works will be shared between MYASD and each of the eight TVET agencies under their respective procurement plans. The nature of the procurement under SSEP is characterized by procurement of small civil works of training centers costing up to SLR650 million (i.e. \$5 million) scattered across multiple locations and training equipment, lab, and ICT equipment ranging from SLR50 million (\$0.4 million) to SLR250 million (\$2 million). The number of transactions will be approximately several hundreds and it will be difficult for MYASD and TVET agencies to supervise numerous contracts if these works are contracted out on an individual basis. Hence, MYASD as well as each of the eight TVET agencies will prepare their respective procurement plans by appropriately packaging similar nature of civil works, wherever possible to achieve economy and efficiency. Similarly, training equipment would be appropriately packaged by MYASD and each TVET agency in their respective procurement plans to improve overall efficiency and economy and enhance competition by increased bidder participation.
- (v) **Efficient document management and retrieval system.** MYASD and TVET implementing agencies would explore the possibility of implementing computerized electronic document management and retrieval system to ensure systematic management and retrieval of procurement-related documents as and when required. This will also bring efficiency in procurement planning and management.
- (vi) **Improved complaint handling process to enhance transparency.** Previous procurement assessments and sector experience have indicated insufficient transparency of the procurement process. MYASD would set up a specific link for the SSDP on its website wherein information related to all contracts would be uploaded such as procurement plans, invitation for bids, names of all bidders, including winning bidder after contract finalization, contract value, implementation period, and status of complaints received and/or handled.
- (vii) **Periodic procurement reviews and audits.** The AGD carries out its usual audit tasks on an annual basis as part of the standard protocol for government expenditure. Since AGD does not carry out procurement audit per say, it is recommended that ADB carry out an independent procurement review that will include a detailed examination of procurement process and performances at both

MYASD and agency levels. Every year, ADB would undertake post- procurement reviews covering at least 20% of the contracts in order to identify and address system-wide procurement-related deficiencies. These procurement review reports would help MYASD to take necessary corrective actions and update the procurement action plan accordingly.

## **E. Assessment of National Procurement Environment**

12. No Act of Parliament has been passed by the government for public procurement in Sri Lanka. However, there are 'National Procurement Guidelines (2006)' and 'Guidelines on Selection and Employment of Consultants (2007)' that have been issued with the approval of the Cabinet of Ministers under a presidential directive. Along with these guidelines, detailed manuals for procurement of goods and works and recruitment of consultants have also been issued. These procurement guidelines and manuals are applicable for all government and semi-government institutions. The Supreme Court has repeatedly ruled that these guidelines have the force and effect of law. The guidelines and manuals are relatively clear and comprehensive. The procurement manual for goods and works has been updated 27 times since first issued by the government. The national guidelines have provisions for International Competitive Bidding procedures. It is also stated in the guidelines that in case of conflict in the applicability of national provisions with that of development partners, the procedures of the development partners will be applicable depending on the financing.

13. While the country has a functional public procurement system, based on country procurement environment, the following areas are identified for improvement to further enhance the procurement management system. These are as follows:

- (i) the current national procurement and consultant selection guidelines, manuals, and SBD introduced in 2006–2007 need updating and consolidation in a comprehensive manner;
- (ii) procurement planning to be better integrated with Public Finance Management during budget preparation and execution, including procedures for flow of funds, audit, accountability, and anticorruption measures;
- (iii) project and contract management needs to be strengthened, supported by development and dissemination of contract management manual;
- (iv) need for centralized management of procurement oversight and capacity building;
- (v) improved monitoring and evaluation system;
- (vi) strengthening capacity of procuring entities both at the central, provincial, and agency levels;
- (vii) establishment of a transparent complaints handling mechanism; and
- (viii) preference to state-owned enterprises needs review.

14. For capacity building, a number of training institutions such as the Sri Lanka Institute of Development Administration, Institute for Construction Training and Development, Academy of Financial Studies, and the Ministry of Finance and Planning are available and conducting ad hoc training programs on (i) procurement planning and budgeting, (ii) bid document preparation, (iii) bid evaluation, (iv) documentation, and (v) contract management. The Sri Lanka Institute of Development Administration also offers a diploma program in procurement. A well-structured

capacity building program focused on procurement and contract management would be jointly conducted for SSDP procurement staff under ADB's capacity building technical assistance.<sup>11</sup>

15. The findings of the assessment of the country procurement environment are also applicable to the technical and vocational education sector, and can be more effectively addressed under SSDP by focusing on improvements required in procurement practices of TVET agencies.

## **F. General Agency Resource Assessment**

16. Despite the government facilitating and training a fair number of professionals in procurement management, not many trained officials have been deployed as procurement experts/professionals at executing agency and implementing agencies level.

**17. At MYASD Level.** MYASD has implemented a number of projects in technical and vocational education training sector especially those financed by development partners such as World Bank and ADB. Hence, the MYASD officials are generally familiar with national as well as international procurement procedures. However, the officials engaged in procurement operations comprise mainly of public officials, specifically accountants and engineers, who are assigned these procurement tasks and their capacity needs to be strengthened to better handle procurement in order to undertake the procurement of goods and works at the MYASD level, and to provide technical guidance to the procurement officials in TVET agencies. Within MYASD, three procurement units with a total of 10 officers are responsible for procurement.

**18. At TVET Implementing Agency Level.** Each of the eight TVET implementing agencies has one to three procurement units headed by Director level officials and are responsible for procurement activities. Public officials, primarily accountants and engineers, bear primary responsibility for procurement under these procurement units. Findings of the assessment conclude that the key risks relating to procurement for implementation of the program at the agency level include: (i) lack of detailed knowledge on procurement guidelines among staff who manage and handle procurement, (ii) lack of experience in selection of consulting services, (iii) weak procurement performance and compliance monitoring, (iv) weak procurement planning, and (v) inefficient document management and retrieval systems. Staffing is currently adequate but may need augmentation based on additional workload associated with expanded focus of SSDP. The experience in managing procurement at TVET agency level is limited because all major previous donor-funded projects followed a ring-fenced project lending modality, where project implementation is tightly controlled through a centralized project monitoring unit and skills transfer to implementing agency staff is limited. The capacity building trainings will be required at the agency level, as a key component of the RBL. The positive impact of such capacity building initiatives is expected to be long-lasting and will greatly benefit the sector at large, as well as accelerate the implementation of SSDP.

## **G. Agency Procurement Process and Thresholds for Goods & Works**

19. National Procurement Guidelines supplemented by detailed manuals and SBDs are adopted for public procurement both at MYASD and TVET agencies. Open competitive bidding procedures are mandatory for all procurement over SLR5million (\$40,000 approximately) for goods and works. Each of the procurement at ministry, as well as TVET agency level, is

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<sup>11</sup> ADB. 2012. *Technical Assistance to Sri Lanka for Human Capital Development Capacity and Implementation Support*. Manila.

evaluated initially by a Technical Evaluation Committee (TEC) comprising at least three members, including at least one subject specialist and a representative from the concerned ministry. For goods and services contracts valued above SLR5million and works contracts valued above SLR10 million, the minimum TEC size is five members, with at least one external member. TEC's evaluation report and recommendations are reviewed and approved by an appointed Procurement Committee in line with the delegation of powers. Appointing authorities, composition, and the thresholds for approval authority of procurement committees are well defined in the Procurement Manual and Guidelines. Approving authority for various levels of procurement committees have been defined in the National Procurement Guidelines as follows:

<b><u>Contract Ceiling</u></b>	<b><u>: Approval Authority</u></b>
Above SLR150 million	: Cabinet Appointed Procurement Committee
SLR50–150 million	: Ministry Procurement Committee
SLR5–50 million	: Departmental Procurement Committee
Under SLR5 million	: Minor Procurement Committee

## **H. Agency Procurement Processes and Thresholds for Consultancy Services**

20. The procedures for the recruitment of consulting services are laid out in the National Guidelines on Selection and Employment of Consultants. The terms of reference are prepared by the requesting department/agency and approved by the Secretary, MYASD and Procurement Committee. In case of recruitment of consultants, similar process as indicated for procurement are applicable except that the TEC and Procurement Committee review the proposal together and no tier review and approval process is required.

## **I. Process Control and Oversight**

21. The National Procurement Guidelines provide ethical standards, general prohibitions on corrupt activities, conflict of interest, and the acceptance of gifts or inducements. Although the process is not being practiced consistently, these guidelines provide procedures for blacklisting. The external audit is carried out by AGD. The Auditor General's recommendations are considered by two parliamentary oversight committees: the Committee on Public Expenditure and Committee on Public Accounts, which issue directions to the procurement entities.

22. The guidelines also provide terms for briefing for bidders and appeal procedures and to set up an appeal board. The appeal board is established directly under the President of Sri Lanka and the observations of the appeal board are forwarded to the Cabinet in parallel with the cabinet memo usually forwarded by the line Ministry to the Cabinet for large value contracts. For small value contracts, the appeal procedure is administered by the Secretary of the central line ministry.

## **J. Records Keeping and Audit**

23. As per government rules, national procurement guidelines, and treasury circulars, all procurement records are required to be kept for a minimum of 5 years. In practice, while all records are kept, document management and retrieval systems in particular are completely manual and suboptimal and could be further improved with training for concerned personnel. All procurement is subjected to internal audit by agency internal auditors and external audit by AGD on an annual basis and as a part of the annual financial audits. No procurement audits per say are carried out by the Auditor General. Technical and procurement knowledge capacity gaps in AGD have recently been addressed by World Bank through a well-structured public sector



capacity development program. In special cases, field checks and reviews are conducted by AGD on request.

### K. Specific Recommendations for Program Implementation

S#	Capacity Constraint	Recommended Action	Responsibility and Comment
1	Inadequate staffing in procurement units and weak procurement capacity in smaller TVET agencies	Set up adequately staffed dedicated procurement unit under SDD in MYASD to facilitate procurement functions and capacity building trainings for the officials of MYASD, TVET agencies, and AGD.	SDD in MYASD
2	Need to prepare realistic procurement plans and institutionalize monitoring at various levels	Strengthen current information gathering system and enhance capacity for collecting, analyzing, and disseminating procurement information.	MYASD and TVET implementing agencies
3	Lack of proper monitoring and interface with TVET agencies may affect program procurement performance and compliance monitoring	Establish proper interface with all TVET agencies, in order to set out clear and agreed procurement targets including periodic reviews and strict compliance with national guidelines.	MYASD
4	Improper bid packaging can adversely affect the procurement performance and contract implementation	MYASD and each TVET agency to appropriately package civil works under their respective procurement plans and do similar packaging for training equipment wherever possible, to achieve economy by enhanced competition and efficiency by effective contract management.	MYASD and TVET implementing agencies
5	Inefficient document management and complaint handling processes	Set-up program specific link on MYASD website and update all procurement-related information including contract awards data, winning bidders, complaints received if any, and their status. Consider electronic data management and retrieval system.	MYASD and TVET implementing agencies

AGD = Auditor General's Department, MYASD = Ministry of Youth Affairs and Skills Development, SDD = Sector Development Division, TVET = technical and vocational education and training.

Source: Asian Development Bank.

### L. Key Risks and Mitigation Measures

S#	Key Risks	Risk Type	Mitigation Measures
1.	Smaller TVET agencies have weak capacity to carry out procurement following procurement rules and regulation	Moderate	Almost 75% of procurement (civil works and equipment) will be carried out by MYASD, VTA, UNIVOTEC, and DTET. While other smaller TVET agencies will be guided and supported by SDD, the larger TVET agencies will hire additional staff and conduct trainings to strengthen their procurement capacity.
2.	Existing procurement staff and facilities in MYASD and TVET agencies may be strained, as the proposed SSDP would	Substantial	An adequately staffed dedicated procurement unit equipped with all facilities will be set up under the SDD within MYASD to facilitate overall program procurement functions and technical support to all TVET agencies. TVET agencies' procurement

S#	Key Risks	Risk Type	Mitigation Measures
	double the procurement requirements		capacity will also be strengthened by recruiting additional staff and capacity building trainings.
3.	Weak procurement planning and compliance monitoring; inefficient document management systems and complaints-handling mechanism	Substantial	MYASD will post all procurement plans, bid invitations, bid documents, contract awards, winning bidders' name, status of complaints if any, on the program specific link on its website to improve transparency. MYASD and TVET agencies will also explore electronic document and retrieval system to enhance efficiency of procurement operations.

DTET = Department of Technical Education and Training, MYASD = Ministry of Youth Affairs and Skills Development, SDD = Sector Development Division, SSDP = Skill Sectors Development Program, TVET = technical and vocational education and training, UNIVOTEC = University of Vocational Technology, VTA = Vocational Training Authority.

Source: Asian Development Bank.