



# **PUBLIC PROCUREMENT, TRANSPARENCY AND ACCOUNTABILITY IN NIGERIA: DISSECTING THE BENEFITS AND CHALLENGES TO ANTI-CORRUPTION WAR**

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## **Abstract**

*Public contracting is an integral part of the public financial management cycle which has become a major platform used in the execution of development projects in Nigeria. Public contracts generate revenues through the issuance of licenses to operate quasi-public services, concession for the extraction of natural resources and sale of public property through privatization. This paper seeks to explore the issues around public procurement, transparency and accountability in Nigeria. It exposes the benefits of enthroning transparency and accountability in public procurement system while pointing out the debilitating challenges that*

*are inimical to its effective execution. The paper adopts the methodology of documentary analysis of current literature on public procurement, transparency and accountability with relative information from other climes. It concludes that an open and transparent public procurement process would lead to surmounting the much hydra-headed challenges facing the nation from realization of development projects objectives in such a manner that would lead to best value-for-money budgeted. The paper recommends among other things that major stakeholders and institutions involve in public procurement should be patriotic enough to create a level playing field for all participants. After all, a transparent and an accountable public procurement management is a reflection of the quality of governance and development of an effective egalitarian state.*

*Keywords: Public Procurement, Transparency, Accountability, Anti-Corruption, Nigeria*

## **INTRODUCTION**

Development means different things to different people depending on their socio-cultural background and exposure. However, in all circumstances it is an all encompassing word which acts as a barometer of group actualization and fulfillment. Development is a value word used to describe the process of economic and social transformation and advancement which enables people to realize their potentials, build self-confidence and lead lives of dignity and fulfillment (Ewurum, Eboh and Igwe, 2009).

Yesufu (2000) sees development as the process and result of improving the well-being of people, not a category or some categories of people but all persons within the national economy, the totality of the citizens including the baby just born right up to the oldest citizen whose life term is about to expire. Development is a concept and multifaceted phenomena.

According to Todaro and Smith (2009), development refers to as a multi-dimensional process involving the reorganization and reorientation of the entire economic and social systems. They argue that development is a physical reality and a state of mind in which society has through some combinations of social, economic and political processes secured the way of obtaining better life for its citizens. Todaro and Smith's definition is applauded for its wider view of the development concept as related to social, economic as well as political changes in the society. A careful analysis of the word reveals that at each level, a country can have different definitions of development. This is because development is seen as a multi-dimensional process involving quantitative and qualitative changes in social, political and economic domains of society and it is undertaken essentially to lead to a better state of life.

It is noteworthy that no single “engine” to development can be found. Specific countries have specific roadmaps to their development.

Different authors give different arguments to explain the causes of development. The causes are highlighted as:

- ❖ Increased savings and investments and acquisition of appropriate technology: structural transformation of the economy and production.
- ❖ Human capital formation and human resources development
- ❖ Avoidance of unsustainable practices that would retard the development process such as corruption.
- ❖ A growing foreign trade with close attention to comparative advantages.
- ❖ An economic system that allows for efficient allocation of resources including increases in the efficiency of government.

As one of the largest black democracies, Nigeria socio-economic development and political affairs have always been of special interest to the rest of the world. The country has not fared very well in many indicators of economic and social development on just about any metric used since the 4<sup>th</sup> republic in 1999, despite having earned over 200 billion US dollars from oil (Igwe, 2013). The country achieved the largest economy status in Africa in 2015. Because of the change in governance in 2015, the economy suddenly went into recession and fought very well to exit the recession economy with narrow margin of one percent Gross Domestic Product (GDP) in 2017. In spite of this marginal achievements, life expectancy is in the decline, poverty rages on especially in the north east and north west part of the country, untimely death, despair and destruction haunt the nation from incessant insurgent attacks, wanton kidnapping, daylight armed banditry, cattle rustling exacerbated by political intolerance and religious violence. To make the situation even worse infrastructural designs and development are in serious decay. The country had suddenly become the headquarter of poverty in the world because it had failed to keep her citizens out of poverty and refused to distribute its abundant natural resources equitably among her people. Poor management of the entire national human capital and natural resources between 2000 and 2018 is largely to blame. Drucker (1979) very subtly remarks “It can be said without too much over-simplification that there are no underdeveloped countries, there are only under-managed economies”

Still on underdevelopment, an expert Denis Goulet forcefully portrayed it when he remarks: *“Underdevelopment is shocking: the squalor, disease, unnecessary deaths and hopelessness of it all! ... The most emphatic observer can speak objectively about underdevelopment only after undergoing personally or vicariously, the “shock of underdevelopment”.* This unique culture shock comes to one as he is initiated to the emotions

*which prevail in the “culture of poverty” The reverse shock is felt by those living in destitution when a new self-understanding reveals to them that their life is neither human nor inevitable ... The prevalent emotion of underdevelopment is a sense of personal and societal impotence in the face of disease and death, of confusion and ignorance as one gropes to understand change of servility toward men whose decisions govern the course of events of hopelessness before hunger and natural catastrophe. Chronic poverty is a cruel kind of hell and one can only understand how cruel that hell is merely by gazing upon poverty as an object (Goulet, 1971, p.23 as cited in Todaro and Smith, 2009)”.*

Seers (1996) presents the new economic view of Development when he asserts that: The questions to ask about a country’s development are therefore what has been happening to poverty? What has been happening to inequality? What has been happening to unemployment? If all three of these have declined from high levels, then beyond all reasonable doubt this has not been a period of development for the country concerned. However, if one or two of these central problems have been growing worse, especially if all the three have, it would be strange to call the result “development” even if per capita income doubled.

Analyzing these scenarios, it becomes incontrovertible that the Nigeria nation has not experienced development given the disparate inequalities, monumental poverty and glaring unemployment of her youth population. In spite of the above scenarios, public contracting which is an integral part of the public financial management cycle has become the major platform used in the execution of development projects in Nigeria. Public contracts generate revenues through the issuance of licenses to operate public or quasi-public services, concessions for the extraction of natural resources and the sale of public property through privatization. When it comes to time to spend budget allocations all levels of governments enter into contracts to deliver goods, works and services to citizens. These public contracts cover all economic sectors and types of agreements ranging from the small procurement of goods to large capital spending for development of major infrastructure projects. It has been estimated that public contracts for procuring goods, works and services alone are worth approximately U\$9.5 trillion per year (Kenny, 2012). Public contracts play a vital role in the lives of citizens through development projects implementation and execution. They enable the completion of such projects like construction and maintenance of roads, schools and hospitals, the generation of electricity to mention but a few. It is therefore widely believed that for successful realization of these development projects that such public contracts should be awarded fairly and offer good value-for-money. However, in both advanced nations and developing economies around the world, public contracting has been fingered as the public sector activity most vulnerable to wastefulness, mismanagement, inefficiency and corruption (World Bank, 2011). Thus, this paper

seeks to explore the issue around public procurement, transparency and accountability in Nigeria. The paper intends to x-ray the challenges of good public procurement that are inimical to nation building. It will also expose the inherent opportunities and benefits of enthroning transparency and accountability in public procurement for the Nigeria public sector.

The paper is divided into sections: The introductory section is followed by the conceptual framework which briefly highlights the definitions of certain key words in transparent public procurement practices. Section three exposes the methodology adopted by the paper. Section four discusses the review of related literature including the requirements for public procurement, the stages in public procurement and prevalence of corruption and its entry points in the procurement process. Section five highlights the benefits accruable to the nation in enforcing a transparent and accountable public procurement. Section six examines the challenges that could militate against the country from joining the league of developed world whose destination was put by the year 2020 by Yar'dua administration. Section seven concludes the paper followed by recommendations.

## **CONCEPTUAL FRAMEWORK**

Public contracting occurs at different governmental levels: in local government areas, states and in national or federal government. The Federal or national level contracting can be bigger in terms of value per contract, local government contracting is significant in terms of the number of processes and their impact because of closeness to the people at the grassroots (Worthington and Goldsman (1998). The term procurement is often used in the field of contract administration. Procurement refers to the acquisition of goods and services by an individual or organization, public/private organizations (Fleming, 2003). Public procurement therefore means the acquisition by any means of goods, works or services by the government. Procurement proceedings refer to the initiation of the process of effecting a procurement contract up to award to a procurement contractor (Public procurement Act, 2009). Examples include privatizations licenses, concessions and other types of contracts which also affect the national budget. For Puddephat and Zausmer (2011), public procurement refers to the acquisition of goods, equipment, supplies and or services on behalf of a government entity. Without mincing words, the procurement of goods or services by government or its agencies is one of the key operations through which the government fulfills its promises of taking development projects to the next level in governance. It is equally one of the areas for development and empowering the small and medium enterprises according to United Nations Industrial Development Organizations, OECD – UNIDO (2004). Nevertheless, smaller businesses do face huge challenges in getting procurement contracts/services from government especially in developing

nations. There is no gain saying the fact that effective and efficient procurement policies do have a developmental effect on small and medium businesses.

Various commentators on modern systems of governance have professed the principles of transparency as a key factor in promoting good governance cum nation-building. There is a common consensus amongst professionals, academics and policy makers in government that public entities are supposed to be transparent not only because the constitution requires it but the benefits provided by transparent systems of governance cannot be whittled down (Issing, 2005). Thus in general term, transparency has been defined as “openness, honest, visibility and ready accessibility to information” about individuals, businesses and government entities (Rawlins, 2008). In general, transparency insists that people at the helm of affairs be it in governance like public officials or managers and chief executive officers of companies and organizations should operate in an open and honest manner, such that observers can readily see through their activities. For instance where there is transparency, officials consciously reveal in a readily accessible manner, true, adequate useful and balanced information such as would enable interested parties/stakeholders to make informed opinions about the organizations they are interested in (Wakefield and Walton, 2010). It must be pointed out without fear of equivocation that transparency is not achieved by making information available. Availability of information must be accompanied by relevance, accuracy, timeliness, predictability and comprehensibility which are necessary conditions for it to meet the standard definition of transparency.

Conversely, where there is no transparency, opacity takes control. Opacity comes to play when officials are prohibited from releasing information by means of official code of secrecy or where they tend to act under cover. In such condition the hoarders of information invoke national interests to protect themselves from giving such information. Between transparency and opacity lies a continuum of a grade of transparency that Wakefield and Walton (2010) cited by Osei-Afoakwa, 2014, called translucency. Translucency represents a condition in which full disclosure of information is not considered appropriate and therefore information may be released just enough to “inform, guide and engage key” stakeholders.

The conventional wisdom about the power of transparency is straight forward: transparency generates accountability. Several related phrases do come to mind like information is power, the truth shall set you free and speak truth to power (Fox, 2007). Compared to translucency, transparency can be another word for surveillance, which in turn allows state actors to hold citizens accountable for perceived transgressions.

Accountability lays emphasis on the fundamental right to call those in authority to justify their decisions. This is the idea of answerability. It should be noted that answerability without consequences falls short of accountability (Fox, 2007). However, (Fox, 2007) distinguishes two basic dimensions of accountability. One side of answerability is called the soft face while the “hard face” involves answerability plus the possibility of sanctions.

Corruption is a form of dishonest or criminal offence undertaken by a person or organization entrusted with a position of authority to acquire illicit benefit or abuse power for one’s private gain. It is most common in oligarchies and mafia states. Corruption also is an inducement to do wrong by improper or unlawful means (such as bribery) for instance the corruption of government officials ([www.merriam.webster.com](http://www.merriam.webster.com)). The most common types or categories of corruption are supply versus demand corruption, grand versus petty corruption, convention versus unconventional corruptions and public versus private corruption. These definitions agree with Otite (1982) cited by Imaga (2005) who remarks that corruption exists when two individuals interact to change the structure of processes by the society or the behavior of functionaries in order to produce dishonest, unfaithful or defiled situation.

Corruption exacerbates deprivation and accelerates the scourge of unfulfilled development initiatives culminating in poverty, diseases, ignorance and illiteracy amongst the citizenry of a country as it concentrates wealth of a nation in a few hands. Corruption takes from the poor and gives to the rich. As people get pauperized, their purchasing power declines, aggregate demand for products that impact on lives also declines with negative impact on investments.

Surprisingly, many can acknowledge the fact that corruption is the reason why public procurement and development projects are poorly managed in the world’s most populous black nation. Corruption is the reason why more than fifty years after independence and with one of the best concentrations of human and natural resources in the world, Nigeria is ranked one of the poorest countries in the world (Ribadu, 2006).

Development projects contracts awarded by the executives are over-priced and they underperformed. Nobody complains because palms have been greased (Ewurum, Eboh and Igwe, 2009). Corruption undermines economic growth and development.

## **METHODOLOGY**

This paper adopts the methodology of documentary analysis of current literature on public procurement, transparency and accountability in Nigeria with relative information from other climes. This approach enhances critical and contextual analysis of issues. The issue of how public funds are budgeted, managed and spent affects different strata of people, communities

and businesses in Nigeria. This has created gaps in the development projects planning, implementation and successful completion. The problem has attracted a plethora of public commentary and outcry from diverse stakeholders such as civil society organizations (CSOs), Accounting professionals, academics and the Manufacturers Association of Nigeria (MAN). The authors seek to contribute their intellectual quota towards reversing the ugly situation in the nation's political and economic space.

## REVIEW OF RELATED LITERATURE

Transparency International (TI) defines public procurement as the 'acquisition by a government department or any government owned institution of goods and services (Kuhn and Sherman, 2014). Although large-scale items and projects such as armament or infrastructure buildings are the most obvious examples of public procurement, the term also includes the acquisition of supplies and services including school supplies such as textbooks, hospital supplies like bed sheets and financial or legal services.

How public funds are managed affects different segments of society. For instance, it affects the generality of the citizenry who need material support that is provided through public projects such as roads, hospitals, desks, computers and its accessories etc. It must also be acknowledged that how these funds are spent equally affect the organized private sector such as contractors, other businesses, like small and medium enterprises. These businesses try to source and satisfy the government's identified requirements (Wittig, 1999).

Invariably a well-managed and transparent public procurement system should benefit the people. Conversely, a poorly managed corrupt system can endanger it and make nonsense of efforts at improving the development strategies.

Effective national procurement policies have an enormous developmental effect in both developed and developing countries. They have the tendencies to attract foreign investment inflows and provide local businesses with benefits through the generation of employment opportunities. This is no surprise given the huge proportions of national GDP that public procurement expenditure takes up. In the developed nations, public procurement can take up as much as twelve (12) percent of GDP in OECD countries (OECD, 2011).

Thus, implementation of public procurement principles differs depending on the economic, social and political context of a country. However, common elements of a strong procurement system are however shared by developing and developed countries alike. These are itemized as follows:

- A clear legal framework
- Consistent policies
- Transparency
- A review of awards (Hunija, 2003).

Part of the push for a transparent public procurement reforms in developing countries has also emanated from international donors and multilateral organizations. In most cases they come in form of providing development aid by development partners such as USAID, UNICEF, DFID etc. It must be stressed that it is because of the adverse effects of inefficient public procurement on local stakeholders that have effectively strengthened the argument for public procurement reforms in the developing countries.

#### *Requirements for Public Procurement*

According to public procurement Act (2009), the following principles for public procurement shall be conducted based on:

- a. Based only on a procurement plans. Supported by prior budgetary appropriations and that no procurement proceedings shall be formalized until the procuring entity has ensured that funds are available to meet the obligations subject to the thresholds in the regulations made by the Bureau, has obtained a certificate of no objections to contract award from the bureau.
- b. By open competitive bidding in a manner which is transparent, timely, equitably for ensuring accountability and conformity with the act and regulations.
- c. With the aim of achieving value for money and fitness for purpose.
- d. Be in a manner which promotes competition, economy and efficiency.
- e. Be in accordance with the procedures and timeline laid down in this Act as may be specified by the Bureau from time to time.

#### *The Stages in Public Procurement*

The stages in public procurement are listed and discussed as follows:

- **Identification of need:** Here the government takes decision to purchase or sell goods or services or to outsource the management of a unit of its establishments.
- **Identification/definition of contract characteristics:** At this stage, the government determines what it needs to buy or sell or privatize. At this stage, the technical requirements, specific characteristics are highlighted. Equally the contracting methods and agency responsible for defining these characteristics are discussed.
- **The contracting process:** At this stage, a contracting process gets underway. It should take place according to what method the law determines should be used to receive proposals or expression of interests. For instance, open bidding system or evaluation of contractors by the use of single source.

- **The award of contract:** At this stage, the contract process ends with a decision to select the winning bidder (in open bids) or the contractor in case of single-source process.
- **Contract implementation and Supervision:** Finally the contract is signed with the selected bidder or contractor as the case may be.

#### *The Prevalence of Corruption in Public Procurement Process*

Experts identify procurement as one of the areas most prone to corruption in the management of development projects in developing countries. Corruption in public procurement affects the efficiency of public spending and donors' resources, creates wastes and ultimately affects the quality of development projects constructed and managed in developing democracy. Corruption gives a great concern for the socio-economic and political issues that seem to threaten the survival of Nigeria as the most populous Black country in the world. Most authorities/researchers and observers have variously defined corruption.

Otite (1982) cited by Imaga (2005) posits that corruption takes place: "when at least two parties have interacted to change the structure of processes by the society or the behavior of functionaries in order to produce dishonest, unfaithful or defiled situation". Corruption involves the giving or taking of a bribe or illegal acquisition of wealth using the resources of a public office including the exercise of discretion. In this perspective, it is those who have business to do with government that are compelled somehow to provide inducement to public officials. To drive home the import of corruption in Nigeria, (Imaga, 2005) describes the problem of Nigeria and her governance in the context of project management and feasibility analysis as the problem of dishonesty of purpose and ineffective management of her public sector especially in the domain of public contracts. He expressed concerns on the problem of poor conceptualization and management of development projects most of which have inbuilt deceitful mechanism meant to serve and sub serve selfish and self centred objectives other than that of national goal and improvement on the lot of the masses.

#### *The Entry Points of Corruption in Public Procurement*

Corruption in public procurement can take many forms including bribery, fraud or simply abuse of personal integrity. The incidence of corruption in procurement can be understood in different stages of contract awards. It is generally believed that the incidence of inducement to procurement officers tends to be high during the evaluation stage of a contracting process, when offers are studied in order to select the best contractor. It has been revealed that corruption can take place even before the procurement process commences, that is when

decisions are about to be taken on what to contract. For instance, some projects start off earmarked for award to a particular individual or organization (Imaga, 2005). Under-performance, contract negotiation, change orders, overbilling and non-compliance are some of the different forms of contract abuse in a developing democracy where institutions hardly thrive or are made prostrate. The following are the main entry points of corruption in public procurement/contracts.

- In the identification of a need or service, the decision does not follow a rational policy but rather decisions are based to channel resources/benefits to an individual or an organization.
- In defining the characteristics of the contract (technical or not) for instance in the proposal for expression of interests the technical descriptions are made to favour a special supplier or contractor and not based on the need described abinitio. For instance, participation of relevant stakeholders is limited, making it difficult to access properly the rational and relevance characteristics of the contract.
- In the contracting stage, invitation to tender – an open bid is not advertised thereby restricting the number of bidders. Again when short – lists format are used, organizations bribe their way to be included or to gain access to essential criteria. Even when invitation to tender/bid is advertised, very little time is given to present offers making it extremely difficult for bidders without experience to present bids.
- In the contract award phase evaluation criteria are not clearly spelt out in tender documents leaving no grounds to justify the decision reached. Often time's evaluation of bids is subjective leaving room for manipulative assessment. Again contract awards are not publicized and the grounds for decision making are not made open for organization to learn lessons.
- During the stage of contract implementation, supervision and monitoring, the main risks are that contract changes and renegotiations after the award do take place and shrouded in a nature that affect the original contract document. Sometimes supervising agencies/monitoring individuals are induced to alter the contents of their report to allow changes in quality performance and specifications. More often than not contractor's claims are inaccurate and as such are overlooked by those who have the power to reverse or revoke the contracts after palms are greased.
- In some cases donor and credit agencies insist that their procurement document procedures are used instead of the host countries procurement procedure or due process. Sometimes this insistence helps but in most cases transparency are higher

under national procurement legislation especially where there are active civil society organizations.

## **BENEFITS OF A TRANSPARENT AND ACCOUNTABLE PUBLIC PROCUREMENT TO NATION BUILDING**

In recent years governments around the world have initiated actions towards enhancing disclosure and participation in public procurement. These initiatives and efforts are taking place at all stages of the procurement process from planning through to completion of contracted obligations. These efforts are being implemented at the level of national, states and local government areas. However, in Nigeria not all states of the federation have started the implementation of transparency and accountability in public procurement contracts. This paper outlines, the benefits that are accruable to federal government, states and even local government councils. If the new autonomy granted to council areas in Nigeria is implemented to the letter, these benefits will have linkage effects from the states that have started to implement transparent public procurement systems.

- ***A win-win system for all:*** This is because public contracts play a significant role in improving the living standards of the citizenry, they make possible the construction and maintenance of roads, schools supplies and hospitals; the generation of electricity; the exploitation of natural resources; the delivery of textbooks and drugs and all other goods, works and services governments seek to deliver to the citizens in order to obtain development outcomes. It is therefore believed that good public procurement contracts whenever awarded fairly and transparently should offer good value-for-money.
- Improves access opportunities to small and medium scale enterprises in government contracts, through provision of a level playing field in public procurement initiation. There is also abundant evidence that these efforts serve as safeguards to forestall corruption, have been shown to save time and increase value for money (Kaspar and Puddephatt, 2012).
- ***Empowers citizens' right to access contracting information:*** Over 100 countries around the world including Nigeria have enacted access to information laws or regulations. This has greatly reflected the growing recognition of the right of the citizens to access state held information. This has imposed a positive obligation on states (nations) to proactively disclose information of public interest including procurement contracts and related documents. For instance, in 2012 Nigeria Contract Monitoring Coalition versus Power Holding Company of Nigeria (PHCN), a civil society group

successfully appealed to the courts (pursuant to the 2011 freedom of information law) to order the PHCN to disclose information related to a contract for the supply and installation of High Voltage Distribution Systems in Abuja, Lagos and Ibadan that had been held under a confidentiality clause exemption. The court gave judgment and ordered for the release of contract documents sought by the coalition. As a result, PHCN complied on April 2, 2013.

- ***Disincentives to a culture of secrecy and under-the-table dealings:*** Transparent public procurement is beneficial because a combination of disclosure of documents related to public procurement as well as information on assets of public officials enables public scrutiny over contract processes in Nigeria. This creates competition, improves accountability and strengthens the structures of nation-building to be more objective driven. Many advanced countries, have acknowledged this fact (Kaspar and Puddenphatt, 2012).
- ***Transparency creates an indirect relationship to corruption:*** Different professionals, academics, world bodies whose pronouncements matter on public procurement matters have agreed that transparency has an indirect relationship to corruption (Wittig, 2005; Beth, 2005; Schooner, Gordon and Clark, 2008; Organization for Economic Cooperation and Development and World Bank, 2006). There is an empirical testimony provided by (Brunnetti and Weder, 2003) that the more transparent the system of procurement, the less corruption and vice versa.
- Transparent procurement identifies, corrects and eliminates impropriety and wastes in the procurement system (Jeppensen 2010 and Wittig, 2005). This is because it leads to efficiency in the procurement system which results to improvement in quality of contract delivery processes.
- ***Attraction of Foreign Direct Investments (FDIs):*** It reduces the risk of doing business in any environment. This is because as more businesses participate in the procurement processes, business outcomes become predictable and risk taking confidence are enhanced. Many development partners and foreign investors are attracted to invest in a free, fair and level playing environment.
- ***An ingredient of participatory democracy:*** As the activities of public officials are scrutinized and made open to stakeholders, many people are empowered to take part in the governance thus enhancing the prospects of nation-building (Osei-Afoakwa, 2014). Appropriate checks and balances are enthroned and enhanced in the country.

## CHALLENGES OF TRANSPARENCY AND ACCOUNTABILITY IN PUBLIC PROCUREMENT PROCESSES IN NIGERIA

The concept of transparency means the conscious and unfettered release of information by the holder: government official, business or government entity or even a private individual to those who ask and need it for their own good (Osei-Afoakwa, 2014). But in some cases the release of relevant information may not be ideally appropriate because of ethical, legal and logistical constraints. Consequently, many impediments in transparent public procurement are connected to near or complete absence of transparency in the procurement process especially in corruption prone environment. This invariably results in weak accountability mechanisms and a poor scrutiny over allocation of budgeted funds for project execution, acquisition of goods and services for nation-building.

This paper chronicles the challenges that are hurting transparent public procurement processes in Nigeria environment which become the Achilles heels to the development of the country. These are itemized as follows:

- ***Inconsistent enforcement of the rules:*** According to Transparency International (2006), the best procurement law is the one that is realistically and effectively applied. This is because without following the rules as established in the Bureau of Public Procurement Act the incidence of corruption becomes obvious. Caution is thrown to the wind and rules are compromised by procurement staff.
- ***Bureaucracy and red tapism:*** This has to do with excessive documentation and bureaucratic procedures which follow the procurement process. This tends to slow down or prevent action on decision making. In procurement 'red tape' includes filling out paperwork, obtaining licenses, having multiple people or committee to approve a decision. Most businesses in Nigeria avoid participation in public procurement process because of competitive bidding exercises by government agencies are generally expensive, slow and time consuming.
- ***Prevalence of vested interests and inadequate oversight by legislative bodies:*** Here procurement processes and rules are manipulated to favour strong interests and allies by people who ought to be neutral in implementing the laws, (CIPE and Ahrm centre for political and strategic studies, 2009). This tends to pave way for mismanaging the procurement life cycle. Consequently small and medium businesses which ought to show interests, in competing for government contracts are schemed away. Recently the Nigerian Senate blamed itself for the rot in the Niger Delta Development Commission, NDDC. The upper chamber of the National Assembly said if it had carried out an effective oversight function on the activities of the Interim Management Commission,

IMC of the NDDC, the high level of corruption in the interventionist agency would have been checked. The upper chambers reiterated that with the manner money meant for the agency had been squandered by some individuals in the Niger Delta without commensurate development, it had become imperative for a holistic review of the Act establishing commission, to find out where the lacuna was and where corrections could be made (Vanguard, 2020). This has given credence to the existence of inadequate oversight by legislative bodies in public procurement contracts. It is scandalous that lawmakers could turn themselves into contractors.

- **Lack of capacity on the part of procurement staff:** Many of the procurement officers get into procurement jobs through the back door. Some staff are cronies of those who put them in such positions. In this era of information and communication technology, some of the staff lack the ICT skills needed to fast-track procurement processes. The introduction of e-procurement has not helped matters.
- **Mode of procurement contract award:** The habit of awarding procurement jobs based on lowest price before quality tends to favour large scale contract tenderers. The small businesses are side-tracked. (UK cabinet office, 2011). This practice is prevalent in corruption endemic environment.
- **Inadequate political will to fight procurement corruption:** Access is the first entry step to participate in winning government contracts. Improving and extending accessibility of procurement bids to small and medium enterprises interested in government contracts to make it competitive with integrity at each stage of the procurement cycle. In Nigeria, this has proved to be extremely challenging due to lack of political will by government to fight corruption in all sectors holistically. There has been instance of unbridled corruption in high profile contract awards but the government has continued to play the ostrich.
- **Inadequate advertisement of procurement opportunities:** This is an issue for both large and medium businesses interested in government contracts. So many at times, the bids are not advertised especially in states that are yet to implement the bureau of procurement acts as enshrined in the constitution even when the federal government has given directives to states to have their own procurement bureaus. This paves way for bribery, croynism and collusion in the award of some contracts. Last year the corruption index for Nigeria came down by two basis points to 146 out of 184 countries compared to the earlier 148 out of 184. The government sycophants were singing 'eureka' – a joy of satisfaction over the war on corruption (Shapper, VeigaMalta and Gilbert, 2006).

## CONCLUSION

Evidenced based researches have shown that public contracting is the most susceptible government's activity that corruption affects pervasively. This is true because governments all over the world are the biggest spenders of resources. Public contracts affect all economic sectors and various types of agreements cascading from small procurements of goods and services to large capital expenditures for the present and future development of infrastructural projects such as roads, health, housing, mining, power, defense to mention just but a few. Consequently, an open and transparent public procurement process would lead to realization of these development projects in such a manner to get best value-for-money. Supervision and adequate monitoring of the process by different stakeholders of the Bureau of Public Procurement council would enhance the enthronement of transparent awards. It is believed globally that non-transparency and accountability in public procurement has the capacity to repel the much sought after foreign direct investments, distort the costs of governance upwardly and bias decision making processes for development. Development partners do not take resources to countries with high incidence of corruption. A free press, a coalition of integrity driven civil society organizations are bad news for corruption. Patriotism on the part of legislators and judiciary officers would ensure that a level playing field is created for all participants. All hands must be on deck and the N24.9Trillion domestic and foreign debt hanging on the nation cannot be allowed to exacerbate. After all, the soundness of a transparent and accountable public procurement is an open attestation of the quality of governance and development of any nation.

## IMPLICATIONS

The present federal government should always disclose public information on major contracts to credible civil society organizations, media and the general public. The reports of the joint national assembly on oversight of certain agencies or institutions should be made available to enhance public scrutiny.

Government should also ensure that oversight institutions including National Assembly, audit panel, economic and financial crimes commission (EFCC) do acknowledge and act upon citizen feedback especially on matters of public contracts.

Civil society organizations with interest on public procurement should empower staff to have sufficient technical capacity and resources to effectively participate, understand and follow the procurement contracts cycle.

Procurement rules should insist that different people handle different procurement functions and that the officers have the requisite expertise, skills and resources. The idea is to reduce incidence of collusion and bribery among such officers.

Frequent procurement reviews and status reports/updates are necessary to assess performance quarterly or biannually. Doing so will greatly enhance team work, timely resolution of conflicts and evaluation of critical objectives.

## SCOPE FOR FURTHER STUDIES

Future studies shall be conducted on following related topics: Public procurement participation amongst SMEs in a developing country; The effect of training SMEs for participation in public procurements contracts.

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