

## INTRODUCTION

Zambia Public Procurement Authority (ZPPA) is an independent statutory regulatory body established by the Public Procurement Act (PPA) No. 12 of 2008 of the laws of Zambia and is responsible for policy, regulation, standard setting, compliance and performance monitoring, professional development and information management and dissemination in the field of public procurement.

## DEFINITION

Procurement Planning is the process of identifying and consolidating requirements and determining the time frames for their procurement with the aim of having them as and when they are required.

Procurement as defined by the Public Procurement Act No. 12 of 2008 is defined as acquisition by purchase, rental, lease, hire purchase, licence, tenancy, franchise or any combination thereof.

A good Procurement Plan will describe the process in the identification and selection of suppliers, contractors and consultants.

## LEGAL BACKING

Formulation and development of Procurement Plans is not just a good practice that must be embraced by all procuring entities (PEs) but is a legal requirement.

Section 42 (1) of the Public Procurement Act No. 12 of 2008 mandates each PE to plan its procurements in a rational manner. In particular, the Act states that a procuring entity shall:

- a) Aggregate its requirements wherever possible, both within the procuring entity and between procuring entities, to obtain value for money and reduce procurement costs;
- b) Make use of rate or running contracts wherever appropriate to provide an efficient, cost effective and flexible means to procure goods, works and services that are required continuously or repeatedly over a set period of time;

- c) Avoid splitting of procurement to defeat the use of appropriate procurement methods; and
- d) Integrate its expenditure programmes with the Procurement Plan.

Furthermore, all procuring entities are legally required to submit all their Procurement Plans to the Authority annually. In accordance with the powers vested in the Authority in Section 81 of the Public Procurement Act No. 12 of 2008 and pursuant to Section 13 (2) (f) of the PPA, Controlling Officers and Chief Executive Officers are required to submit procurement reports to the Authority as follows:

- a) Detailed Quarterly Procurement Report (QPR); and
- b) Summary Quarterly Procurement Report (QPR).

Hard copies of the reports should reach the Authority not later than the 15<sup>th</sup> day **of the month after the reporting quarter**. A soft copy of the report, in excel, should also be sent to [info@zppa.org.zm](mailto:info@zppa.org.zm). The templates for the Reports and guidelines for filling them can be accessed from the Authority website address which is [www.zppa.org.zm](http://www.zppa.org.zm). PEs should be uploading their procurement plans on the ZPPA website indicated.

## STEPS IN PREPARING A PROCUREMENT PLAN

In preparing procurement plans, PEs should ensure to do the following:

1. Assess/list the needs or requirements.
  - a. Collect the list of needs from the user departments.
  - b. Research the local market for the prices and availability of goods.
2. Determine the quantities and estimated costs.
3. Determine when the requirements shall be needed for use.
4. Identify the inter-relationships between and among the requirements.
5. Consolidate similar requirements.

6. Identify appropriate procurement methods and processes.
7. Schedule lead times for each process.
8. Prepare an implementation table and or a bar chart identifying key dates for each process.

## IMPORTANCE OF PROCUREMENT PLANNING

Procurement Planning is important for the following reasons:

- It is one of the pre-requisites for successful implementation of projects;
- Limits scope on non-compliance with agreed procurement procedures;
- Enhances transparency and predictability;
- Provides a good basis for monitoring ; and
- Facilitates efficient and effective treasury management by spreading out annual procurement activities consistent with the needs and resources available.

## CONSEQUENCES OF LACK OF PROCUREMENT PLANNING

- a. Delays in project implementation;
- b. Inappropriate procurements;
- c. Use of inappropriate procurement methods and procedures; and
- d. Increased packaging costs.

## IMPORTANT CONSIDERATIONS FOR PROCUREMENT PLANNING

1. Annual Planning should be integrated with applicable budget processes and based on indicative or approved budgets.
2. Procuring entities should revise and update their procurement plans as appropriate, during the course of each year.

PROCUREMENT PLAN TEMPLATE

S/N	Description	Planned Vs. Actual	Quantity	Amount	Procurement Method	No Objection	Bid Invitation Date	Bid Closing/Opening	Submission of Evaluation Report	Authorisation	Publication of the best Evaluated bidder	Award Notification	Contract Signing	Delivery/Completion Date
1		Plan												
		Actual												
2		Plan												
		Actual												

Therefore, Procurement Planning is vital as the adage goes 'failing to plan is planning to fail.' Good planning is 80% of the task completed and poor or no planning manifests in inefficiencies in the procurement function.

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