

DOES CORRUPTION OCCUR IN PUBLIC PROCUREMENT?

Corruption in government can not be talked about without immediately thinking of bribes paid or received for the award of goods, works or services.

Only a few activities create an appetite or offer more opportunities for corruption than public sector procurement because of the large scale of government's business. Such procurement transactions are often in quantities and amounts that go beyond comprehension. Apparently, the World Bank indicates that from 1999 to 2002, more than 40 percent of Malawi's public expenditure, (USD235m on average) passed through public procurement. This translated to 12.2 to 16.2 percent of the GDP during that period. As the government's development agenda widens, the percentage of procurement expenditures has been rising. The Auditor General reports that between 70 and 80 percent of annual budget's other recurrent transactions (ORT) go to procurement alone. Such a magnitude explains why corruption stakes are high in public procurement. This therefore underscores the significance of having a properly regulated, monitored and overseen procurement system in order to achieve savings that can be committed to other areas of socio economic importance.

Whether indeed corruption involving public procurement is a common practice could be something debatable but suffice to say that it is widespread and certainly the most publicised in Malawi. This could be so because of the vivacity of the media and civil society organisations as watchdogs. As watchdogs of good governance, these organs among other things want to ensure that principles of accountability and acceptable market practices on procurement are properly followed.

From the public procurement figures, it is apparent that public procurement is an important economic activity that cements public-private sector relationship. The government is therefore directly responsible for ensuring that it is done properly. This entails developing a high-quality regulatory environment and ensuring its sound implementation to ensure that it is properly managed and corrupt -free.

Eradication of public sector corruption was therefore one of the driving forces for the institution of some public sector reforms. These included the establishment of governance institutions like the Office of the Director of Public Procurement. As a custodian of the Public Procurement Law, ODPP is mandated to monitor, regulate and oversee the procurement affairs of the public sector for efficiency, effectiveness and compliance with the law and other related regulations.

Again, the political will of the present administration has rejuvenated the activities of ODPP and other governance institutions through the declaration of zero tolerance on corruption to salvage public coffers from abuse.