Fleming Fund Regional Grants

Country Procurement and Logistical Assessment Report

March 2021

An analysis of the barriers to logistics and freight, to improve understanding of the systems which enhance procurement and delivery of supplies for national laboratory systems

Regional Grant Round 2: Grants 6 and 7

Final Report

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The Fleming Fund is a £265 million UK aid investment to tackle antimicrobial resistance by supporting low- and middle-income countries to generate, use and share data on AMR. The programme is managed by the UK Department of Health and Social Care in partnership with Mott MacDonald, the Fleming Fund Management Agent for the Country and Regional Grants and Fellowships Programme.

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Preamble

The terms of reference for this assignment clearly identified the focus on the regional barriers to sustainability of laboratory services which may inhibit the delivery of quality assured microbiology laboratory testing and the collection of surveillance data.

The original implementation plan consisted of three activities being:

1. Briefing on regional grants round 1, grants 1 and 2 on data evidence gaps and on round 2 on sustainable regional mechanisms;
2. Desk research on regional comparison of countries to assess key barriers and draw out lessons learnt;
3. Provision of an end to end overview of capabilities available in the four defined regions to support the Fleming Fund establish sustainable mechanisms.

Whereas activity 1 has been implemented as planned, the subsequent COVID-19 outbreak has severely influenced the implementation of activity 2.

The implementation plan for activity 2 was based largely on a roll-out simultaneous to the roll out of activities under grant FF39/390 (WO1), which would provide actual information on operational constraints and accrue data to be incorporated in this report as “lessons learnt”. The world-wide disruption of established supply chains caused by COVID-19 has however severely restricted this approach.

Another effect of COVID-19 is that risks and weaknesses in the supply chain are largely emphasized. This obviously involves transport operations, but also reaches out to delayed processing of import procedures, sudden changes in regulation and hampered communication, especially with regard to overstressed health ministries.

Analysing the current operations under FF39/390, it became clear that an analysis of the barriers to logistics and freight cannot be seen as independent of the other stages in the supply chain. For this reason, we expanded the scope to cover the complete supply chain, highlighting the interaction between the different stages.

In section 1 of this report we submit a condensed review of the different phases of the supply chain, whilst in section 2 and 3 we address the most common constraints encountered.

The constraints addressed in section 2 are problems related to the goods and available routings for which solutions are available in the most part, however these will influence either transit time or logistical expenses, whilst the constraints addressed in section 3 are related to organisational structures and methodologies. Corrective measures in the latter are possible through a high level approach and will result in improved efficiency of the supply chain.

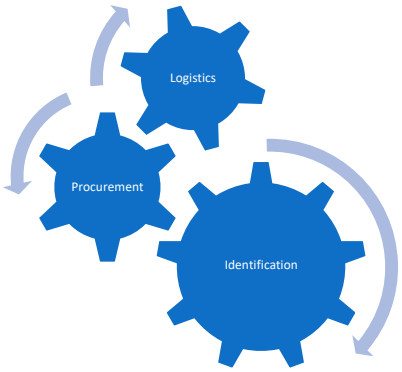
In section 4 we summarise our findings and in section 5 we suggest a number of steps which, if and when implemented, will have a positive effect on supply chain efficiency.

1. Phases of the supply chain

Appropriate supply chain management consists of three stages:

1. Identification of needs
    a) Specifying requirements
    b) Forecasting, timing and quantification
    c) Securing necessary budget allocation
2. Procurement process
    a) Effective and accountable sourcing and selecting of suppliers
    b) Contracting suppliers
    c) Managing supply contracts
    d) Taking controlled delivery of ordered goods in accordance with agreed terms and conditions
3. Logistics
    a) International
    b) Import
    c) Last mile delivery
    d) Installation and aftersales service

Example
- Vitec MS is very vulnerable to shocks and tilting. Equipment is fitted with indicators displaying either beyond limits. Due to this, sea-transport is very risky, but the height also restricts airlift to wide body freighter aircraft.



These three stages strongly interact. Late planning or incorrect quantification will lead to inefficient procurement processes and may lead to inefficient logistics. On the other hand, possible physical logistical constraints will have to be considered in the procurement process.

Examples
- Late planning may lead to increased costs for airlift instead of sea freight.
- If goods cannot be airlifted, processing must allow time for other modes of transport.

2. Physical supply chain constraints

The analysis of a supply chain is largely dependent on physical aspects influencing the logistical part of the supply chain.

As most of these aspects are largely unavoidable, they may determine the approach of the supply chain and may be predominant factors with regard to timing, cost and even quality. These physical constraints may emphasize or enforce the organisational barriers set out in the next section.

The main aspects experienced so far during the implementation of the Fleming Fund concern:
1. Physical properties of the products to be supplied;
2. Accessibility of the final destination.

2.1. Physical properties of the products

In every supply chain a proper analysis of the properties of the goods to be procured and transported is a prerequisite. This involves very basic information, such as **volume, dimensions and weight**. Although basic, these simple data are not to be underestimated as they determine if goods can be containerised or airlifted, and even what type of aircraft is needed.

Another physical aspect, especially encountered during Fleming Fund operations, is the fact that some equipment is **highly sensitive** and shocks or tilting during transport may result in internal damage. Due to this, transport by sea may not be possible.

With regard to reagents and consumables there are some specific restrictions. Some products require **cold chain** transport, so, if procured in smaller quantities, only air freight is possible and even then the logistics chain has to be precisely planned and special packing (insulation, cold packs or dry ice) is related to time available.

Also a lot of reagents are classified as **hazardous goods**. This requires special, certified packing, whilst some hazardous classes are not allowed on passenger aircraft or are not allowed to be airlifted at all.

It should also be considered that shipping cold-chain or dangerous goods will lead to a surcharge of the carrier. When shipping a small package of dangerous goods in a container with other products, the dangerous goods surcharge will apply to the complete container, so sending the dangerous goods separately by air may be advantageous.

A further commonly encountered complication for Fleming Fund operations is the **limited shelf-life** of for example, blood culture bottles, which means it is not possible to transport them by sea freight (possibly with an exception for West Africa, which also emphasizes the importance of adequate advance quantification).

2.2. Accessibility of the final destination

It is obvious that transporting to **landlocked countries** increases both the risk (due to additional handling) and the cost of transport. The latter is not only because terrestrial transport is more expensive (factor 3 as an average) but also because transiting countries usually involves a fee for the transit. There is also a factor of delay as both transport and transit formalities take extra time. Furthermore, it has to be duly considered if the transit conditions, like road conditions and security, are acceptable. The increased risk and expense may lead to the conclusion that transporting to a land-locked country by air is more

Example

- During the Fleming Fund operations, we encountered specific problems with Timor-Leste and Papua New Guinea. Although both reachable by sea, maritime operations are restricted to specific carriers without interline agreements to the major intercontinental operators, so functionally and risk-wise, they have to be treated as a land-locked country.

economical than using the cheaper sea freight option.

Also the **airport situation** at the destination may be a decisive factor. For better understanding it should be known that there are normally three major types of aircraft used for regular international transport networks:

1. Narrow body aircraft used for passenger transport on short and medium haul routes (continental), which have a limited cargo capacity in the luggage compartment and a strict height restriction of 80cm so is unsuitable to carry most equipment;
2. Wide body passenger aircraft used normally for intercontinental routes, usually have good cargo capacity in the lower deck but a height restriction of 160cm, so larger equipment like BSCs, fridges and analysers can sometimes not be carried;
3. Wide body freighters, depending on the model, have a height restriction about equal to a container (220cms), suitable for all laboratory equipment experienced so far.
    - In addition, a variety of irregular aircraft is available but normally only operated on full charter basis which is rarely an option in regular supply chains.

The type of aircraft available fully depends on the operational and financial planning of the operators, unless (but not likely) as in Fleming Fund operations, the shipment allows for a full aircraft charter, in which case the available runways are the critical factor. A specific problem caused by the COVID-19 situation is a worldwide shortage of air freight options.

Example
- Vitec MS for Tanzania was planned for airlift from Amsterdam to Dar Es Salaam, together with AST platform and blood-culture machines, due to the sensitivity of the equipment. However due to COVID-19, there are currently no reliable freighters in operation to Tanzania, so this equipment is on hold, awaiting a transport option.

Many carriers are re-shuffling their schedules and the frequency of operations is very much reduced. The operation of full freighter aircraft is concentrated on the main and most profitable routings, which mostly are not the routings to the countries covered by the Fleming Fund (with the exception of Nigeria, Kenya and India).

Within the group of countries supported by the Fleming Fund, there are some which require special attention in this respect. Both Papua New Guinea and Timor-Leste are only accessible by small aircraft and limited coastal sea freight services. This implies that cargo has to be transferred in the nearest hubs (Singapore and Australia) to a second regional carrier which increases the level of risk and the transit period.

Bhutan has very limited air access and supplies have to be transferred either to the local air freight operator or, for larger volumes, have to be moved by road which involves a complicated transfer in Kolkata. The access of Eswatini by air is also restricted to small consignments but a transfer via Johannesburg is usually fairly smooth.

A final and frequently underestimated physical constraint in the logistical operations is the **local infrastructure**. This element involves availability of adequate local transport, suitable interim storage and storage facilities at the final destination (road conditions etc). It also

involves the critical aspect of having suitable handling equipment available at the destination. The latter is frequently overseen in international supply chains. The availability of forklift trucks is obvious at airports and cargo warehouses, however a lot less obvious at a receiving laboratory or hospital, whilst simple issues such as the lack of an elevator or suitable access door able to fit a large analyser like a MaldiTof, may easily lead to problems or improper handling of equipment.

3. Organisational constraints in the supply chain

In this section we will follow the aforementioned stages of the supply chain, projecting these to the specific elements for analysis set out in the terms of reference for this assignment, and reflecting our general experience and specific findings during the implementation of Fleming Fund operations.

We deliberately address potential challenges as constraints, rather than barriers, as for most challenges, there are potential solutions, although mostly connected with compromises either in cost, time or quality.

3.1. Identification of needs

Whilst this phase is the initiator of the total supply chain, in development countries it often is the least developed.

The constraints in this section are largely resulting from organisational issues which are beyond the scope of this study, such as the general strength of the health system (including staff training levels), political support and budgetary constraints. For this reason, we do resume frequently encountered issues, however we have not specifically addressed these in the narrative country reviews in Annex 1.

a) Forecasting, timing and quantification

The lack of reliable demographic data and frequently only a rudimentary health management system being available seriously endangers reliable forecasting and quantification of requirements, whilst the timing aspect is often influenced by long decision periods and little understanding of the duration of the subsequent phases.

b) Specifying requirements

The specification of requirements should be sufficiently precise to enable the procurement process to be adequate, resulting in the procurement of the required quality standards. It often occurs that there is little knowledge about international markets and certification standards, resulting in a specification purely focussed on what is available, or known to be available on the local market, which may result in excess spending or sub-standard supplies.

In addition it is frequently observed that the knowledge of advantages and/or correct application of advanced equipment is restricted to a limited number of staff, which calls into question the sustainability of investments.

c) Securing necessary budget allocation

The allocation of budget is less of a problem in donor funded operations, however, in order to ensure the sustainability of programme investments, expenditure beyond the duration of a programme, such as costs for consumables, operations and maintenance of donated equipment should be projected, accepted and secured.

3.2. Procurement process

a) Effective and accountable sourcing and selecting of suppliers

A procurement system should be both accountable and transparent, as well as effective and efficient. In modern procurement strategies there are adequate possibilities for flexibility and applying proportional effort methodologies.

In many of the target countries the systems however are very tedious and inflexible. The specifications used (see also previous section) are very much input based, hardly allowing opportunities for innovative solutions.

Moreover the use of advanced procurement systems such as framework agreements, advance pre-qualification of suppliers and e-procurement systems, are frequently non-existent or barely developed, whilst specifically in the case of recurrent purchases, such as pharmaceuticals and/or consumables, these can be very advantageous.

Many procurement systems in developing countries rely on Cost Based selection systems, rather than on the Cost and Quality Based selection as generally accepted in donor countries. This system can be acceptable but only if the set specifications properly reflect the required quality ie. if a properly recognisable quality description or certification is available, which often is not the case.

Furthermore, there is an increasing tendency in recipient countries to restrict sourcing to local suppliers. This system frequently runs simultaneously with a requirement for imported goods to be registered by the local equivalent of a Bureau of Standardisation. Whilst the latter is also the case in many donor countries and is meant to safeguard quality of imports, the effect is frequently the opposite and the restrictive sourcing methodology in practice is reducing quality and/or inflating prices.

Notwithstanding the above, there are some perfectly justifiable grounds to focus on local sources, which should be considered in the implementation of the sourcing process:

- Equipment may need frequent aftersales services like maintenance and certification. The ability to perform these services should be embedded as a condition in the procurement

Example

- In Ethiopia a strict pre-registration system applies to all imports of medical products. Due to the fact that many supplies are donated through UN organisations applying a cost based selection system in their tenders and the fact that the registration process is very costly and time consuming, many suppliers of quality products do not even attempt to go through the process as they do not expect a viable local market.

process and this may result in the need to procure through local or regional sources.

- Recurrent purchases like reagents and other consumables are frequently purchased in rather small volumes. Local traders may cover a larger market and therefore can consolidate their supply chain, resulting in a substantially lower logistical cost component. The associated risk however is that the required quality standard is not always achieved.

The following steps in the supply chain, being:

b) Contracting suppliers

c) Managing supply contracts

normally do not cause many problems if the sourcing process is done correctly. There is however one paramount problem overarching these three steps, which is **lack of communication**.

Frequently a procurement department is an autonomous body within a ministry or even a completely separate governmental body. There is justification for this, to assure the unbiased implementation of the procurement process, however there are frequently no adequate channels to inform end-users about the status of the process, expected delivery dates etc. It frequently occurs that a hospital or laboratory is left completely unaware about the status of an order, which may lead to stock-outs, but also may cause unnecessary delays, if goods turn-up unexpectedly and no arrangements for receipt are in place. Depending on delivery conditions and the nature of the supply, goods may be delayed at a port or airport because import processes are not yet arranged or goods may arrive at a laboratory that does not have adequate storage or handling facilities arranged.

d) Taking controlled delivery of ordered goods in accordance with the agreed terms and conditions

This last phase of the procurement process should be straightforward but has certain elements of risk. The responsible party should have knowledge of both the contractual as well as the physical or technical requirements. As this phase usually triggers the financial winding down of a supply contract, roles and responsibilities should also be defined precisely.

3.3. Logistics

a) Preparing for transport

It should be realised that the infrastructure in less developed countries may be subject to imperfections. These may be operational, such as inadequate storage or limited equipment being available, however frequently also extends to rather slow administrative infrastructure resulting in delayed processing of import procedures.

As a mitigation of risk for damage and/or pilferage caused by the limited operational infrastructure, it is a good practice to ensure that the receiving party is fully able to receive the goods directly upon arrival in country. This involves checking that operational conditions to receive the goods are in place, inclusive of arrangements for possible on carriage, but just as important, making sure that the required import licenses, tax exemptions and (if possible) pre-clearing processes have been initiated.

With regards to the latter, this is a topic that frequently causes problems and, in our opinion, unnecessary delays. Often import licenses and tax exemptions are submitted on the basis of the exact details of the imported products, as specified in the clearing documents such as waybills, invoices and packing lists. This implies that the process to obtain permits can only be initiated once goods are produced and batch numbers for consumables or pharmaceuticals and/or serial numbers for equipment are available.

This could easily be avoided if recipient governments were to start the licensing/exemption process on the basis of a product specification (HS code) in which case, these processes could be initiated during the production of the goods.

b) International transport

The selection of the most adequate transport routing and modality is primarily dictated by the physical constraints of the goods and the accessibility of the final destination, as elaborated in the relevant previous sections.

Within the subsequent possibilities the responsible logistician will have to make a well-balanced choice of the most adequate routing and transport modalities. This decision should be a careful balance between economy, security and efficiency.

In normal circumstances (not considering extreme changes to price levels due to COVID-19) the price for air freight will range between GBP 2 to GBP 5 per kilo, whilst the price per kg for shipment in a full container will range between GBP 0.10 and 0.50.

It should be considered however that the sea freight range is based on a fully utilised container and the total price of a full container is equal to one that is used for a part. The latter may even be more expensive if extra packing and seaworthy stowage is needed.

Secondly, the above prices only apply if both the point of origin and destination is accessible both by sea and air freight. Inland transport may influence the sea freight costs by a factor of three to five.

It also is considered that the risks of air freight are far less and better manageable than sea freight. For this reason, for high value and/or highly sensitive products, air freight is usually the preferred option.

It should also be considered that freight costs are relatively decreasing for larger shipments; costs for air freight over 1000 kg may be half the price per kg of a consignment smaller than 100kgs, whilst the costs of a container will be identical if it is full or only partially filled.

With regards to efficiency, it should be clear that without time pressure and shipping reasonable volumes (minimum of one fully utilised container), sea freight will usually be the preferred option.

Apart from risk mitigation, the other main reason for airlifting is the saving in time. In ideal

circumstances this should not be a factor. If the identification and procurement stage of the supply chain has been implemented correctly and within the correct timeframe, the logistical requirements and economics are embedded in these processes. However the logistical operations are expected to compensate time lost in the previous stages, resulting in extra expenses as well as environmental burden.

It is clear that the time advantage of air freight depends on the transport routing. A sea shipment from Western Europe to West Africa will take two to three weeks whilst the same container shipped to Kenya will take a minimum of six weeks, whilst to Uganda (shipment to Kenya and inland transport to Uganda) the same container will take at least eight weeks. Consequently, the balance to decide on air freight to Uganda will be more common than to for example Ghana.

c) Import process

The import of goods in various countries may be a tedious and administratively complex process. Please also refer to the comments referred to in section 2.3.a, whilst names of procedures and responsible organisations may differ, there are three main requirements:

1. The receiving party should be authorised to import the goods

This is normally not an obstruction for donated goods for which the recipient is an NGO or (para)governmental institution, but if a commercial party receives the goods, this should be a registered entity. In Ethiopia for instance, an organisation is only allowed to import goods related to its registered activity. A health organisation will have to ask permission to import a vehicle.

2. Quality based restrictions

Compulsory registration of goods to imported. Meant to restrict import of sub-standard products, however the procedures are often tedious and expensive (either official or through embedded kickbacks) due to which only manufacturers that expect a substantial market will go through this procedure.

Pre-import verification of quality and/or pricing or obligations to obtain an import license should happen prior to shipment. Countries require goods to be verified by an external organisation to confirm that quality is sufficient and that the price is realistic. This was originally introduced to avoid an uncontrolled export of hard currency and import of sub-standard products at inflated prices, however this is gradually turning into extra expenses and a tedious administrative burden, which often seriously delays shipments.

3. Financial obligations

Import duties and VAT payable on import will normally impact the project expense by a range of 15 to 20 %. When these taxes and duties are paid, normally the import process can be implemented within a few days. However, if the donor or recipient is requiring an exemption thereof, the process to obtain this exemption may take as long as four to six weeks, often involving various ministries or governmental services (Foreign Affairs, Health and Revenue Authority). Moreover, often this process has to be repeated for each import. In some cases, the tax and duty exemption also includes exemption of the qualitative restrictions, but not in

every country.

With regards to the latter there are some additional issues to be considered:

- Whilst it is internationally accepted that a recipient country should not tax donations, some donors have stopped requesting tax and duty exemptions as they are often damaging the progress of the recipient country's economy and thus, are contra-productive in the overall development spectrum.
- Exemptions may be restrictive to specific taxes but may not cover all import charges.
- One of the major constraints with regards to taxes and duties is that most developing countries have no suitable system to reclaim these. Once goods are imported the taxes and duties are payable. If it turns out they are sold to an exempted project, the merchant cannot reclaim the taxes paid. Therefore it is often more competitive to source internationally, damaging local economic operators.

It should also be noted that the storage within custom areas in (air)ports is usually very expensive so shipments should not arrive in country prior to processing the import formalities, wherever possible.

d) Last mile delivery

The last mile delivery within the recipient country is preferably contracted to a forwarding agent which has a proven relation with either the recipient or the international carrier. To avoid an accumulation of sub-contractors, normally the same party is used to process the import as set out in the previous section with the local custom authorities.

The paramount selection criteria are:

- Experience with the importation of donated (exempted) goods
- A reliable track record in national and/or regional transport. In some countries, for example India, transport licenses have to be obtained for each national state border, whilst currently in some countries there are areas with restricted access due to COVID-19 spikes.

Furthermore, recipients should confirm that:

- The site is accessible to heavy vehicles
- The actual place of delivery can be accessed even with awkwardly sized/weight packages.
- Adequate handling equipment and sufficient manpower is available for offloading and positioning.
- Safe storage is available for goods not immediately positioned. This specially refers to cold-chain and dangerous goods.

4. Summary of findings

4.1. Indicators

In this section we will narratively and graphically set out our findings on the applicable constraints for the regions and countries covered by the Fleming Fund.

In order to have a comprehensive overview, we have displayed the different constraints described in the previous sections based on a cumulative timescale, adding if applicable possible time savings related to the respective cost estimate.

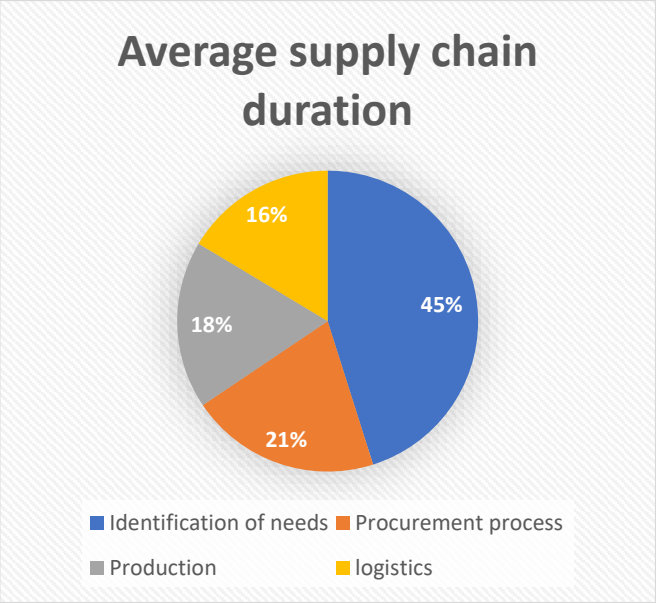
The data used are based on the following main indicators:

Identification of needs	Time between grant being activated and confirmation of requirements
Procurement process	Desk study and results of procurement assessments under work order 1
Preparing for transport	Experience during Central Procurement deliveries and general logistical expertise
International logistics	International trade routes (pre- COVID-19) and experience during implementation of Central Procurement delivery
Import process	Desk study and experience during implementation of Central Procurement delivery
Last mile delivery	Desk study and general logistical expertise

4.2. Findings

In Annex 1 we submit a country wise narrative review of the desk studies and other indicators referred to.
In this section we are summarising the major general observations.

- During the desk studies, identifying the different constraints and delay factors, it became clear that there are hardly any common **regional** denominators.



- The physical constraints of the products and geographical constraints of the recipient countries can, in general, be mitigated by operational logistical systems, having an effect on the total costs of the logistics, but hardly having an effect on the timing of implementation.
  (Note: This does not reflect current disruption of logistical systems caused by COVID-19)

- The organisational constraints in the case of a donor funded programme, appear to be the main reason for implementation delays:
  - With regard to the planning stage this is mainly related to the general development status of the Health Management system in the recipient countries, as for donated goods and equipment, budgetary constraints have a limited effect.
  - Note: budgetary constraints have to be considered when analysing the sustainability of programme investments.
  - With regard to the logistical operations the most serious delays are encountered during the preparation for transport, securing proper preparation of the import process, whilst arranging tax and duty exempted import, as well as in the actual clearing and importation.

- These findings are further specified at country level in the below table 1 indicating the average supply chain duration of a major requirement in weeks (international open bidding process).

- The use of air freight instead of sea freight is frequently considered as a useful tool to accelerate the supply chain. Table 2 below shows that the effects are in fact limited in a lot of cases, whilst the costs may be quite considerable.

Zone	Country	date supply contract / requirement confirmed	Identification of needs	Procurement Process	Production	Preparing Logistics (import License/ duty Exemption)	International Logistics	Import process and last Mile delivery	Total (weeks)
Africa West	Ghana	18/11/2019	16	8	13	3	3	2	45
Africa West	Nigeria	03/03/2020	31	30	13	4	5	3	86
Africa West	Senegal	31/12/2020	9	13	13	3	3	2	43
Africa West	Sierra Leone	31/12/2020	13	13	13	4	4	1	48
Africa East	Eswatini	27/08/2020	22	13	13	2	6	2	58
Africa East	Kenya	11/03/2020	27	13	13	10	5	2	70
Africa East	Malawi	27/08/2020	22	17	13	1	6	1	60
Africa East	Tanzania	15/11/2019	15	10	13	10	5	1	54
Africa East	Uganda	26/11/2019	17	16	13	1	6	4	57
Africa East	Zambia	15/11/2019	15	16	13	2	6	1	53
Africa East	Zimbabwe	23/11/2020	35	13	13	3	8	2	74
Asia S.East	Myanmar	31/12/2020	52	16	13	5	1	2	89
Asia S.East	Laos	15/11/2019	15	16	13	24	7	1	76
Asia S.East	Pakistan	31/12/2020	74	13	13	4	4	3	111
Asia S.East	Papua NG	23/11/2020	47	16	13	2	7	1	86
Asia S.East	Timor Leste	13/12/2019	19	16	13	1	7	1	57
Asia S.East	Vietnam	27/11/2020	69	13	13	4	1	2	102
Asia South	Bangladesh	23/11/2020	47	13	13	3	5	2	83
Asia South	Bhutan	25/11/2019	17	18	13	8	7	1	64
Asia South	Indonesia	31/12/2020	57	13	13	4	4	4	95
Asia South	Nepal	25/11/2019	17	13	13	1	7	4	55
Asia South	Sri Lanka	31/12/2020	74	13	13	3	4	3	110
Average			**32**	**15**	**13**	**5**	**5**	**2**	**72**

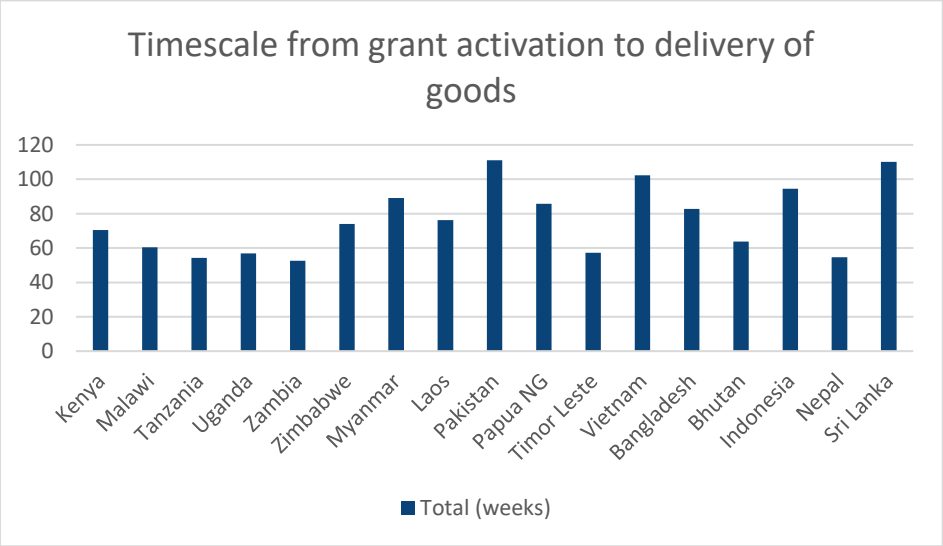


Table 1: Showing average supply chain duration of a major requirement in weeks (international open bidding process)

Zone	Country	Units actual or planned	Total equipment amou	gwt	volwt	Most economic option	costs (EUR)	costs (% of goods value	duration (weeks)	alternative option	rate	costs	cost increase	cost increase (% of goods value)	Time saving (weeks)	Prefered option
Africa West	Ghana	11	594.270,37	3.300,00	1.833,33	Sea 1 x 20ft cntr	2.000	0,34%	3	air	5,38	18.254	16.254	2,7%	2	Most Econ.
Africa West	Nigeria	13	479.000,01	3.900,00	2.166,67	Sea 1 x 40ft cntr	3.000	0,63%	5	air	6,58	26.162	23.162	4,8%	4	Most Econ.
Africa West	Senegal	9	273.500,00	2.700,00	1.500,00	Sea 1 x 20ft cntr	2.000	0,73%	3	air	5,25	14.675	12.675	4,6%	2	Most Econ.
Africa West	Sierra Leone	5	163.142,86	1.500,00	833,33	Sea 1 x 20ft cntr	3.000	1,84%	4	air	5,75	9.125	6.125	3,8%	3	Most Econ.
Africa East	Eswatini	7	207.285,72	2.100,00	1.166,67	Sea-land 1 x 20ft cntr	2.500	1,21%	6	air-land	6,30	13.730	11.230	5,4%	5	Alternative
Africa East	Kenya	10	576.412,94	3.000,00	1.666,67	Sea-land 1 x 20ft cntr	3.000	0,52%	5	air	4,05	12.650	9.650	1,7%	4	Alternative
Africa East	Malawi	12	414.571,44	3.600,00	2.000,00	Sea-land 1 x 40ft cntr	6.750	1,63%	6	air	6,25	23.000	16.250	3,9%	5	Alternative
Africa East	Tanzania	8	300.285,72	2.400,00	1.333,33	Sea 1 x 20ft cntr	2.000	0,67%	5	air	5,35	13.340	11.340	3,8%	4	Alternative
Africa East	Uganda	8	508.556,08	2.400,00	1.333,33	Sea-land 1 x 20ft cntr	4.500	0,88%	6	air	5,30	13.220	8.720	1,7%	5	Alternative
Africa East	Zambia	9	328.857,15	2.700,00	1.500,00	Sea-land 1 x 20ft cntr	6.000	1,82%	6	air	5,40	15.080	9.080	2,8%	5	Alternative
Africa East	Zimbabwe	5	178.714,29	1.500,00	833,33	Sea-land 1 x 20ft cntr	4.750	2,66%	8	air	5,70	9.050	4.300	2,4%	7	Alternative
Asia S.East	Myanmar	2	160.000,00	600,00	333,33	Air	3.000	1,88%	1	na						Most Econ.
Asia S.East	Laos	4	178.714,29	1.200,00	666,67	sea-road	7.800	4,36%	7	air-road	9,75	12.200	4.400	2,5%	4	Alternative
Asia S.East	Pakistan	10	565.698,94	3.000,00	1.666,67	Sea-land 1 x 20ft cntr	3.000	0,53%	4	air	3,30	10.400	7.400	1,3%	3	Alternative
Asia S.East	Papua NG	13	508.556,11	3.900,00	2.166,67	Sea+Sea 1 x 40ft container	4.500	0,88%	7	air-sea	7,30	28.970	24.470	4,8%	6	Alternative
Asia S.East	Timor Leste	4	254.278,04	1.200,00	666,67	Sea+Sea 1 x 20ft container	4.000	1,57%	7	air-sea	7,25	9.200	5.200	2,0%	6	Alternative
Asia S.East	Vietnam	6	349.000,00	1.800,00	1.000,00	air (3 destinations)	6.750	1,93%	1	na				0,0%		Most Econ.
Asia South	Bangladesh	9	328.857,15	2.700,00	1.500,00	Sea 1 x 20ft cntr	3.500	1,06%	5	air	3,26	9.302	5.802	1,8%	4	Alternative
Asia South	Bhutan	7	171.500,00	2.100,00	1.166,67	Sea-land 1 x 20ft cntr	5.500	3,21%	7	air	8,50	18.350	12.850	7,5%	6	Alternative
Asia South	India	4	186.000,00	1.200,00	666,67	Sea-land 1 x 20ft cntr	3.500	1,88%	4	air	4,75	6.200	2.700	1,5%	3	Alternative
Asia South	Indonesia	11	421.857,15	3.300,00	1.833,33	Sea-land 1 x 20ft cntr	5.500	1,30%	4	air	3,30	11.390	5.890	1,4%	3	Alternative
Asia South	Nepal	4	221.000,00	1.200,00	666,67	Sea-land 1 x 20ft cntr	5.000	2,26%	7	air	5,30	6.860	1.860	0,8%	6	Alternative
Asia South	Sri Lanka	8	442.758,40	2.400,00	1.333,33	Sea 1 x 20ft cntr	3.000	0,68%	4	air	3,25	8.300	5.300	1,2%	3	Alternative

Table 2: Showing the differences in supply chain duration and cost for air and sea freight options

5. Recommendations

The findings set out in the previous sections clearly demonstrate that there is no regional commonality in the causes of supply chain constraints. Subsequently a regional approach to restrict the same is not likely to be successful.

If searching for a common denominator it seems that factors of political stability and general development of the civil service, predominantly the strength of the national health system but also the maturity of procurement and custom processes, have a major influence.

Nevertheless there are certain steps that can be taken to accelerate the processes related to the supply chain. These steps are mainly linked to the early identification of potential problems and continuously trying to achieve overlapping/simultaneous activities, rather than finalising one stage and only thereafter planning and implementing the next.

Concrete examples thereof include:

- Early determination if tax and duty exemption will be required and, if so, address this topic at an early stage, preferably during MOU negotiations.
- If exemptions are difficult to achieve, investigate if possible partnerships with exempted local organisations (Governmental, NGO, UN or Diplomatic) add value to the programme.
- General support to a health system may benefit specific programmes, especially with regards to staff training, HMIS systems and forecasting expertise.
- Procurement support, especially with regards to establishing framework agreements and early qualification processes, will be reflected in the duration of the supply chain.
- The selection of local partners with adequate operational expertise, not only in the medical aspects but also in national procurement processes and operational logistics, will be reflected in the supply chain duration. Specifically, with respect to obtaining the necessary import licenses for the procured equipment and consumables as this has proven to be one of the main reasons for delays in the supply chain.
- A specific advantage for multi country programmes like the Fleming Fund has been the decision to centrally procure specific advanced equipment. In addition to financial economy of scale advantages, this provided a notable reduction in the production period and the flexibility to switch certain machines to other countries if the originally planned recipient had implementation delays (COVID-19).

6. Annex A: Country Study Report

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Ghana

2: Procurement Process
The main legislation that regulates and governs public procurement in Ghana is the Public Procurement Act 2003 (Act No. 663) (the Act) as amended by the Public Procurement (Amendment) Act 2016 (Act 914) (the Amendment Act). The promulgation of the Act was an integral part of Ghana's Public Financial Management Reforms and good governance initiative, which sought to instil propriety and accountability in public sector financial management and expenditure. The Act regulates the procurement of goods, works and services financed, in whole or in part, from public funds and the disposal of government stores. All government agencies, institutions and establishments in which the government has a majority interest are mandated to comply with the Act. The Act provides for restricted tendering, single-source and request for quotation methods of procurement. These methods may only be used under specific conditions outlined under the Act and the Amendment Act, with the approval of the Authority. A procurement entity may for economy and efficiency, and with the approval of the Authority, use restricted tendering where: • goods, works or services are available only from a limited number of suppliers or contractors; • the time and cost required to examine and evaluate a large number of tenders is disproportionate to the value of the goods, works or services to be procured. The single-source procurement method may be used where: • the goods, works or services are available only from one source; • there is an urgent need for the goods, works or services; • there is an urgent need due to a catastrophic event; or • the procurement entity requires continuity or additional supply of the goods, or the performance of the works or service. A procurement entity may request quotations for: • goods or technical services that are readily available and are not specially produced or provided to the particular specifications of the procurement entity; and • goods where there is an established market. Where the request for quotations is used, the procurement entity must request quotations from at least three different supplier/contractor sources. Tender procedures are taking maximum of 14 weeks from tender invitation to award of contract (Chapter 3.3 of the Manuals, Public Procurement Act, 2003 (Act 663)). It has been noted that the Ghanaian procurement legislation includes some possibilities to enhance flexibility, of which the following may be of relevance to the implementation of the Fleming Fund: • Specifically, for donated goods, the donor may request through the Public Procurement Authority, a deviation of the regulations with regards to the applicable thresholds and minimum timelines in order to adjust procedures to its own requirements. • Procurement entities may outsource the procurement implementation to third parties, which subsequently are obliged to act in accordance with the Public Procurement Act. This outsourcing has to be approved by the Public Procurement Authority.

3: Logistics

The country is at the hub of an extensive international (and national) airline network that connects Ghana to Africa and the rest of the world. Most major international carriers fly regularly to Kotoka International Airport (KIA) in Accra, the main entry point to Ghana by air. This is the result of Ghana's open skies policy, which frees an air space regulator from the constraints on capacity, frequency, route, structure and other air operational restrictions. In effect, the policy allows the Ghana Civil Aviation Authority (GCAA) to operate with minimal restrictions from aviation authorities, except in cases of safety and standards and/or dominant position to distort market conditions. Ghana is working to position herself as the gateway to West Africa. KIA remains the leading and preferred airport in the sub-region, having attained Category One status by the US Federal Aviation Administration (FAA) audit as part of their International Aviation Safety Audit (IASA) programme. As at now, Ghana is one of five countries in sub-Saharan Africa in this category. The others are Egypt, South Africa, Nigeria and Morocco. It handles the highest volume of cargo in the sub-region and has all the requisite safety facilities, recommended practices and security standards. A rehabilitation programme embarked upon since 1996 has brought about an expansion and refurbishment and upgrading of facilities at the international terminal building, as well as the domestic terminal. These terminals now have significantly increased traveler and cargo capacity. The airport's runway has been extended to cater to all types of aircraft allowing direct flights from Ghana at maximum take-off weight without the need for technical stops en-route. Another important part of the airport development programme is the Airport City Project. This involves an enclave adjoining the airport, which has been created, serviced and leased to private companies and entrepreneurs who are constructing hotels, shopping malls, entertainment centers, etc. to complement the operations of GCAA.

Road transport is very important to the Ghanaian economy. It is estimated that road transport accounts for 96% of passenger and freight traffic in Ghana and about 97% of passenger miles in the country. According to the Ministry of Roads and Transport, as of the end of 2006, Ghana's road transport infrastructure was made up of 63,122 km of road networks. At that time, the network consisted of 12,786 km of trunk roads, 40,671 km of feeder roads and 9,764 km of urban roads. The road network as of 21 December 2011 had increased to 13,367 km of trunk roads, 42,100 km of feeder roads and 12,600 km of urban roads. On the whole, traffic densities are low, except in the large cities of Accra and Kumasi, where peak hour densities are relatively high. The intention is to have many of the existing highways tolled and private-sector participation in road construction and ownership.

Ghana custom clearance requires the following documents in order to be allowed to enter:

- Invoice/Packing List
- Bill of Lading/ Airway bill
- Donation/Non-commercial certificate
- Import license

Obtaining an import license is requiring a pre-shipment inspection by an inspection organisation nominated by the Government however costs are to be covered by the foreign supplier. In case of Governmental imports or accepted donation, the import license can be waived, in which case its is mandatory to use the Governmental clearing organisation (GSC-Ghana Supply Commission). Obtaining the waiver as well as Duty Exemption is a relatively good organised system and can be accomplished with one month.

Nigeria

2: Procurement Process
Prior to 2007, Nigerian public procurement was not formally regulated, in the sense that there was no law governing procurement at the federal or state level. This changed with the enactment in 2007 of the Public Procurement Act. In spite of the passage of the PPA and the establishment of a procurement cadre in government ministries, departments and agencies, the procurement system is not functioning as it should and public procurement in Nigeria is still riddled with corruption, fraud and irregularities. The PPA has helped to create a system in which international best practice in procurement may thrive, by: providing for the use of competitive procurement methods except in limited situations; creating new institutions to monitor and direct public procurement; increasing transparency in procurement; and providing for a system of supplier remedies through the administrative review of procurement decisions. The involvement of politicians in the procurement process is a serious problem, there have been reports of high-ranking politicians being able to influence the outcome of the procurement process by putting undue pressure on civil servants who feel constrained to bow to this pressure. This means that, in practice, the procurement process is manipulated at the instance of the interested politician and contracts are awarded to the person or firm in which the politician has an interest. Each method of procurement involves different steps and/or different time requirements. The following list gives typical ranges of time needed for the most common methods, from the time the procurement process is started until a winner is selected and a contract signed: • International Competitive Bidding: 5-7 months • Limited International Bidding: 4-6 months • National Competitive Bidding: 4-6 months • Direct Contracting: 1-3 months • National Shopping: 1-2 months In some cases, it may be possible to modify certain contract packages and procurement methods and shorten the time needed until delivery in order to meet desired schedules, provided that the modified approach is still consistent with the procedures required and the types of approaches permitted under the Act.
3: Logistics
Nigeria has relatively advanced transport infrastructure networks that cover extensive areas of the nation's territory. Although overall transport infrastructure is inadequate, the country has made progress over the course of 2017 and 2018 in alleviating urban congestion, investing in critical infrastructure projects and increasing private sector participation in the development of transport arteries. Roads are the mainstay of Nigeria's transport network. Nigeria has developed an extensive national network of roads and bridges. Nigeria's roads carry more than 90 percent of domestic passengers and freight. Road network conditions are generally quite patchy, alternating between good, fair and poor across the country. Few areas remain unconnected to national backbones, and those are generally concentrated in the central, western and eastern parts of the country. Nigeria's regional connections are fair, with a number of transnational corridors. These include connections to neighbouring countries like Niger, Chad, Cameroon and Benin, as well as coastal roads joining routes to Dakar in Senegal or Abidjan in Cote d'Ivoire. The Trans-Sahara Highway connects Nigeria with Algeria via Niger. A cross-African route, the Lagos Mombasa Highway, links Nigeria, Cameroon, the

Central African Republic, the DRC, Uganda and Kenya. The country has adopted several important measures aimed at boosting private investment in the roads sector, including a tax incentives scheme and the establishment of new toll booths on major highways.

For relief items, food and non-food (prohibited items like rice, vegetable oil, etc.) the request for Duty Exemption is sent to the President's Office for authorization. When approval is granted, same is sent to Ministry of Finance (Budget Office). The Ministry of Finance delivers the Import Duty Exemption Certificate (sent to Customs).

Documentation:

- Request Letter
- Certificate of donation
- Description of goods and quantity: original Waybill (WB) or Bill of lading (BL), invoice and Packing List
- Air waybill required for air shipments

Nigerian custom clearance requires the following documents in order to be allowed to enter:

- Duty and Tax Exemption Certificate
- Invoice/Packing List
- Bill of Lading/ Airway bill
- Donation/Non-commercial certificate
- Certificate of Origin
- Form-M
- Certificate of Conformity

The Form-M process has to be followed by commercial importers and is linked to a quality inspection when goods are imported. However for donated goods which are accepted as being Duty exempted, this procedure is waived. The process to obtain exemption can be completed in approximately one month.

Senegal

2: Procurement Process

Due to the desire to strengthen the improvement of transparency and efficiency in public spending, public procurement legislation has undergone many changes over the last two decades. Amendments modernized the public procurement system and introduced many innovations to promote sound procurement practices.

Public procurement in Senegal is regulated by the Decree No. 2014-1212 of September 22, 2014. The Decree applies to all public or private entities, national companies and public limited companies with a majority public shareholding. The procurement system is in line with the regulations about the public procurement set by the West African Economic and Monetary Union (Directive n°05/2005/CM/UEMOA of 9 December 2005). Senegal has a Public Procurement Portal (www.marchéspublics.sn) where all relevant legislation and information on procurements can be found.

Public Procurement Regulatory Authority, since 2018, is promoting "e-procurement" by making available an online training module and public service delegation agreements in order to take advantage of the opportunities offered by digital technology. This can be considered as a

fundamental prerequisite for a reform of the legislation on the digitisation of procurement procedures.

However, it should be noted that, despite the numerous reforms, public procurements system has many challenges to overcome in order to bring the procurement system up to the best international standards. These challenges relate, among others, to: access to information, particularly in electronic, machine-readable and free of charge format, on all procurement procedures; protection of whistle blowers; digitalisation of the entire procurement procedure.

In open and restricted procedures, the deadline for receipt of applications or offers cannot be less than thirty (30) calendar days for contracts above national thresholds, and forty-five (45) calendar days for contracts above the Community threshold, from the publication of the notice.

The contracting authority must communicate in writing to any unsuccessful tenderer the reasons for the rejection of his offer, the amount of the contract awarded, the name of the successful tenderer, as well as a copy of the award report, within five (5) days working from the receipt of his written request. The contracting authorities observe a minimum period of fifteen (15) days after the publication referred to in the previous paragraph, before signing the contract and to submit it for the approval of the competent authorities.

3: Logistics

The Port of Dakar is at the crossroad between Europe, North America, South America and West Sub-Saharan Africa. It is located on the westernmost coast of Africa, built on a natural crew reef and well protected from Atlantic swell. The port has been opened to commercial traffic since 1865. It provides excellent shelter to ships, and ensures safe access at all times: the highest tides vary between 0.20 and 1.80 metres.

Dakar has one of the largest deep-water seaports along the West African coast. It ranks fifth in cargo volume after Richards-Bay, Durban, Lagos and Abidjan.

About 90% of movements of people and goods in Senegal are made via roads. The roads network is estimated at about 14,500 km, of which 4,500 km are paved. In fact, it is now possible from Dakar to reach any of the other ten Senegalese main regional cities by paved road. The Government of Senegal has launched an ambitious programme aimed at rehabilitating certain roads and building new ones. However, as in many other African countries, road maintenance is a recurrent problem.

The Government of Senegal grants to NGOs exemption from taxes and duties on materials, equipment, facilities and services imported or purchased on the national territory for carrying out their programs.

For NGOs:

- The NGO should be registered by the Government
- The NGO should present an investment plan to determine its intention and needs in importation during its stay in the Country (a list must be include with value of material and quantity).
- The plan has to be approved by the Ministry of Finance and the Ministry of Interior.
- Once approved the plan can be sent to the customs and the material approved by the Government will be exempted of taxes.

Custom Clearance Documents:

- Duty and Tax Exemption certificate

- Invoice/Packing list
- BoL/AWB/other transport documents
- Visa from General SEN Pharmacy
- BSC (Bordereau de suivi de cargaison)

Sierra Leone

2: Procurement Process
Sierra Leone has made significant efforts to regulate the procurement process to ensure transparency and accountability in public procurement. The NPPA, which was established under the Public Procurement Act of 2004 (repealed and replaced with the Public Procurement Act of 2016), is mandated with the task of overseeing and monitoring procurement across MDAs and local councils, building capacity and assisting with policy formulation. The NPPA has made significant reforms to the public procurement system, creating regulations to support the implementation of the Public Procurement Act, developing user-friendly manuals for compliance with the regulations, and producing standard bidding documents and requests for proposals. The NPPA does not have enforcement powers however it can refer any cases of non-compliance with procurement laws to the ACC. The GoSL has outlined in the MTNDP plans to make the procurement process easier and more transparent, including by migrating to an e-procurement system. Procuring entities must prepare a procurement plan for each fiscal year. The Annual procurement planning are fully integrated with applicable budget processes. Procuring entities can revise and update their procurement plans as appropriate in consultation with the Ministry of Finance and the National Public Procurement Authority, during the course of each fiscal year.
3: Logistics
The Port of Freetown, the principal commercial port in Sierra Leone, is the most important entry gate for trade and commerce to the country. The Freetown Port (Queen Elizabeth II Quay) is located within the busy and congested eastern end of the city. It serves as the major logistics hub for Sierra Leone's imports and exports. As an essential component of the country's economic prosperity, this land is valuable in terms of its limited area and the need to maximize its efficiency. Freetown Port has one of the finest natural harbours on the West African Coast, with a well-protected anchorage, a draft at berth of 7-10 meters, a length of quay of 1,067 meters consisting of 6 berths, and sizable and fenced land area allocated for the port. Historically however the port was managed below level, causing frequent delays in delivery of goods. In recent years the management of the port is outsourced to a private sector operator which has improved this situation but simultaneously the handling tariffs have increased to one of the highest levels in the region. The rather remote location of the airport however results in very limited connections to the air network. Only a limited number of intercontinental airlines serve the country and most passenger traffic is carried out by regional airlines, which do not frequently have interline agreements for transport of cargo. This makes airlift of goods relatively expensive and causes increased risks. Road transport is the most dominant mode of transport and represents about 85% of the entire transport system in Sierra Leone. 95% of the inland transport of passengers and goods is carried out on roads. Sierra Leone has a public road network of about 11,700 kilometres of which 8,700 km

are functionally classified in the National Road System. The other 3,000 km consists of local roads and unclassified roads and tracks.
The road safety situation in Sierra Leone is serious and has deteriorated over the past years, mainly due to the growing numbers of vehicles and ineffective implementation of the road safety interventions.

The Government of Sierra Leone may provide relevant financial and institutional support to NGOs, in the form of duty waivers, tax allowances and other facilities to enable them develop, reinforce and sustain their organisational capacity for more effective delivery of service.

The GOSL has mandated the Ministry of Finance and Economic Development (MOFED) to approve all duty waivers. In the case of NGOs, the Ministry scrutinises NGO applications for duty waivers and recommends approval to the Minister of Finance. Duty waiver applications (including permit clearance) from NGOs will only be granted by the Ministry of Finance & Economic Development after recommendation by the Director General. The process to apply for a Tax and Duty Exemption can take around 15 working days.

Sierra Leone custom clearance requires the following documents in order to be allowed to enter:

- Invoice/Packing List
- Bill of Lading/ Airway bill
- Donation/Non-commercial certificate
- Import Certificate from Pharmacy Board of Sierra Leone

Eswatini

2: Procurement Process
The Procurement Act No. 7 of 2011 established the Eswatini Public Procurement Regulatory Agency (ESPPRA) as an independent regulatory body. The Act empowers the ESPPRA or the "Agency" with responsibility for policy formulation, regulation, oversight, capacity building and professional development, information management and dissemination in the field of public procurement in the Kingdom of Eswatini. Transparency of the Public Procurement in Eswatini is thorough with even evaluation reports of tender process readily available on the website. The process will take a minimum of 4 months, depending on the methodology. The more complex and how higher the amount of the tender, the more entities will have to approve the tender outcome before contract award and the longer this phase thus will take. • Pre-qualification – 14 to 21 days • Tender phase – 21 to 42 days • Evaluation – not defined • Contract award – not defined
3: Logistics
The Kingdom of Eswatini Swaziland is a small landlocked country which covers just over 17 000 square kilometres. It is situated between the Republic of South Africa and Mozambique. As a landlocked country, cargo also needs to be transported overland.

Swaziland Railways' Inland Container Dry Port (ICD) is the only port of entry and point of departure for containers via rail from South Africa and Maputo ports.

The airport has limited capacity and can only be operated by small aircraft. The most commonly used routing for air cargo requires intermodal transport through Johannesburg, however this system functions rather quick and smoothly.

In recent years Eswatini has invested in expanding the railway network in cooperation with South Africa. The project's main objective is to support a modal shift from road to rail and will improve integration of over-border logistics between South Africa and Swaziland. Significantly improve freight capacity between the hinterland and the Richards Bay and Maputo ports, thereby contributing to the improvement of vital logistics chains in the SADC region, a strategic goal much supported by development agencies the world over. The targeted completion date is Q3 2023.

Import documents required for donated goods and Governmental purchases are restricted to:

- Invoice
- Packing list
- Waybill

Import processes and obtaining duty waivers are quick and rarely cause problems if documents are prepared well.

Kenya

2: Procurement Process

The Public procurement system in Kenya has undergone significant developments. The system had no formal regulations in the 1960s. Treasury Circulars for procurement purposes were implemented between the 1970s and 1990s. In 2005, the first Public Procurement and Disposal Act (PPDA) was enacted followed by the Public Procurement and Disposal Regulations (PPDR) in 2006. Following the entrenchment of procurement in the Constitution of Kenya 2010, these laws were repealed by the enactment of the Public Procurement and Assets Disposal Act (PPAD) of 2015 and the attendant Public Procurement and Disposal Regulations (PPDR). These legislations provide a strong legal framework on which the fight against corruption in public procurement is anchored.

In recent years we have seen reports from the Auditor General on widespread misuse of public funds through weak financial controls and failure to properly account to funds spent. Anomalies such as failure to adhere to procurement laws are cited in the reports. Most violations have made it impossible for the Auditor General to confirm accurately the completeness of the financial transactions. Second, the value for public money could not be ascertained in most of the cases. In various instances, the procurement violations have led to delays in implementation or complete failure to complete the projects.

The Open tender Method is the preferred method of procurement and alternative Procurement methods are used only if specific conditions are met. The Procurement Threshold Matrix has to be adhered to when using this method.

The thresholds for Goods are:
For Class A Procurement Entities - Ksh. 6.000.000
For Class B Procurement Entities - Ksh. 4.000.000

For Class C Procurement Entities - Ksh. 3.000.000

The process will take a minimum of 3 months.

- Pre-qualification – 3 weeks
- Tender phase – 1 month
- Evaluation – 1 month
- Contract award – 14 days

3: Logistics

The Kenyan Northern Corridor is the busiest and most important transport route in East and Central Africa, providing a gateway through Kenya to the landlocked economies of Uganda, Rwanda, Burundi and Eastern DR Congo. It also serves Southern Sudan since it broke away from Khartoum. The main Northern Corridor transport network is connected to the Port of Mombasa and includes a road network; railways; rail-lake transport; inland water routes; container terminals commonly regarded locally as ICDs (Inland Container Depots); Tororo Inland Port - whose contract was awarded to Great Lakes Ports Limited of Kenya amid opposition from clearing firms and truck transporters; plus an oil pipeline.

The regional hub function of Mombasa is frequently the cause of port congestion and operational delays, however improvements have been established in the past years.

The alternative transport network serving the landlocked Great Lakes Region is through Tanzania, called the Central Corridor linked to Dar es Salaam.

Nairobi airport has adequate possibilities for air cargo operations by all types of aircraft and is a major hub for a large number of intercontinental airlines and cargo aircraft operators, mainly due to the large quantity of export cargo which is usually shipped by air (fresh fruits, vegetables and flowers).

Due to this Nairobi airport also has large cold store facilities.

All imports will normally be cleared from customs on presentation of the documents listed below. Please not that not all of the following documents may be required.

Duties and Taxes Exemption Application Procedure Generalities (include a list of necessary documentation):

- Two original Bills of Lading, one ‘no charge’ invoice / supplier invoice / packing list Certificate of Origin and Certificate of Conformity (not required by UN agencies).
- Rail Consignment Note (RCN - for rail transport)
- Ministry of Finance Duty/Tax Exemption Letter (food imports) Customs Import Entry Form C63 Conversion into Home Use Letter.
- Certificate of Manufacture / Expiry Date (only required if the Duty & Tax Exemption Letter is not timely received, where the cargo is temporarily cleared in transit).

The overall process for tax exemption should take 5-7 working days in average, however the system turns out to be quite inflexible and slight inconsistencies in the documentation may cause delays of 1 to 2 months.

Kenyan custom clearance requires the following documents in order to be allowed to enter:

- Invoice/Packing List

- Bill of Lading/ Airway bill
- Donation/Non-commercial certificate

The estimated time for Customs clearance, for overland road transport is one to two days, provided that all necessary documentation is in order.

Despite its status regionally, Kenyan Port Authorities had over the years restricted the volume of transit cargo to avoid congestion due to limited handling and storage capacities at the port of Mombasa.

For several years, those restrictions impacted the port negatively where trans-shipment traffic had stagnated at less than one percent of the total cargo containers handled at the port.

Mombasa port is currently expanding to handle increased importation of other commodities like steel. The first phase of expansion is complete where a new container terminal and dredging to enable bigger vessel access to the facility were constructed.

The second phase is currently halfway complete and entails the construction of berth 22 with a capacity of 450,000 Twenty-foot Equivalent Units (TEUs) — providing much-needed capacity amid projection of demand of two million, TEUs over the next five years.

Malawi

2: Procurement Process
The public procurement system in Malawi is regulated by the Public Procurement and Disposal of Assets Act (2017) and other secondary legislation. The Public Procurement and Disposal of Assets Act from 2017 established the Public Procurement and Disposal of Assets Authority (PPDA) as an impartial and independent institution responsible for the regulation, monitoring, oversight and enforcement of public procurement and disposal of assets in Malawi. Considering the thresholds of the procurement of Goods, the National or International Competitive Bidding procurement method would be the preferred method for Fleming Fund procurement processes.

CATEGORY	PROCUREMENT VALUE (MK)	PROCUREMENT METHOD
GOODS	Up to K30 Million	Request for quotations (RFQ) – use PPDA registered suppliers, with IPDC approval only
	K30Million – K500 Million	National Competitive Bidding (NCB)
	Above K500Million	International Competitive Bidding (ICB)
WORKS	Up to K50Million	RFQ – use NCIC List with IPDC approval only ***(For contractors in categories up to K100m on NCIC Register)***
	K50Million – K100Million	NCB using Minor Works Standard Bidding Document ***(For contractors in up to K200million NCIC category)***
	K100Million – K5Billion	NCB using Works Standard Bidding Document
	Above K5 Billion	ICB using Works standard bidding Document
SERVICES		
Consultancy	Up to K20Million (Individual)	Short listing – List approved by IPDC
	Above K20Million (Individual)	Open Expression of Interest
	Up to K20Million (Firm)	Short listing – List approved by IPDC
	K20Million – K100Million (firm)	Request for Proposals (RFP)/ (through Expression of Interest) – (local consultants only)
	Above K100Million	RFP (through International advertising of Expression of Interest-mandatory) Expression of Interest subject to prior review by PPDA
Routine	Up to K30 Million	RFQ – with IPDC approval only
	K30 Million – K100Million	NCB
Motor Vehicle Repair	Up to K5Million	RFQ with IPDC approval only
	Above K5Million	RFQ subject to prior review by PPDA

The process of International Competitive Bidding method has several distinct phases and could take up to 4 months to complete depending on the complexity of the requested goods.

3: Logistics

Malawi is a landlocked country which relies on the Port of Beira and the Port of Maputo in Mozambique and the Port of Durban in South Africa. To a lesser extent, Malawi also relies on the Port of Nacala in Mozambique and the Port of Dar-es-Salaam in Tanzania.

The country has limited service of intercontinental airlines.

The state of the road network has varied widely in recent years. Currently it is in reasonably good shape. The paved road network is generally in good to fair condition, largely as a result of large backlog maintenance programmes implemented in recent years. The unpaved road conditions tend to be dynamic and are sensitive to environment, weather and changes in traffic levels. Their condition deteriorates very fast. Most of the unpaved road network therefore require to be rehabilitated first before any meaningful routine maintenance can be applied on them and have impact.

The Railway between the Port of Nacala in Mozambique and Malawi cities has been quite insecure with theft of railway parts, damages to cargo, theft of cargo during the journey resulting in the hiring of armed safety guards are on board of trains.

All UN agencies, NGOs and embassies which have agreements with the Government of Malawi are entitled to duty free status. This process functions smooth and relatively quick.

Exemption Certificate Document Requirements:

- Invoice
- AWB/BoL/other transport document
- Donation non-commercial Certificate
- Packing List

Customs Clearance Document Requirements:

- Duty and Tax Exemption Certificate
- Invoice
- AWB/BoL/other transport document
- Donation non-commercial Certificate
- Packing List

Tanzania

2: Procurement Process

Public procurement in Tanzania is regulated by the Public Procurement Act, 2011 (PPA) and its amendment act of 2016 (PPAA), which serves as an addendum to the act of 2011.

In Tanzania, the public procurement law applies to any ministry, department or agency of the government, in addition to any corporate or statutory body or authority established by the government. Public procurement law also covers state-owned companies and local government authorities. Public procurement system in Tanzania is decentralized, meaning that all entities covered by the law conduct public procurement activities individually through means available in the country. Centralized procurement is also allowed via the framework agreements. A contracting authority is permitted to enter into a framework agreement, provided that the agreement is arranged by the Government Procurement Services Agency for procurement of common use items and services, provided that the contract is valid only between one and three years.

The Public Procurement Regulatory Authority (PPRA) is the body charged with regulatory functions and responsible for implementation of the PPL in Tanzania. PPRA has oversight powers on all public procurement activities carried by every procuring entity in the country.

One of the most important functions of the PPRA is managing the Procurement Management Information System (PMIS). PMIS is a tool to facilitate exchange of information between PPRA and Procuring Entities. PMIS support the System for Checking and Monitoring of Procurement activities by enabling online submission of Annual Procurement Plans (APP), monthly reports and Checklist forms.

IDFI labels the Tanzanian Procurement process as efficient and accountable (https://www.tpp-rating.org/page/eng/country/tanzania).

Below schedules are reflecting the sourcing brackets and the tender periods in the current legislation of Tanzania. At maximum pre-qualification will take 30 calendar days and tendering of goods will take another 30 calendar days.

Method of tendering	Goods	Works	Non Consultancy Services	Disposal of Public Assets
International competitive tendering	No limit	No limit	No limit	No limit
National competitive tendering	Up to Tshs 1,000,000,000	Up to Tshs 5,000,000,000	Up to Tshs 1,000,000,000	Up to Tshs 5,000,000,000
Restricted tendering	No limit but must be justified	No limit but must be justified	No limit but must be justified	No limit but must be justified
Competitive quotations (Shopping)	Up to Tshs 120,000,000	Up to Tshs 200,000,000	Up to Tshs 100,000,000	Not applicable
Single source procurement	No limit, but must be justified.	No limit, but must be justified.	No limit, but must be justified.	Not applicable
Minor value procurement	Up to 10,000,000	Up to 20,000,000	Up to 10,000,000	Not applicable
Micro value procurement	5,000,000	Not applicable	Not applicable	Not applicable

Serial Number	Method of procurement	Period (calendar days)
	PREQUALIFICATION STAGE	
1	International competitive tendering	30
2	National competitive tendering	21
	TENDERING STAGE	
3.	National competitive tendering	21
4.	International competitive tendering	30
5.	Restricted national competitive tendering	21
6.	National shopping	4
7.	International shopping	8
8.	Where large works are involved	90

3: Logistics

In recent years, Tanzania, in partnership with the neighbouring countries, has implemented One Stop Border Post (OSBP) concept, which aims to reduce transit costs incurred in cross-border movement by combining the activities of these countries' border organizations and agencies at a single common location. The project implementation over the last years at different border crossings has boosted trade facilitation across borders by harmonizing border control regulations and procedures, enabling expeditious and more effective border control mechanisms.

Road transport is the most widely used form of transport in Tanzania carrying over 90% of the passengers and 75% of the freight traffic in the country. The road network in Tanzania currently comprises 86,472 km of roads of which, 12,786 km are trunk roads, 21,105 km are regional roads

and the remaining 52,581 km are district, urban and feeder roads. The Central Corridor is a combination of transport routes (rail, road and lakes) that connect Burundi, the Democratic Republic of Congo (DRC), Rwanda and Uganda from the Port of Dar es Salaam in Tanzania. In the context where exchanges with Zambia are increasing, the Government of Tanzania is investing in the improvement of the road network in the southern part of the country, i.e. roads linking Dar es Salaam port and Mtwara port to Zambia borders.

The airfield infrastructure in Tanzania is composed of three international airports located in Dar es Salaam, Kilimanjaro and Stone Town. A fourth international airport in Mbeya (Songwe) is developing. In addition, the country counts more than 50 medium or small airports which are mainly used by national flight companies for passengers' transport and by private planes.

Concerning the railways network, the country counts two different gauges system operated by two different companies. In the southern part of the country, TAZARA is operating a network linking Dar es Salaam to South Africa. The rail network operated by Tanzania Railways limited (TRL) links Dar es Salaam to Kigoma, the western border, as well as Uganda and other countries located in the north of Tanzania.

Customs clearance is under the umbrella of the Tanzania Revenue Authority (TRA). In carrying out its statutory functions, TRA is regulated by law, and is responsible for administering impartially various taxes of the Central Government (TRA, 2017).

Import procedures must be followed in order to clear goods from Customs control as per the East African Community Customs Management Act 2004. Imports into Tanzania are subjected to different stages whereby the importers are advised to make declaration through their appointed Clearing and Forwarding Agent by lodging documents at least 7 days before arrival of the vessel (TRA, 2017).

In Tanzania, tax exemptions are granted for a variety of reasons, such as to adhere to international norms for those with diplomatic status, to remove tax burden from donor funded projects, to respect Government commitments in legal agreements, and to implement certain policies such as support for NGOs or for certain economic sectors to attract foreign direct investment (FDI). This system however appears to be quite rigid and inflexible. As an example experienced during the transport of central procured equipment for the Fleming Fund a duty exemption was obtained for the equipment identifying the planned point of entry as Dar es Salam Airport. Due to COVID-19, the airport was no longer served by suitable aircraft, however it was impossible to reroute the goods changing the point of entry under the same exemption.

All imports will normally be cleared from customs on presentation of the following documents, please note that not all of the following documents may be required:

- Two original Bills of Lading, one 'no charge' invoice / supplier invoice / packing list
- Certificate of Origin and Certificate of Conformity (not required by UN agencies)
- Rail Consignment Note (RCN - for rail transport)
- Ministry of Finance Duty/Tax Exemption Letter (food imports)
- Customs Import Entry Form C63

Uganda

2: Procurement Process

The main legal act regulating the area of public procurement in Uganda is Public Procurement and Disposal of Public Assets Act (PPDA act) of 2003. The act set up the Public Procurement and Disposal of Public Assets Authority (PPDA) as the principal regulatory body for public procurement and disposal of public assets in Uganda. The amendments to the PPDA law have introduced several changes prominent of which is the strengthening and enhancement of the role of PPDA in the execution of its regulatory mandate.

Despite the existing legal and institutional framework to fight corruption in public procurement in Uganda problems still remain mostly in the direction of transparency and accountability.

Thresholds:

- Open Domestic or International Bidding - >UGX 200.000.000
- Restricted Domestic of International Bidding - > UGX 100.000.000
- Quotations Method - > UGX 5.000.000
- Micro Procurement - <= UGX 5.000.000

In the Ugandan rules and regulations there are no restrictions or indications of time schedules of the various sourcing methods. From the tenders published on the procurement portal we can see that International Open Bidding can take up to 4 months while Domestic Open Bidding can take 2 months to complete. Ugandan rules and regulations provide for flexibility in the sourcing method provided that there is adequate justification.

3: Logistics

Uganda is a landlocked country and thus has no coastline or maritime claims. It therefore relies on the ports of Mombasa in Kenya and Dar-es salaam in Tanzania for most of her imports and exports. A railroad originating at Mombasa on the Indian Ocean connects with Tororo, where it branches westward to Jinja, Kampala, and Kasese and northward to Mbale, Soroti, Lira, Gulu, and Pakwach. Uganda's important road and rail links to Mombasa serve its transport needs and also those of its neighbours like Rwanda, Burundi, and parts of D.R. Congo and South Sudan.

The Northern Line from Tororo and Malaba to Kampala is 251 km. This line forms part of the Northern Corridor between Kampala and Mombasa. It provides connections to the Ports of Mombasa in Kenya through Malaba by rail and both rail and marine through Port Bell in Uganda and Kisumu in Kenya and Dar es Salaam in Tanzania through Mwanza. The rail service runs block trains carrying imports and exports.

The Air transport network is well developed with Entebbe International airport now served by over fifteen international airlines. Due to the landlocked nature of the country, air transport is of strategic importance to the Ugandan nation. It is an alternative gateway to the rest of the world and provides the most efficient and quickest transport means to Uganda and from the country to the rest of the world.

As a point of interest, the old Entebbe airport platform is used as main airbridge hub for Central Africa by the UN, which has a positive effect on reliability of the airport infrastructure.

The road transport is by far the most dominant mode of transport in Uganda, carrying over 95% of inland passenger and freight traffic.

In the past all NGO’s were tax exempt. Unfortunately the facility was abused and the Government was forced to withdraw the blanket provision. Tax and duty exemption is now granted to only diplomatic missions and on a case by case basis, depending on the status of the project for which

the exemption is being sought. If the mission or actual project/programme, is in support of a specific public service i.e. health, Water, education, environment etc., the line Ministry would facilitate the tax and duty exemption application.

The following documents support a declaration and should be availed to the customs agent prior to arrival of goods:

- Commercial Invoice
- Packing list
- Bill of Lading/Airway Bill/Railway Consignment Notes
- Sales Agreement
- RCTD/TI
- Certificate of Origin
- Import license from Uganda national drug authority before importation, certificate of analysis from exporting country.

Zambia

2: Procurement Process

In 2018, the Government of Zambia requested the World Bank's support in carrying out the assessment, which was subsequently carried out by the World Bank's Procurement team with extensive input and collaboration with Zambia Public Procurement Authority (ZPPA) and other government institutions.

The MAPS Report showed alignments with the conclusions drawn from the World Bank's 2018 Systematic Country Diagnostic for Zambia. The country has been successful in adopting best practices established by developed countries, such as laws, policies, systems, and structures. However, the capacity and performance of public institutions need further support. Zambia has an Anti-Corruption Commission that, in practice, mirrors its international counterparts but has had a limited impact on the perceptions of public funds abuses. The government has updated procurement legislation and oversight laws and structures, but these laws have not been able to guarantee transparency and efficient transactions.

Further, the MAPS report asserts that Zambia's public procurement system could benefit from further transparency, inclusiveness, prevention, and enforcement. By reducing barriers and constraints for foreign competition and the private sector to compete for government tenders. An open procurement system will drive competition and will promote better value-for-money and higher quality goods and services.

In the Zambian Procurement Rules and Regulations a number of procurement methods are defined:

- open bidding, which may be national or international
- open selection, which may be national or international
- limited bidding
- limited selection
- simplified bidding
- direct bidding
- force account
- purchases from other procuring entities, or
- community participation in procurement

The process of open/limited bidding will take a minimum of 3 months.

- Pre-qualification – 4 weeks
- Tender phase – 4 to 6 weeks
- Evaluation – 1 month
- Contract award – 14 days

3: Logistics

Zambia is a landlocked country in Southern Africa, neighbouring the Democratic Republic of the Congo to the north, Tanzania to the north-east, Malawi to the east, Mozambique, Zimbabwe, Botswana and Namibia to the south, and Angola to the west. The capital city is Lusaka, in the south-central part of Zambia.

Zambia has access to all the major ports in South Africa, as well as Beira and Nacala in Mozambique, Dar es Salaam in Tanzania and Walvis Bay in Namibia, either through road or rail transportation.

The airport of Lusaka has limited services of intercontinental airlines.

The Zambia national Railways is very important to the economy of the country as it is a bulk carrier with less effect on the environment than many other transport modes. The Government intends to expand its railway network in the country to develop the surface transport sector.

The development of rail routes linking important exit points is not only vital for facilitating smooth access to the outside but also for the overall boosting of trade in the sub-region and making Zambia a competitive country for business. Traditionally, the Zambian railways have generally operated well below their original design capacity, yet significant investment is underway to increase their volumes by investing in track conditions, increase locomotive and wagon availability and increase operating capital. The rail network remains the dominant mode of transportation for goods on the local and international routes but is under-utilized.

The main railway lines are the Zambia Railways and the TAZARA line, linking Zambia with Tanzania. The opening of the Chipata-Mchinji railway link provides connectivity into the Malawi railway network and further connects Zambia to the northern Mozambique railway network opening up new opportunities for the private sector in Zambia, Malawi, and Mozambique.

Zambia has a road network of approximately 67,671 km, 22% of which is paved. The design of the road system resembles a “hub and spoke” format with Lusaka as the hub. Virtually all trunk highways go through Lusaka. Traveling from the north to south or vice versa, is extremely difficult as the road conditions prevent bypassing Lusaka to a great extent.

There is a Zambia Revenue Authority Customs Code used on Humanitarian Aid Commodities which exempt such aid from the payment of taxes. This is done with the support of a Document called COMESA Certificate of Origin or SADC Certificate of Origin and Non Charge Commercial Invoice. This is a well function and quick process.

Duties and Taxes Exemption Certificate Document Requirements:

- Invoice
- AWB/BoL/other transport document
- Donation non-commercial Certificate
- Packing List

Customs Clearance Document Requirements:

- Duty and Tax Exemption Certificate
- Invoice
- AWB/BoL/other transport document
- Donation non-commercial Certificate
- Packing List

Zimbabwe

2: Procurement Process

The old legal and institutional arrangements for Zimbabwe's public procurement had a very high risk of encountering corruption in Zimbabwe's public procurement sector. For example, irregular payments and governance issues in connection with the awarding of public contracts, as well as favoritism in the decisions of government officials are common, and public funds are often diverted for other purposes (see the Global Competitiveness Report 2016).

The good news, however, is that the procurement reforms in Zimbabwe are making transformational changes by replacing the country's old public procurement framework with a modern system that is more efficient, accountable, and transparent.

To date, specific accomplishments in modernizing the public procurement system in Zimbabwe include the following:

- Adoption of modern Public Procurement Regulations that define the legal, institutional, and procedural framework. The Public Procurement and Disposal of Public Assets Act came into force on January 2018.
- Establishment of the Procurement Regulatory Authority of Zimbabwe (PRAZ) and Board appointed in January 2018.
- Development and promulgation of Procurement Regulations, Standard Bidding Documents (SBDs) and Guidelines.
- Development of Training of Trainers course materials. Roll out of this training program is underway whilst a professionalization and certification module is being developed.
- Development of Electronic Government Procurement (e-GP) strategy, e-GP Guidelines and Business Process Re-Engineering Report.

Tenders are normally advertised for a minimum of 20 days (national tenders) and 40 days (international tenders) which is in line with International Standards. No formal timelines are mentioned in the legislation but based on the advertisement timelines we do not expect any deviations from International Standards.

While trying to check the tender website from the Zimbabwean government we did notice that when registering as a potential supplier you will have to submit a substantial amount of information and documentation and pay for access to the different sector tender pages. This is a serious restriction of the market and will need to be taken into consideration when tendering in Zimbabwe.

3: Logistics

The three main transport modes that serve the Zimbabwean economy are roads, railways, and aviation. Inland water transport is limited and takes place mainly in man-made water bodies such as Lake Kariba. Zimbabwe's road network was once considered among the best in Africa and it was a significant contributor to the growth of the Zimbabwe economy. The provision and upkeep of the network was backed by intensive research, good experience, and the existence of appropriate

technical standards and skills in the country. The railway network connects Zimbabwe with all its four neighbours and beyond. It is a major factor in trade and economic growth within the region. Within Zimbabwe, it connects all major mining areas, heavy industrial centres as well as the major agricultural collection centres and provides much of the transport of mineral exports to seaports in South Africa.

Zimbabwe has rail network of 2,583 km, all of which is narrow gauge. The use of rail for the transport of freight also improves road safety and reduces road damage and congestion. The aviation industry provides international and local air transportation links, with Harare International Airport as the main hub. The other important airports are Joshua Nkomo International Airport in Bulawayo, Victoria Falls, and Buffalo Range. In addition, more than 200 airports and aerodromes of diverse standards and capacities are scattered throughout the country. The airports are particularly important for the country's tourism industry. Air transport also provides essential services to the mining industry in Zimbabwe with links between Harare and the major mining provinces. The World Bank report notes that almost 70,000 km of roads, equivalent to about 80% of the total network, is in need of rehabilitation. Zimbabwe has a total road network of roughly 100,000 km. The interventions to be implemented should include repairing the regional corridors which have a total length of 2,307 km. About 5% of these corridors are in poor condition and about 10% are in fair condition, giving a total length of 345 km of regional corridors that need repair. The repair work includes pot-hole patching, filling of cracks, edge repairs, replacement of road signs, etc. The second intervention would be to repair urban roads as 25% of the network is in poor condition. The government should also repair paved primary and secondary roads as well as maintain the unpaved secondary roads. It is on record that in the medium to long term, government should speed up the dualisation of major truck roads to ensure that road expansion keeps pace with increasing traffic density. The responsible Authorities for roads are Department of Roads, Urban councils, District Development Fund and Rural district Councils.

For an organisation to be classified as an NGO or voluntary/charitable or church organisation, it must register with the Ministry of Public Service Labour and Social Welfare.

The organisation may then use its status as a registered humanitarian entity to apply for rebate of duty for its importations to ZIMRA. The process appears to be well functioning and is reasonably smooth to operate.

Organisations whose operations are not registered with MPSLSW do not qualify to apply for rebate of duty.

Duties and Taxes Exemption Certificate Document Requirements:

- Invoice
- AWB/BoL/other transport document
- Donation non-commercial Certificate
- Packing List
- C152 authorised by MoFA

Customs Clearance Document Requirements:

- Duty and Tax Exemption Certificate
- Invoice
- AWB/BoL/other transport document
- Donation non-commercial Certificate

- Packing List
- Clearance from MCAZ (Medical Control Authority of Zimbabwe)

Myanmar

2: Procurement Process
Myanmar is in the early stages of public procurement reform. Public procurement reform has become a tool for the government to demonstrate to the Myanmar people that it is working to rid itself of the harmful legacies of socialism, authoritarianism, and cronyism. The first pieces of the legal and regulatory framework were only put in place in 2011, as part of the President Thein Sein government's steps to introduce more market-oriented reforms and to upgrade Myanmar's Public Financial Management (PFM) system. This system continued to evolve and by 2020 Myanmar's first Public Procurement Bill has been drafted. This legislation, and the policy and guidance that will follow it, could profoundly alter the governance of procurement policy in Myanmar by placing procurement policy under the responsibility of the union Ministry of Planning, Finance and Industry (MoPFI). With the current political situation in Myanmar it is unclear of this new Public Procurement and Asset Disposal bill will take effect as planned in 2021.
3: Logistics
Myanmar's domestic and international connectivity are inadequate for its logistics requirements for the production of goods and the movement of people. Transport links to neighbouring countries are both limited and substandard. There are limited services to the port and very limited airfreight possibilities. Supply chains predominantly rely on transit through Bangkok and on carriage by road. Due to the increasing emphasis in the Western Hemisphere on the use of sustainable forestry products and the subsequent decline of the volume of exported teakwood, this situation is likely to be worse rather than improve in the foreseeable future. Among ASEAN countries, Myanmar's roads are the most underdeveloped. Although the road network expanded to 148,690 km (92,392 mi) as of March 2012 from 90,713km in 2004, road density remains among the lowest in the region. Only 39% (57,840 km) of the network is paved and 61% (90,850 km) unpaved, with the secondary and local road network generally in poor condition and not passable during the monsoon season. The government of Myanmar has two ministries controlling transportation: Ministry of Rail Transportation and the Ministry of Transport. The Ministry of Construction is responsible for construction and maintenance of roads, bridges and airports. Only 26% of roads (39,083 km) fall under responsibility of the Ministry of Construction. The usual process to qualify for exemption of customs duties and taxes is: • Tax exemption status must be granted to the organization by the government; • For each import shipment, the government must approve a request for tax exemption, following the standard customs declaration procedure; • A "special order" procedure per import shipment can be processed to fast track a request for tax exemption and approval by the government. Documentation required: • Import Licence (Ministry of Commerce) • Commercial Invoice • Packing list • Bill of Lading/Air Way bill • Recommendation from the department concerned (in case of products such as medicines, vehicles, telecommunications equipment)

- Cover Request Letter

The application process takes about one to two weeks to receive an approval.

Laos

2: Procurement Process

Public Procurement in Laos is regulated in the Lao PDR Law on Public Procurement, No. 30/NA November 2, 2017 including the Instruction on Implementation of Law on Public Procurement, No. 0477/NA February 13, 2019.

Method of Procurement	Threshold Value (Kip)
Direct Purchase	≤ 3.000.000
Direct Purchase (approval on a case by case basis item 1.6.1.)	> 3.000.000
Request for Quotation (RFQ)	
1. RFQ (National Shopping)	> 3.000.000 to ≤ 50.000.000
a). RFQ by simple way b). RFQ	> 3.000.000 to ≤ 50.000.000 > 50.000.000 to ≤ 500.000.000
2. International Shopping	≤ 500.000.000 (Goods) not allow for Works
Limited Bidding	> 50.000.000 to ≤ 500.000.000
National Competitive Bidding (NCB)	> 500.000.000 to ≤ 5.000.000.000 (Goods) > 500.000.000 to ≤ 25.000.000.000 (Works)
International Competitive Bidding (ICB)	> 5.000.000.000 (Goods) > 25.000.000.000 (Works)

Advertising limits for each procurement method are:

From date of notification	Public Bidding or International Competitive Bidding	Limited Bidding and Price Comparison	Direct Contracting
Normal procedure	45 days	Domestic and International: 30 days	20 days
Accelerated procedure	20 days	Domestic: 10 days International: 20 days	05 days

The above time limits provide an indication of the length of the complete procurement process. For normal procedures with international competitive bidding this can take up to 4 months.

In the case of foreign grants, loans or credits, when a treaty or other form of an agreement is entered into by the Lao PDR with the concerned donor, where such an agreement does not require adherence to separate procurement procedures, these Implementing Rules and Regulations will apply. Otherwise, the procurement procedure of the donor take precedence over any conflicting provision.

3: Logistics

Laos, officially the Lao People's Democratic Republic (Lao PDR), is a landlocked country in the heart of the Indochinese peninsula of Mainland Southeast Asia, bordered by Myanmar (Burma) and China to the northwest, Vietnam to the east, Cambodia to the south, and Thailand to the west. Most of the western border of Laos is demarcated by the Mekong River. The eastern border with Vietnam extends for 2,069 kilometres, mostly along the crest of the Annamite Chain, and serves as a physical barrier between Vietnam and states of Laos and Thailand. Laos shares a 535 km southern border with Cambodia. In the north, the country is bounded by a mountainous 505-kilometre border with China and shares the 236-kilometre-long Mekong River border with Myanmar. The topography of Laos is largely mountainous, with the Annamite Range in the northeast and east and the Luang Prabang Range in the northwest, among other ranges typically characterized by steep terrain. Elevations are typically above 500 metres with narrow river valleys and low agricultural potential. This mountainous landscape extends across most of the north of the country, except for the plain of Vientiane and the Plain of Jars in the Xiangkhoang Plateau. The southern "panhandle" of the country contains large level areas in Savannakhet and Champasak provinces that are well suited for extensive paddy rice cultivation and livestock raising. Much of Khammouan Province and the eastern part of all the southern provinces are mountainous. Together, the alluvial plains and terraces of the Mekong and its tributaries cover only about 20% of the land area.

Vientiane is the main international gateway, for limited air services and road transport from Thailand.

Louangphrabang and Pakxe accept regional traffic and provide customs, immigration, and quarantine services. Another significant provincial airport is Savannakhet. The two regional airports at Luangprabang and Pakxe and the Wattay Airport at Vientiane cover international traffic and associated services.

Application for an import license must be made to the provincial trade authority where the importing enterprise is located. An import/export license is valid for the life of the business, but the owner must renew his business operation license yearly. The Lao Government offers quotas for importing duty-free vehicles to qualifying individuals and companies.

For general goods, importers are required to have the following documentation for each shipment: 1) import planning approval for each year; 2) invoice; 3) packing list; 4) transport documents; 6) bill of lading; 7) customs clearance (import) report.

Exemption from Customs duties and other obligations are available for diplomatic missions, for goods imported under a government investment promotion scheme or for certain economic zone and for other goods to be imported under specific circumstances.

Goods eligible for exemptions include: humanitarian assistance; grant aid from foreign countries; goods and vehicles for diplomatic missions; goods and vehicles by approved international organizations or international non-governmental organizations; samples and items for scientific research that are not of a commercial nature; goods brought into and out of special economic zones and specific economic zones, etc.

The importing organization or agency is required to submit (well in advance), a written notification of arrival and application for exemption (indicating details of the commodities) to the relevant partner government ministry (usually the Ministry of Foreign Affairs, Department of International Organizations). Depending on the nature of the good, the ministry may seek internal approvals (e.g. protocol department) or supporting documentation from another ministry (e.g. Ministry of

Transport for Vehicles). The partner ministry will then issue a request for tax exemption addressed to the Lao Customs Department. Reference may be made to the Memorandum of Understanding (MOU) between the humanitarian organization or agency and the partner ministry. The request for tax exemption is presented to Customs together with the declaration form and all supporting documents: Commercial Invoice; Bill of Lading or Air Way Bill; Packing List; Certificate of Origin, etc.

Pakistan

2: Procurement Process
Government procurement in Pakistan is overseen by the Public Procurement Regulatory Authority (PPRA), an autonomous body based in Islamabad which was established by the Public Procurement Regulatory Authority Ordinance of May 2002. The PPRA is responsible for issuing regulations and procedures for public procurement undertaken by federal level public sector organisations. Its brief is to improve the governance, management, transparency, accountability and quality of Pakistan's public procurement. The PPRA also monitors other public sector agencies' procurement activity. The procurement reforms of last one decade have significantly improved the legal and institutional framework for public procurements in Pakistan. The existence of procurement laws and rules are broadly in line with the international standards and are based on principles of fairness, transparency, accountability, efficiency and value for money making it reflective of a reasonably effective public procurement regime. In practice, however, substantive qualitative change has not been observed in procurement practices of procuring agencies. Although 'First generation procurement reforms' in Pakistan have addressed all the basics i.e. laws/regulations, standard documents and so on but the performance of public procurement system is still less than satisfactory. Some work undertaken by the World Bank suggests the lack of clear incentives for a stronger focus on result and outcomes by procurement officials, uncertain budgetary resources, the culture of rent seeking and disregard for the law, the capture of systems by interest groups, bureaucratic turf battles and weak social demand for good procurement and accountabilities are amongst the causes of this situation. Reforms have to go beyond fixing the machinery to transforming the culture and behaviour of all involved including the policy makers and the political class. As per procurement rules and regulations, the procuring agencies shall use open competitive bidding as the principal method of procurement for the procurement of goods, services and works. Other methods are: • 3 quotations – for amounts between 100.000 and 500.000 Pakistani Rupee • Direct contracting for spare parts or supplementary services • Negotiated tendering – very specific supplies or in extreme urgency Response times should not be less than fifteen days for national competitive bidding and thirty days for international competitive bidding. The Government of Pakistan is allowing donor agencies to undertake their own procurement for equipment and supplies which are not funded by the National Government.
3: Logistics
There are 14 National Highways (8,600 km), 5 Motorways (767 km), and two Strategic Roads (270km) in Pakistan. N5 is the longest and most important National Highway. N-55 is the second longest National Highway. N-25 is an important international and national highway connecting Karachi with Quetta and Chaman on the Afghanistan border.

There are many topographical obstacles on the National Highways. For example, the Kohat tunnel has only 2 lanes despite the importance of N-55. N-70 has a very dangerous mountainous section between D.G.Khan and Fort Munro, where on a winding section, rocks stick out over the road, and slopes are very steep.

The major function of National Highways is to carry inter-provincial traffic or long distance traffic along national corridors, connecting the major cities. Accordingly, National Highways have many congested cities as bottlenecks along their routes. Many bypasses have been constructed in major cities for National Highways to avoid congestion. However, soon after opening a bypass for a city, the city begins to grow along the bypass, and the growth continues until the bypass soon ceases to function properly. This is where more controlled access to national highways could alleviate the situation.

Issues: Overloading by trucks is a typical phenomenon in the transport sector in Pakistan. It is common for 2-axle trucks, having a high vertical limit on the rear, carry heavy loads to the extent of the dimensional limit instead of the tonnage limit. Overloading causes severe road maintenance issues due to the weight over the capacity of the pavement, as well as unwanted road accidents.

Karachi is known as the gateway to Asia due to its geographical and strategic location. Karachi Port is now handling over 11.74 million tons of liquid cargo and 25.45 million tons of dry cargo, including 1,213,744 TEUs (Twenty-foot Equivalent Units) which constitute about 60% of import/ export of the country.

Islamabad International Airport is the main international airport serving the Islamabad-Rawalpindi metropolitan area and its suburbs. It is built 20 km west of the twin cities near the Kashmir Highway and Motorway Interchange.

The airport commenced full operations on 3 May 2018, replacing the defunct Benazir Bhutto International Airport. It is one of the largest airports in Pakistan in terms of passenger capacity, capable of serving 9 million passengers every year in its first phase. Further planned expansions will allow it to serve up to 25 million passengers a year. Additionally, Pakistan Civil Aviation Authority is acquiring 2,833 acres (11.46 km2 / 4.42 sq mi) of land to build a third runway at the airport. Furthermore, it is the first and only airport in Pakistan capable of handling the Airbus A380. A metro road track has been built to connect the airport with Islamabad for commuters, expected to be operational during the second half of 2020.

Custom documents for clearing:

- Airway Bill original copy (scanned airway bill sent in advance)
- Consignee has been registered on the WEBOC system
- National Tax Number for consignee
- Import Invoice and packing List to check and verified against the banned items list
- Agreement/MOU with Government
- Letter for Exemption
- Authority letter addressed to the Deputy Collector of Customs Islamabad in favour of clearing agent

Registering in the WEBOC system can take up to a month and same time schedule for obtaining import licenses. Once all paperwork is in order, actual clearing of goods should be relatively easy.

Papua New Guinea

2: Procurement Process
Papua New Guinea's public procurement framework as set out in the Public Finances Act 1995 has most recently been replaced by a substantially different framework as set out in the new National Procurement Act (NPA). This is the most significant reform to the management of procurement in Papua New Guinea for over 20 years. The NPA abolishes the Central Supply and Tenders Board and creates a new National Procurement Commission. The new law also provides revised procurement thresholds and gives local companies exclusive rights to bid for State contracts valued at under K$10 million (USD…). All public bodies, except those certified as having procurement capacity, will have all their procurement capability withdrawn and all procurement will be undertaken by the new National Procurement Commission. Where there is a conflict between the new procurement laws and a condition imposed by the donor of funds (e.g. foreign government aid agencies or international organizations such as the World Bank or ADB), the conditions of the donor shall prevail with respect to the procurement that uses the funds. This ensures that donors can stipulate that their funding is conditional upon the provider of goods, works or services originating from the country of the donor. The NPA was passed by National Parliament on 12 September 2018 and has been certified on 28 November 2018 and is now awaiting public notice in the National Gazette by the Head of State before coming into operation. Considering significant change and the fact that the new law still awaits public notice we expect that it will take time before all government bodies are implementing under the new law and have adjusted their rules and regulations. The new Papua New Guinean National Procurement Act sets out to make universal provision for government procurement at all levels. Further steps need to be taken to enhance the efficiency and effectiveness of public procurement (procurement manuals, e-procurement, framework contracts, and different procurement methods based on thresholds). With regards to efficiency, the Papua New Guinean new National Procurement Act identifies different brackets on different level of authority. For the highest level of authority the brackets for restrictive sourcing seem to be in line with international standards. However, on lower levels of authority these brackets change and efficiency of the procurement methods seems to deteriorate. Papua New Guinean Good Procurement Manual indicates clear timings of each stage of the procurement process. Pages A-14 to A-18 provide an overview of all actions/phases in the procurement process including task ownership, timings and conditions. Depending on the bidding period the total procurement process can take between 3 and 4 months.
3: Logistics
Lack of Competition in International Shipping results in high prices and limited infrequent international access through either Indonesia or Singapore. Papua New Guinean custom clearance requires the following documents in order to be allowed to enter PNG territory: • Invoice showing the correct value, quantity, description, etc. • Bill of Lading or Air Waybill • Packing List • Customs Valuation Declaration • Certificate of origin and value (if applicable)

• Import Permits/ Licences/ Applications, etc (if prohibited/restricted) • Any other documents as may be required by Customs When all necessary documents are available the custom clearance process will take a proximally 5 to 7 working days from date of arrival of the goods, depending on containers being subject to additional control by customs. Inadequate highway infrastructure and challenging terrain which make efficient overland transport nearly impossible.

Timor Leste

2: Procurement Process
Although Timor-Leste shares some of the characteristics of Pacific island countries, it looks to Southeast Asia and the membership of the Association of Southeast Asian Nations (ASEAN). Goods and services in Timor-Leste are expensive compared with ASEAN member countries. The high costs reflect a small market, low economies of scale in production, and high trade costs, which are also faced by other developing countries in the Pacific. Issues in the Public Procurement in Timor Leste include lack of competition, corruption, gaps, and ambiguities in the legal framework, and capacity constraints. Significant resources were invested in preparing a package of procurement reforms, including replacing existing decrees with single, updated procurement law. These reforms did not progress due to a change in political priorities during 2020, but should now be revisited to ensure that public procurement is as transparent and competitive as possible. The Procurement Legal Regime—Decree Law sets out the procurement processes which must be carried out by government procurement officers for purchases on behalf of the Government of Timor Leste. The processes and documentation system is explained in a series of Guides. A summary of the key procurement processes:

Request for Quotation (RFQ) • purchases less than $100 000	A standard process of requesting and obtaining three written quotes should be used for purchases worth less than $100 000. A Certificate of Exemption is to be completed, authorised and maintained on file if three written quotes are not obtained.
Public Tender • any purchase more than $100,000	A standard process of Public Tender must be used (mandatory) for any purchase worth more than $100,000. This is undertaken through a Request for Tender (RFT), Invitation to Bid (ITB) or Request for Proposal (RFP) process. Restricted or Limited Tendering by prequalification (see below) should only be undertaken when the situation supports such an approach to the market.
International Public Tender • works over $1 000 000 • goods over $250 000	A standard process of International Public Tender must be used (mandatory) in the following cases:

• services (consultancy) over $250 000	• for the purchase of public works construction, worth more than $1 000 000 • for the purchase of goods and non-consulting services worth more than $250 000 • for the purchase of services or consultancy contracts worth more than $250 000 This is undertaken through a Request for Tender (RFT), Invitation to Bid (ITB) or Request for Proposal (RFP) process.
Limited Tender by Pre-Qualification	A standard process of limited tender by pre-qualification can be used when the technical complexity or the high value involved require a prior assessment of the financial, commercial and technical capacities of the bidders or suppliers. The pre-qualification process can take place at any time on application by a potential supplier or business. Where a pre-qualified list of bidders or suppliers has been made, limited tenders should be invited from one or more suppliers using a quotation process.
Restricted Tenders	A standard process of restricted tender can be used when the time and costs necessary to examine and assess a large number of bids are much higher than the small amount of goods, services or works to be procured. It is directed to registered suppliers who are already known to have the capacity needed.
Procedure by Negotiation	A standard process of negotiation can be used in exceptional circumstances: • when it is not possible in advance for the government to determine the technical specifications; or • when the government needs to consider more than one bid or technical option in order to be able to decide which one better meets their needs.
Procurement by Sole Sourcing	A standard process of Procurement by Sole Sourcing can be used in the circumstances set out in Articles 20 and 21 (Procurement Decree Law) for Exemptions from Quotations and Tenders. A Certificate of Exemption is to be completed, authorised and maintained on file.
Standing Offer Agreement	A process of Standing Offer Agreement entails approaching a pre-qualified supplier listed on the supplier's registry and inviting them to provide an offer in response to a prospective supply requirement. The supplier would commit to making their offer valid for a specified time period so other Ministries and government agencies could avail themselves of this 'standing offer'. In this process it is only necessary to obtain one quote as the supplier has already been vetted and a second competitive process is unnecessary.

3: Logistics

The port in Dili is the main and only international port of entry to Timor-Leste, the harbour is surrounded by a natural reef with only one clearly marked access route; the reef provides a natural protection against severe weather which can occur in the rainy season (typically November – February).

One ramp facilitating roll-on, roll-off vessels is located past the East end of the jetty, and one on the West side.

Storage facilities are very limited and the port suffers from congestion, containers where the harbour master indicates a maximum capacity of 1,000 containers can be stored on the hard standing.

Access routes by sea are restricted to infrequent services from Australia and Singapore. In this respect it should also be noted that transit goods through Australia are subject to the identical rigorous quarantine protocols as when importing to Australia.

The possibilities for airfreight are restricted to small aircraft only.

According to the ADB national road network master plan; almost the entire core road network needs rehabilitation as road conditions demonstrate premature deterioration due to lack of routine and preventative maintenance which is compounded by intense rainfall and unstable geotechnical conditions. Areas of high elevation are suffering from landslides and erosive degradation whereas low lying areas are prone to seasonal flooding. The rural road networks are of serious concern as substantial portions of the population are inaccessible for significant periods in the rainy season, creating severe challenges for organizations attempting to implement humanitarian and development programs within the rural areas.

Tax Identification Number (TIN) is required for all exemption applications and customs clearances. Customs declarations are to be submitted for all cargos whether or not the tax exempt status is approved.

Tax exemptions are granted based on the end use of the imported goods, e.g. when exempt items are no longer used for humanitarian purposes payment of duties are then due to be imposed. Organisations are required to attain their own tax exemptions, only customs clearances can be outsourced to agents.

Documents required for Tax Exemption are:

- Invoice/Packing List
- Bill of Lading/ Airway bill
- Donation/Non-commercial certificate
- Original Ministry of Health letter of approval / MoH stamp of approval is required on the invoice; written request is submitted to MoH with Invoice, WB and Packing list attached.

Timor Leste custom clearance requires the following documents in order to be allowed to enter:

- Duty and Taks Exemption document
- Invoice/Packing List
- Bill of Lading/ Airway bill
- Donation/Non-commercial certificate

- Original Ministry of Health letter of approval / MoH stamp of approval is required on the invoice; written request is submitted to MoH with Invoice, WB and Packing list attached.

Vietnam

2: Procurement Process

Public procurement in Vietnam is normally implemented through bidding. Currently, ministries and agencies have different rules on minimum values for the purchase of material or equipment, which must be subject to competitive bidding. High value or important contracts, such as infrastructure, require bid evaluation and selection and are awarded by the Prime Minister's office or other competent body.

In general, there are two models of public procurement, which are applied in parallel in Vietnam:

1. Decentralized procurement model (the most popular model currently): In this model, agencies, organizations and units, who are the end-users of the assets will directly conduct the procurement.
2. Centralized procurement model: The centralized procurement model will have a national-level centralized procurement unit and a centralized-level procurement unit at the ministerial, branch or local level. For example, all public procurements at the Ministry of Finance and the Ministry of Health are implemented by their ministerial centralized procurement unit. Those centralized procurement units will gather procurement needs of departments, organizations under their ministries and conducts the selection of contractors, and directly signs contracts with the selected contractors to supply goods and services.

Meanwhile, government procurement funded by ODA loans and grants is normally governed by regulations on tendering of relevant donors in accordance with loan agreements between the Vietnamese government and donors.

Depending on the specific forms and methods of bidding and specific contents of a bidding package, the process may vary. Under the bidding regulations, the basic bidding process may be generalized as follows:

- Bidding planning: The bidding plan will itemize the names of the bidding packages in a certain project, and information about budget, financing source, bidding method, schedule, form of contract and schedule for contract performance of each bidding package. Such a bidding plan must be approved by the "Authorized Person", who is defined, under the Bidding Law, as the person with the right to decide on the bidding project.
- Bid inviting: The Bid invitation documents must be prepared in accordance with prescribed rules and approved by an Authorized Person. The notices inviting bidders must be advertised at least 10 days prior to the issuance of the bid documents.
- Bid preparing: Bidders have at least 15 days (for domestic bidding) or 30 days (for international bidding) to prepare and submit their bids. This deadline is called "bid closing time". Before the bid closing time, bidders may also need to provide the bid guarantee as indicated in the bid documents.
- Bid opening: The submitted bids must be opened immediately after the bid closing time, on the date and at the location stated in the bid invitation documents. In this step, the main information about each of the bids will be disclosed.

- Bid evaluating: The procurement entity will review and evaluate the opened bids based on the requirements of the bid invitation documents and evaluation criteria. During this process, the bid evaluators will, based on the bidding price offered by the bidders, make necessary corrections and adjustments to determine the "evaluation price" of the bids. The evaluation price is defined, under the Bidding Law, as the bid price proposed by a contractor after correcting errors and necessary expenses for operation and maintenance. The bid having the lowest "evaluation price" will rank first.
- Bid awarding: The bid result must be approved and then announced (e.g., winning bidder, winning price, form of contract, etc.) by the Authorized Person. The contract will be finalized and entered between the procurement entity and the winning bidder. If parties fail to negotiate and finalize the contract, the procurement entity will invite the next ranking bidder to negotiate and sign the contract.

3: Logistics

Vietnam has a 3,200km long coastline with a total of 114 seaports, 14 of which are relatively large and named as the keys to economic development. However, most ports are relatively small with obsolete facilities and poor supporting services. The three largest ports of Vietnam are Ho chi Minh Port (south), Hai Phong Port (north), and Da Nang Port (central). Compare them to some major seaports of Thailand and Malaysia, when juxtaposed with them, the three main ports of Vietnam seem diminutive in terms of maximum vessel size allowed and storage capacity in despite the roughly similar size of berth lengths. All three ports however are adequately integrated in international trade routes.

Also Hanoi and Ho Chi Minh, and to a lesser extend Da Nang have adequate connections for intercontinental airfreight.

It should however be duly noted that road connections are rather unsecure and often disrupted. This results in high risk and costings for long distance road transport.

Due to the shape of the country it is therefore advisable to enter the nearest port for the region of destination, as opposed to usual practice to consolidate consignments per country.

When carrying out customs procedures for exporting and importing goods, the customs declarers must submit and present a customs dossier at the headquarters of Customs Sub-branch and be responsible for legality and lawfulness of customs dossiers and accurateness of declared contents on customs declaration form.

Documents to be submitted and presented:

- The import goods declaration forms: 2 originals
- The goods purchase and sale contract or papers of equivalent legal value: 1 duplicate
- Donation Certificate
- The commercial invoice: 1 original
- The bill of lading: 1 duplicate

Documents to be additionally submitted for the following cases:

- The packing list of goods (for lots of goods of many categories): 1 original & 1 duplicate
- The import goods declaration forms (for cases applied according to GATT): 2 originals
- The import permit of the competent State body (for goods on the list of goods banned from import or subject to conditional import):
  - Single importation: 1 original
  - Multiple importation: 1 duplicate, submit the original

- The certificate of origin (C/O) (for cases requiring the submission as prescribed): 1 original
- The entrusted import contract (if undertaking the entrusted import): 1 duplicate
- The written registration for goods quality inspection or inspection exemption notice issued by the State quality inspection agency (for import goods included in the list of those subject to state quality inspection): 1 original
- The written quarantine registrations issued by quarantine agencies (for import goods subject to quarantine): 1 original
- When carrying out customs procedures for goods imported through seaports, the customs declarers must additionally submit the delivery order (D/O).

Obtaining import licences can take up to 2 months.

Bangladesh

2: Procurement Process

Bangladesh has been making continued efforts for over a decade to bring a systemic change to its public procurement system. Following the recommendations of the Country Procurement Assessment Report 2002 (CPAR 2002), the GoB implemented two procurement reform projects with the technical and financial support from the World Bank and is currently implementing the third reform project. A robust public procurement system has been established including procurement law, secondary legislation and associated standard bidding documents. A nodal agency, the Central Procurement Technical Unit (CPTU), under the Implementation Monitoring and Evaluation Division (IMED) of the Ministry of Planning, has been established. An extensive capacity development program has been institutionalized and has trained over 37,000 stakeholders from 2008 to 2019, mostly procurement officials and bidders. A comprehensive electronic government procurement (e-GP) portal has brought the entire procurement process online.

Competitive bidding is the default method of procurement and the PPA 2006 and PPR 2008 set out the conditions under which less competitive methods of procurement can be used. In the case of goods, works and physical services, apart from the preferred open tendering method (OTM)(single stage single envelope), other available methods are the limited tendering method (LTM), the two stage tendering method (TSTM), the direct procurement method (DPM) and the request for quotations method (RFQM). In addition, in 2010 the one stage two envelope tendering method (OSTETM) for turn-key and large and complex supply-installation of plant procurement was also introduced. All of these methods can be used in both national and international markets. In the case of consultancy services, the available methods are - quality and cost-based selection (QCBS), selection based on fixed budget (FBS), least cost selection (LCS), selection based on consultants' qualification (SBCQ), selection of community organization (CSOS), single source selection (SSS), design contest (DC), and individual consultant selection (ICS). Agencies generally use the open tendering method (national competitive bidding) for goods and works. Methods other than OTM in goods and works and QCBS and FBS for services require justification and approval by the head of the agency before being initiated.

Minimum time frames for preparation and submission of tenders are prescribed in the PPR 2008 and provide a range (of days) depending on value and methods - from minimum 14 days for contracts with a value up to BDT 20 million (approx. US$ 0.24 million) to 28 days for contracts with a value above BDT 50 million (approx. US$ 0.60 million) and 42 days for all ICT contracts. In case of re-advertisement, time limits are almost half of these.

3: Logistics
As a country situated by the sea Bangladesh has a large coastline of 580 km spread across the southern part of the country where it is joined with the Bay of Bengal. The ports situated by the sea have given Bangladesh opening for business, economic growth and a connection with the rest of the world. Although still being a developing country, like most of the developed countries majority of the economy in Bangladesh depends on these seaports, as 90% of the export and import both are conducted through these ports. The main road network of the country is under the Roads and Highways Department (RHD). Maintenance of the roads including bridges is carried out by RHD. There is approximately 21,483 km of roads under this department. The road network capable to carry vehicles has increased significantly and is increasing every year. Bangladesh government realises the importance of road maintenance and the RHD has given more emphasis on this subject. Only a few years back there was no proper planning and system for road maintenance and international agencies assisted the Government of Bangladesh to address and solve the problem. Bangladeshi custom clearance requires the following documents in order to be allowed to enter: • Invoice/Packing List • Bill of Lading/ Airway bill • Donation/Non-commercial certificate • Import license

Bhutan

2: Procurement Process
Since first of July 2019 new procurement rules and regulations have come in place. The new Procurement Rules and Regulations are available online and include a good number of Standard Documents for Procurement of Goods, Services and Works. These standard documents seem to be more in line with Quality and Cost Based Selection compared to the former documents. “Cost of major replacement components, mandatory spare parts, and service”, “Availability in Bhutan of spare parts and after sales services”, “Projected operating and maintenance costs” and “Performance and productivity of the equipment” are defined as evaluation and qualification criteria in the standard documents for procurement of goods with a value above Nu. 0.500 Million. For procurement of goods of low value, only lowest price is accepted. What remains in the new set of rules and regulations is that the public procurement legislation in Bhutan has many restrictions for using international tendering. Therefore, the staff of Ministry of Health and Ministry of Agriculture and Forest has hardly any experience with international tendering. An example of the implications of the restrictions on International tendering is the purchase of a simple weighing scale by the National Centre of Animal Health. Through local tendering the lowest price for the weighing scale as on the picture below was USD 500. A quick search on the internet resulted in a price of USD 5 for the same item in India. The local market actors do not have a great deal of knowledge about high-tech medical equipment and will therefore not be able to facilitate the access to the market for quality based goods. On the other hand, local traders are very well aware of the shortcomings of the Public Procurement System and price levels have been adjusted accordingly.

The procurement system in Bhutan Government agencies work with Annual Procurement Plans. If the procurement is not budgeted in the plan, it is not impossible but will be difficult to get approved. Donor funded procurement will be approved throughout the year, depending on the contract conditions with the Donor. The procurement cycle in Bhutan is quite extensive and contains relatively many checks and balances throughout the entire process. When dealing with an open bidding procedure, the process can easily take up to 4 months.

Open bidding:

- Pre-qualification – 20 days
- Tender stage – 45 days
- Evaluation – 30 days (not specified)
- Standstill – 10 days
- Contract signing – 30 days

Limited bidding:

- Pre-qualification – 20 days
- Tender stage – 25 days
- Evaluation – 30 days (not specified)
- Standstill – 10 days
- Contract signing – 30 days

Limited enquiry:

- Pre-qualification – 20 days
- Tender stage – 5 days
- Contract signing – 30 days

Direct contracting:

- By mutual agreement

3: Logistics

Bhutan is a land-locked country and relies on the Kolkata Port in India for handling practically all of its sea freight imports. The Kolkata Port Trust manages two separate dock agglomerations - the Kolkata Dock System (KDS) and the Haldia Dock Complex (HDC).

The Royal Government of Bhutan (RGOB) plans to construct one (mini-) dry port at Phuentsholing. The dry port is expected to be ready for operation by end 2019. This dry port is one of the three South Asia Sub-regional Economic Cooperation (SASEC) project components with the Phuentsholing Thromde (Municipality). The Asian Development Bank (ADB) is funding the project with a grant. Once the mini-dry port is operational, congestion at the current customs clearing space is expected to be eased as most trucks will then be diverted to the dry port. Traffic congestion in Phuentsholing town is also expected to be lessened. With the dry port ready, a cargo area that will be able to accommodate more than 45 trucks would be in place. Sufficient space for customs clearance and other works related to import and export will also be available. The dry port will be connected via the second gate from the Bau Bazaar area in Jaigaon, which is expected to be ready soon. A bypass dubbed the Northern Bypass will also be constructed through the port.

Paro is the only international airport in Bhutan. It is located in a deep valley at an elevation of 2,243 metres (7300 feet) above sea level. It is 6 km from Paro town and 55 km from the capital city, Thimphu. With surrounding peaks as high as 5,500 metres (18,000 feet), it is considered one of the

world's most challenging airports to negotiate. Therefore, only with the help of a certified pilot, foreign aircraft can land at Paro. Flights to and from Paro are allowed under visual meteorological conditions only and are restricted to daylight hours from sunrise to sunset.

The Airport has very limited spaces for parking on the apron and can accommodate only up to five Airbus 319s. There are two airlines operating from Paro, Drukair and Bhutan Airlines. Drukair has three Airbus 319s and one ATR-42, while Bhutan Airlines has two Airbus 319's. Drukair is planning to replace the A 319s with A320s – the maximum size aircraft that the airport can accommodate. This has serious implications for airfreight as only relatively small consignments can be flown in.

All UN agencies and Government approved international donors' offices that are allowed to be operational are exempted from tax and duties. However, they have to apply for exemption for each and every transaction or activity. It is based on their basic agreements signed with the host government that UN agencies and international donors' offices are exempted from tax and duties.

The documents required to apply for an exemption certificate are as follows:

- Import license
- Application for exemption duly signed by the representative or the officer in charge
- No Charge Invoice

Import licenses can be processed from: Department of Trade, Ministry of Economic Affairs. The import license form can be downloaded from this website (www.trade.gov.bt).

IDEC (Import Duty Exemption Certificate) and BST (Bhutan Sales Tax Exemption certificate can be processed from: Department of Revenue and Customs, Ministry of Finance (www.mof.gov.bt).

Indonesia

2: Procurement Process

The Indonesian government seems to be aware of its shortcomings and challenges in public procurement and has in the past decade spend time and efforts to improve the public procurement system. In the past Procurement was manually and traditionally managed, run by temporary committees who had to work on procurement on top of their core tasks. In 2007 Government of Indonesia established the LKPP agency because there was a need of procurement system with clear regulation and procedures, better institutions, capable human capitals, transparent and accountable business process, and legal problem handling based on justice.

With the modernization of government procurement system and professionalization of procurement officers, government procurement officers will be part of public service providers and will receive professional training on the formal guidelines and procedures of procurement.

On the 1st of July 2018 the Presidential Regulations 16/2018 on procurement that has come into effect. Regulation 16/2018 regulates the procurement of goods/services by government agencies (i.e. Ministries/Institution/Regional Government Agencies) that are wholly or partially financed through state/regional budget.

Regulation 16/2018 tries to simplify the procurement rules by putting details of the procurement procedures as much as possible in the implementing regulations, e.g. the Head of Public Procurement of Goods/Services Agency (LKPP) Regulation. The Head of LKPP Regulation is easier to

amend and, therefore, it is expected to change more easily with development in business practice. The downside of moving the procedures to the implementing regulations, however, is that we currently do not know how the new rules will be applied in practice until the implementing regulations are issued. LKPP has had several target/deadlines to publish the implementing regulations, until now this has not yet happened.

The official documents that are available on the LKPP website are all in Bahasa Indonesia and have not been translated into foreign languages.

3: Logistics

Indonesia custom clearance requires the following documents in order to be allowed to enter Indonesian territory:

- Packing List
- Bill of Lading/ Airway bill
- Insurance Policy
- Receipt of payment of import duty and import related taxes (SSPCP)
- Power of Attorney if submitted by Customs Broker
- HS code

When all necessary documents are available the custom clearance process will take a proximally 5 to 7 working days from date of arrival of the goods, depending on containers being subject to additional control by customs.

Even though Indonesia has 25 strategic ports and 27 airports with international status, domestic and international transport hubs are focused on Jakarta, in Java, creating major challenges for inter-island connectivity and development. Many of the inter-island connections are conducted through small commercial and non-commercial ports and hundreds of small domestic airports.

There are high cost differentials among regions on products like staple foods and basic products for industry and construction, which leads to constraints on development. According to the World Bank, the cost of shipping of a 40ft container from Padang on the coast of West Sumatra to Jakarta is currently USD600, while transporting the same container from Jakarta to Singapore costs USD185, despite the latter being further away. In addition, differences in logistics costs are an important reason why rice prices in one province can be up to 64% higher than in another (World Bank 2010).

Nepal

2: Procurement Process

The Nepali Public Procurement legislation and regulations are monitored by the Public Procurement Monitoring Office (PPMO) which falls directly under the Office of the Prime Minister. PPMO is responsible of developing procurement manuals, instructions and standard bidding documents for all public procurement and functions as a secretariat of the Procurement Review Committee.

Nepali procurement legislation scores low on:

- Value for Money indicators; and
- Proportional Effort Assurances (efficiency) in the public procurement system.

With regards to Value for Money indicators, it was observed that the legal framework only allows for cost-based evaluation of bids, instead of Quality and Cost based selection (QCBS). A result

thereof is that at several occasions sub-standard supplies have knowingly been procured, resulting in inconsistency in the performance of the laboratories.

With regards to efficiency; the Nepal legislation identifies only three brackets:

- Direct Purchasing <= NPR 150.000
- Sealed Quotation NPR 150.000 – NPR 5.000.000
- Open Bidding >= NPR 5.000.000

Thresholds for procurement are put in place to ensure the most efficient procurement method is used. The higher the anticipated value of the goods, works or services, the more effort is required from potential suppliers. In Nepali procurement procedures, several restrictive procedures are embedded for relatively low value purchases such as mandatory provision of bid-bond and performance bond by (potential) suppliers in all procurement methods and disproportionate details on financial status and past performance are to be provided by suppliers. This means that the efficiency of the procurement system is compromised that it is questionable if the procurement process reaches out to the entire potential market.

Moreover the efficiency of the system is hampered by the mandatory use of "one size fits all" bidding documents. The legislative requirement that all bidding documents issued have to be approved by the PPMO has a clearly evidenced negative effect on the downstream implementation.

All organisations are obligated to use the standard bidding documents developed by PPMO. These bidding documents have been developed with focus on works contracts and are not sufficiently adjusted to fit a goods or services tender process. Procuring entities have submitted tender documents specifically designed for procurement of pharmaceuticals, medical equipment and laboratory supplies but a response from PPMO is taking at least 6 months.
PPMO is currently developing a tender process including standard documentation for Framework Contracts, this is however not yet implemented and thus not possible in Nepal at this point in time.

Tender processes can take significant time due to the lack of efficiency.

3: Logistics

Located between China in the north and India in the east, west and the south, Nepal's trade competitiveness suffers from delays when passing through sea-ports in neighbouring countries, inefficiencies at land border crossings, and limitations on routes for transit cargo. Lack of efficient transit increases the costs of transportation and logistics, pushing up the prices of imported, essential, and nonessential consumer goods, as well as the prices of inputs.

The sea port of Kolkota is the main entry point for international cargo imported to Nepal. The Kolkata Port Trust (KoPT) manages two separate dock agglomerations: Kolkata Dock System (KDS) in the centre of Kolkota and Haldia Dock Complex (HDC) located 80 km South of KDS on the Haldia river, closer to the Bay of Bengal. The main cargo handled at HDC is petroleum, chemicals, coal, iron ore and steel, while KDS is the main port for containers, coal and fly ash. Birgunj Inland Container Depot (ICD) at Sirsiya is 924 kms away from KDS port; 2-3 days by cargo vehicle. Containers can be transported by Indian Railways which must wait until a full train of 90 container wagons is collected before dispatch, which takes three days to reach Birgunj. During dry season November to February, access to Port of Kolkata is limited due to low draft in the access river, leading to increased waiting times at the port.

Nepal's domestic logistics infrastructure is unreliable; problems compound due to the rugged, mountainous terrain. Movement through road or air network should be carefully planned particularly during the monsoon.

Domestic airports have an important role to connect people across the country and are heavily used in rural areas in times of distress when road connectivity is limited. Presently, the country has 26 domestic airports in operation, with the least number of airports (3) in Province 2 while Province 1 has the most at 12. Domestic cargo movement was estimated to be 3693 MT in 2018. The terrain and high altitude of some deliveries mean specialist advice is always necessary, particularly during the monsoon from June to September.

Most airports outside Kathmandu have no material handling equipment, re-fueling facilities, adequate firefighting capacity, and limited or no storage capacity.

Request for exemption is first sent to the Foreign Aid Division of the MoF. Once the Finance Secretary or the Minister (depending upon the threshold) approves the request, the approval is sent to the Customs Department at the intended entry point where an Import Permit will be issued. Generally importers or exporters within the territory of Nepal have to furnish the following shipping documents regarding their importation or exportation of commodities:

Compulsory documents:

- Import/Export declaration form (BPP)
- Invoice
- Packing list
- Letter of credit
- Certificate of origin
- Certificate of insurance
- Bill of Lading / Airway Bill
- Industry Registration Certificates
- Permanent Account Number (with VAT Registration and Income Tax Registration if not exempt);
- For goods over USD 100,000 in value: a request or concurrence letter from the relevant line ministry (for example a letter from the Ministry of Health and Population for medical supplies).

Optional documents:

- Duty-exemption letter (in case of diplomatic or exemption status);
- Airlines Delivery Order (DO) / Customs Transit Declaration (CTD) for import only;
- Generalized System of Preferences (GSP) Form A for ready-made garments and carpets exportation to India and European Union;
- Concurrence certificate from Department of Archaeology, Wildlife, Forestry or any other agency when required for exported goods.

Sri Lanka

2: Procurement Process
The new Sri Lankan Procurement Guidelines have improved the efficiency of the procurement system but further steps need to be taken to enhance the efficiency and effectiveness of public procurement (e-procurement, framework contracts, and different procurement methods based on

thresholds). More importantly, effort will have to be made to make sure all government agencies are using the 2018 Guidelines and Manuals. The fact that government agencies in the actual implementation planning and development of SOP's adjust threshold to fit their requirements should not be a problem as long as the basic guidelines and manuals used are the same.

With regards to efficiency; the Sri Lanka legislation identifies different brackets on different level of authority. For the highest level of authority the brackets for restrictive sourcing seem to be in line with international standards. However, on lower levels of authority these brackets change and efficiency of the procurement methods seems to deteriorate.

Open competitive bidding is the basis for economical and efficient Public Procurement. Depending on the nature and size of the project and its procurement elements, PE may use appropriate procurement methods out of the following to procure Goods, Works, Services and Information Systems:

- International Competitive Bidding (ICB)
- National Competitive Bidding (NCB)
- Limited International Bidding (LIB)
- Limited National Bidding (LNB)
- Shopping (International & National)
- Direct Contracting
- Force Account
- Emergency Procurement
- Community Participation in District/Divisional Level Construction
- Procurement of Works from Regional Contractors

3: Logistics

The Port of Colombo lets out into the Gulf of Mannar and is considered Sri Lanka's international hub for containers. Container offload time is approximately 3-4 days and the heaviest traffic days are Monday, Wednesday and Friday. Warehousing at the port is divided over 9 storage facilities with a total area of 34.317 m2.

Sri Lanka has a road network of approximately 100,000 kilometres sufficient for meeting 90 percent of the demand for transportation. Out of the total length of roads, maintenance and development of A and B class national roads and 4,480 bridges are vested with the Road Development Authority (RDA). Approximately another 15,000 kilometres of C and D class roads are under the purview of provincial councils. The balance is maintained and developed by the local governments and other government and private institutions. The recent war has caused many restrictions to the road network in the North of the country.

For bilateral donations of relief commodities, the donating agency has to contact the MFA in Sri Lanka. The following documents have to be sent related to the commodities:

- Cargo Manifest
- Airway Bill
- Gift Certificate
- Packing list with invoice

References

Information written down in the Country Study Report is largely derived from official Public Procurement Rule and Regulations at country level. Additional information including some analysis of the past and current regulation has been added. For this latter part some resources have been used as listed below.

Overall Resources on Public Procurement:

- The project Transparent Public Procurement Rating (TPPR) – Assessing Public Procurement Legislation and the Enforcement Process in the Eurasian Region is funded by Open Society Institute Budapest Foundation (OSI) and Hivos, which is being implemented by a Georgia-based civil society organization, Institute for Development of Freedom of Information (IDFI) together with partner organizations from various regions. https://www.tpp-rating.org

Overall Resources on Logistics:

- The Logistics Capacity Assessment (LCA) tool https://dlca.logcluster.org/display/public/DLCA/LCA+Homepage

Specific Country Level Resources:

Ghana

- Public Procurement in Ghana, AB & David Law Affiliates, 2019

Nigeria

- A Comparative Analysis of the Nigerian Public Procurement Act Against International Best Practice, Sope Williams, Stellenbosch University, April 2014 Journal of African law 59(01):85-98

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- Assessment of the Procurement System in Kenya, Public Procurement Oversight Authority, October 2007
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Zambia

- World Bank Blogs: Improving Public Procurement in Zambia and How to Get there with MAPS, Nazaneen Ismail Ali, Kristina Aquino, Sarah Reso, March 12, 2020

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- World Bank Blogs: Zimbabwe: public procurement reform to catalyze greater transparency and development, Nazaneen Ismail Ali, February 01, 2019

Myanmar

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Pakistan

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Bhutan

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- The New Public Procurement Rules: More Details Still to Come, AHP Client Alert by Assegaf Hamzah & Partners, 21 May 2018