

**CUTS International**  
**Major Highlights towards the project accomplishment**

CUTS is implementing the project titled ‘Government Procurement – An emerging tool of global integration and good governance in India’ which has a long term goal of achieve a more efficient government procurement system in India with greater transparency, efficiency and good governance for both domestic as well as foreign enterprises, and consumers at large. It is a two year project and will be completed in March 2013.<sup>1</sup> In its first year of implementation some major achievements have been realised which will go long way to establish the project purpose.

1. In pursuance of its objective, CUTS has been stirring debate and advocating for a transparent and efficient procurement system. When the project started in July 2011, the government of India has constituted a committee to suggest ways to adopt good practises in government procurement in India. The first priority was to advocate for establishing a central legislation which will be based on basic premises of procurement i.e. transparency, efficiency, fair competition and value for money and one which will enumerate good practises.

As a result of several efforts and contributions among which CUTS contribution has been vital, a Procurement Bill was brought in by the Ministry of Finance, Government of India. The Public Procurement Bill, 2012, has an objective to ensure transparency, fair and equitable treatment of bidders, promote competition and enhance efficiency and economy in the procurement process. The Bill was available in public domain for comments and suggestions. In continuation of its effort, CUTS has submitted a set of comments on the draft Procurement Bill 2012 which can be accessed at [http://cuts-international.org/pdf/CUTS-Comments\\_on\\_The\\_Public\\_Procurement\\_Bill\\_2012.pdf](http://cuts-international.org/pdf/CUTS-Comments_on_The_Public_Procurement_Bill_2012.pdf). This is a significant achievement against the first indicator of success listed in the project proposal.<sup>2</sup>

2. The draft Public Procurement Bill which seeks to regulate government purchases using a transparent bidding process is approved by the Group of Ministers (GoM). The bill is likely to be introduced in the forthcoming session of Parliament after getting clearance from the Union Cabinet. Please refer several media reports enumerated as below
  - i. <http://www.financialexpress.com/news/gom-on-graft-okays-draft-public-procurement-bill/915532/>
  - ii. <http://timesofindia.indiatimes.com/india/Ministerial-panel-okays-public-procurement-bill/articleshow/11998372.cms>
  - iii. <http://www.thehindubusinessline.com/industry-and-economy/government-and-policy/article2920022.ece>
3. The objectives of the new Procurement Bill are to ensure transparency, fair and equitable treatment of bidders, promote competition and enhance efficiency and economy in the procurement process. This objective of the Bill is aptly supported by the present study’s long term goal of discussing the ways and means to achieve a more efficient government procurement

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<sup>1</sup> Please see the project webpage <http://www.cuts-citee.org/GP/index.htm>

<sup>2</sup> The first indicator of ‘By December 2011, the committee appointed by Government of India will have a list of global best practices ready to be adopted in relation to government procurement in India.’

system in India with greater transparency, efficiency and good governance for both domestic as well as foreign enterprises, and consumers at large.

4. CUTS has been stirring debate and has been advocating on this issue. It has been possible due to interaction with the variety of stakeholders in India, US, UK EU and China. Importantly, the research is an outcome of desk and field research and therefore fills the vacuum that exists on the subject from domestic and foreign perspectives. Further, the consultation meeting with the stakeholders held under the project in the month of March effectively provided an opportunity to not only seek inputs from the stakeholders but also provided a platform for discussion on the subject. Consequently, greater awareness is generated on just with the concerned but also in the tax payers arena through media coverage. Please see <http://www.thehindu.com/>, <http://iricen.indianrailways.gov.in/>
5. In the first stage of this endeavour, a national e-procurement portal had been designed in conjunction with the National Informatics Centre and commencing from 1<sup>st</sup> Jan. 2012, all ministries and departments of Government of India are to publish their bids and tenders on this portal. The Public Sector Undertaking would follow the same step starting from February 01, 2012.
6. The project has been able to engage and bring together various stakeholders such as the industry associations, businesses, government officials from various ministries, civil society organisations and so on, on the subject. The idea is to create a space for proper thinking, generate debate and discussion on the subject of government procurement. In due course of project, the endeavour will be to bring together these associations and come out with ways of adopting best practises in government procurement.
7. Given the scarce data and less literature on Indian government procurement, the project is successfully bridging this knowledge gap and it will be a continuous process.