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TRAINING COMPLETION REPORT

Procurement Cycle Management

September 22-24, 2021

Fiscal Accountability and Sustainable Trade (FAST)

Effective Public Procurement for Kyrgyzstani
Taxpayers



Photo: FAST Training on Procurement Cycle Management, Issyk-Kul, Kyrgyz Republic

This publication was produced for review by the United States Agency for International Development. It was prepared by DevTech Systems, Inc. under the Fiscal Accountability and Sustainable Trade Task Order, 7200AA18D00010/7200AA19F00015.

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Fiscal Accountability and Sustainable Trade (FAST)

Program Title:	Fiscal Accountability and Sustainable Trade
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Date of Submission:	December 17, 2021
Date of Approval:	January 24, 2022

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I. INTRODUCTION

This report provides an overview of the Procurement Cycle Management Training for government public procurement specialists. The USAID-funded Fiscal Accountability and Sustainable Trade (FAST), Effective Public Procurement for Kyrgyzstani Taxpayers Task organized the training as part of the project's capacity building efforts.

The three-day Training on Procurement Cycle Management was held on September 22-24, 2021 in Issyk-Kul, Kyrgyz Republic. The assessments conducted by the project revealed that the concept of the procurement cycle in Kyrgyz Republic is mainly limited to the tendering process, with very little focus on planning and none at all on contract management. In addition, overall focus on integrity in the procurement process is limited. Since planning and contract management are the parts of the procurement cycle that have the biggest impact on efficiency, effectiveness, and achieving value for money, this training was planned to address this knowledge gap. The objectives of the training were to provide the participants with a clear understanding of:

- The various stages of the public procurement cycle;
- The planning processes associated with public procurement;
- The contract management processes related to public procurement; and
- The integrity and transparency in the procurement cycle.

More specifically, the training introduced the participants to the overall concept of the procurement cycle and the various elements that it comprises under four overall “quadrants”: planning, solicitation, evaluation, and contract award. This approach provided participants with an understanding that the procurement process goes beyond solicitation, evaluation, and contract award, and highlighted that planning and contract management are at least half of the process. The training gave participants a detailed understanding of the various processes involved in planning, including market research, risk assessment, and requirement definition as well as to provide specific tools and good practices that they are able to employ in their procurement practices. Likewise with contract management, the focus was on supplier relationship management, service delivery management, and contract administration. A few of these concepts were new for some, if not all, of the participants, and the focus was to provide both a theoretical background to the concepts as well as practical tools. Procurement specialists from the FAST team developed a rigorous training program using international good practices in public procurement. A team of FAST international consultants and home office staff led by Welmar Rosado, FAST Deputy Chief of Party (DCOP), travelled to Issyk-Kul to deliver the training.

II. OVERVIEW OF PARTICIPANTS

Thirty-nine participants from the Ministry of Economy and Finance's (MoEF) Department of Public Procurement (DPP) and other procuring entities attended the training. Twenty-two participants were from procuring entities, including ministries, local government entities, and state-owned enterprises, while three represented the Independent Complaint Commission. The

remaining 14 participants represented the MoEF including nine DPP employees and five Training Center staff. The list of participants is attached as Annex I.

III. TRAINING OVERVIEW

The FAST team designed the training program to build participants' capacity and improve their knowledge of key concepts and stages of the public procurement cycle. Trainers used lectures, real-life examples, and practical application exercises to deliver educational content. Formal presentations were followed by group work sessions to allow the participants to understand the application of the concepts in practice. Each group work session was followed by a plenary discussion. FAST trainers placed participants into five sub-groups, which held working sessions throughout the three days of training.



FIGURE I: FAST TRAINERS AND PARTICIPANTS DISCUSSING THE PROCUREMENT CYCLE.

A copy of the training schedule is attached as Annex II. The topics covered are as follows.

INTRODUCTION

FAST DCOP Welmar Rosado and Aisuluu Osmonkulova Beishenbekovna, Head of the Complaints and Electronic Catalog Department of the DPP, welcomed the participants. Mr. Rosado explained the objectives of the training and noted that improving the efficiency of public procurement systems has been the primary focus of the FAST project. He further noted that FAST remains committed to continue to provide technical assistance to DPP and that several other trainings are planned for the next fiscal year, some of which will be delivered in Oblasts. He further noted that FAST plans to “train the trainers” in collaboration with the Training Center, ensuring that USAID capacity building efforts are sustainable. Ms. Beishenbekovna expressed her appreciation for the USAID FAST project and noted that the training will assist the DPP, procuring entities, and the Government of the Kyrgyz Republic in addressing the existing public procurement capacity gaps.

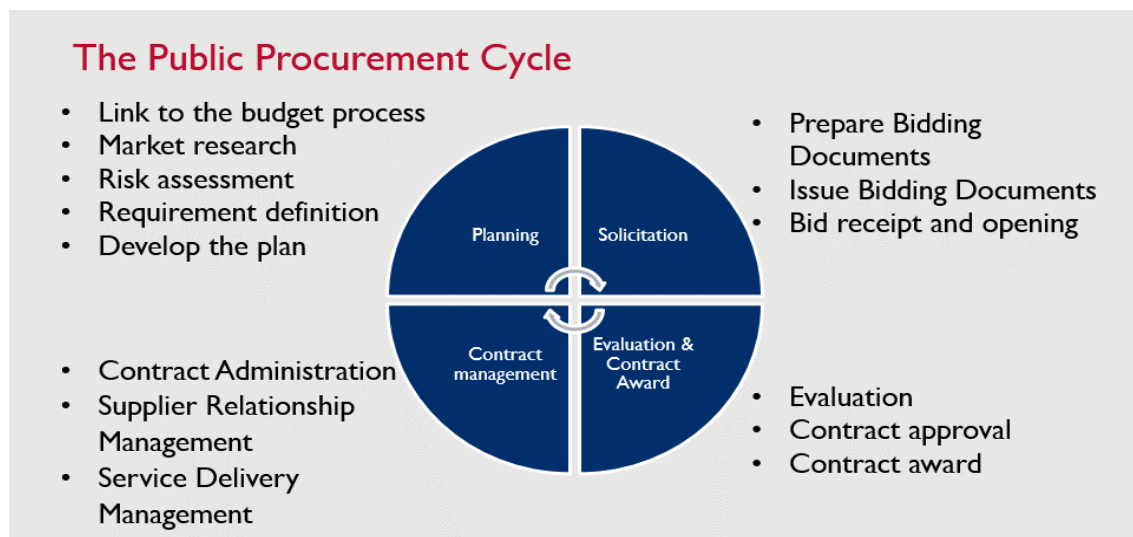
It is standard practice to evaluate participants' skillsets and knowledge before and after the training is delivered. Pre- and post-tests are essential tools used to evaluate the impact of the training and informs the design and delivery of future capacity building efforts. Accordingly, the participants completed a pre-training survey. The team then presented the training objectives and the schedule for the training. After these introductory aspects, the trainers moved on to the substantive sessions. At the end of the trainings, FAST consultants administered a post-test to assess learning results.

SESSION I: THE PUBLIC PROCUREMENT CYCLE

The first session covered the public procurement cycle. Participants were introduced to the four stages of the procurement cycle: planning, solicitation, evaluation and contract award, and

contract management. FAST trainers pointed out that it is not an accident that the visualization of the cycle shows planning and contract management as comprising half the process. Yet in daily practice in the Kyrgyz Republic (and other places), only solicitation, evaluation, and contract award are normally thought of in terms of the procurement process. Trainers explained that planning is the part of the procurement process that provides the biggest opportunity for realizing savings and yet it is the part of the process that most often gets rushed. At this point the team formed five groups to discuss the challenges in linking procurement planning to the budgetary process and how these challenges could be resolved. Each member brainstormed with others in the group to effectively form an opinion and present their thinking to other groups. All groups enthusiastically discussed the topic and presented their feedback in a plenary session that followed an extensive discussion. The participants embraced the group work enthusiastically and creatively.

FIGURE 2. THE PUBLIC PROCUREMENT CYCLE

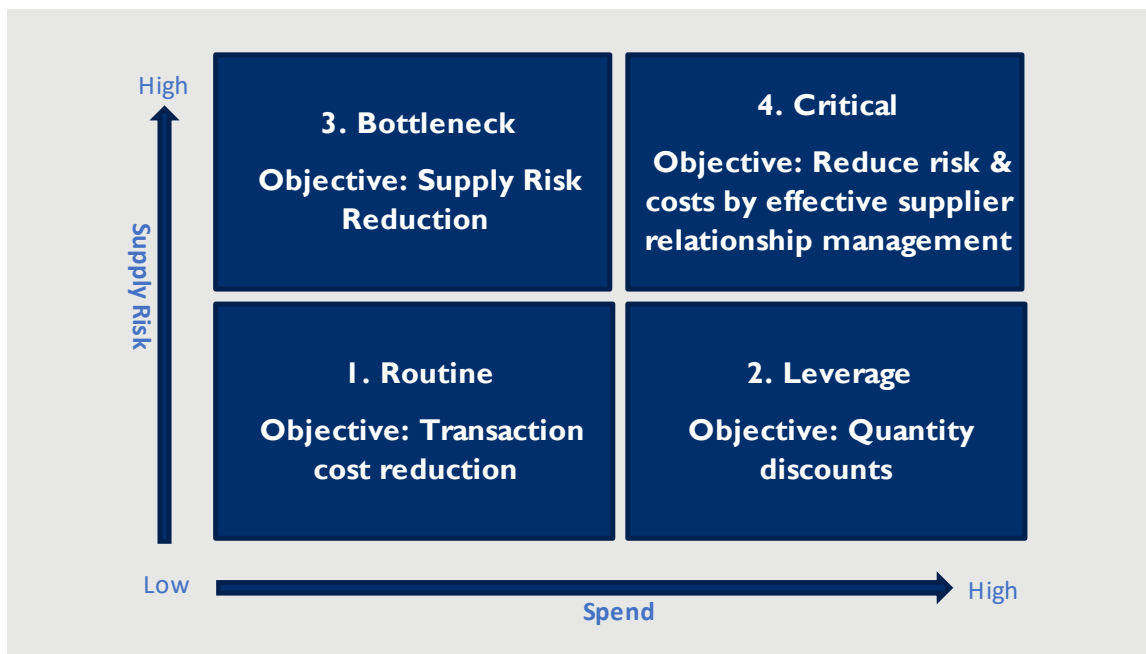


After the group work, the other stages of the cycle were discussed. Trainers explained that if staff had completed procurement planning properly then the solicitation activities should be smooth, since during the planning, they would have developed the requirement definition (specifications), identified risks, decided on the evaluation method and criteria, and selected the procurement method. The evaluation and contract award activities were not covered in detail as these are areas that are covered in the law on public procurement in Kyrgyz Republic and the training provided by the Training Centre, so the participants are familiar with these aspects. The FAST team briefly introduced contract management and the activities under that, mentioning that these would be covered extensively later in the training.

SESSION 2: PROCUREMENT PLANNING

During this training session, the FAST team introduced the Kraljic Matrix and how it can be used to categorize procurement requirements. Such categorization allows procurement specialists to plan procurements in a way that will use time more efficiently, minimize risks, and achieve better value for money.

FIGURE 3. PROCUREMENT OBJECTIVES



The next topic under planning was market research, where the team explained that when planning for procurement with high expenditure and/or a high supply risk, it is important to have an understanding of the overall market situation focusing on aspects such as the market structure, competition, supply chain, substitute goods and services, the entity’s value as a customer and environmental factors. The results of the market research will have an impact on the drafting of the specifications, qualification criteria, evaluation criteria, procurement method, and terms and conditions of contract, as well as planning for contract management.

Trainers next covered risk management in detail, including how to identify, analyze, treat, and monitor risk during the procurement planning. The final topic under procurement planning was on requirement definition, which is considered the “heart” of the entire procurement process since it defines what the end-user needs, tells the potential suppliers what is required, evaluates the criteria against which tenders will be evaluated, and forms the basis of the resulting contract. Participants were introduced to the concepts of functional, performance, and technical specifications and how these can be used to define different types of requirements. The team also presented other good practices relating to defining requirements.

SESSION 3: CONTRACT MANAGEMENT

The session on contract management started out with a discussion about contract management planning. The FAST team explained that the procurement objectives discussed in the planning session on the Kraljic Matrix also has an impact on planning for how contracts will be managed, as will the risk management plan and the type of specification. Thereafter the session on contract management was grouped under three topics:

- Supplier relationship management, which is about how to keep the relationship with the supplier open and constructive;

- Performance management, which is about ensuring that the goods, services, or works are being delivered as agreed; and
- Contract administration, which is about the formal arrangements relating to the contract and any amendments.

SESSION 4: INTEGRITY IN THE PROCUREMENT CYCLE

During the final session, the first topic explored conflict of interest and how to avoid it. Thereafter, the trainers covered the potential areas of corruption risk at each stage in the procurement cycle. This included typical signs that may indicate or warn of unethical practices. The session also covered a model that can be used when ethical decisions need to be made and good practices for avoiding compromising situations.

After the end of the training, the DPP held a session with the participants to discuss recent amendments to the Public Procurement Law.



FIGURE 4. AT THE CLOSING OF THE TRAINING, ERLAN SAPARBAEV, DIRECTOR OF DPP, AND WELMAR ROSADO, DCOP, PRESENTED CERTIFICATES TO THE PARTICIPANTS.

IV. TEST RESULTS

FAST trainers asked participants to complete a pre-test with 10 questions based on the training materials.

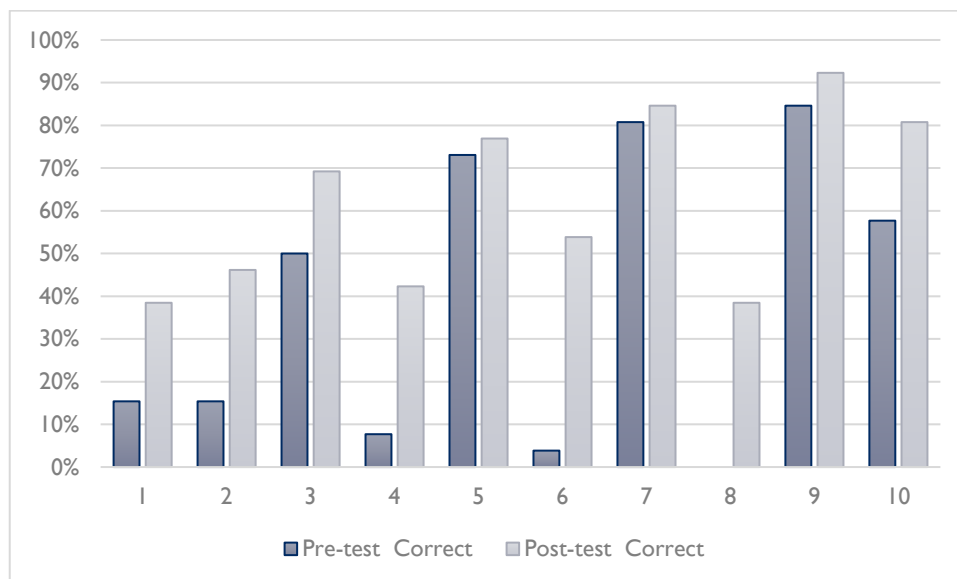
Question	Agree	Disagree	Don't Know
1. Regardless of the nature and value of a procurement case, the activities in the procurement cycle are always exactly the same.			
2. As a procurement specialist, it is important to prioritise spending the most time on procurement cases for routine products, because these make up the biggest proportion of procurement cases.			
3. One aspect to consider when doing market research is whether suppliers view the procuring entity as a valuable customer.			
4. The best approach is to avoid all risks in the procurement process.			
5. A risk management plan should include a list of any risks over which the procuring entity has little or no control.			

Question	Agree	Disagree	Don't Know
6. In procurement, it is always good practice to include as detailed a description as possible of what is to be provided.			
7. For strategically important contracts, it is important to develop a collaborative relationship with the supplier.			
8. During contract management, it is important to avoid any changes to the contract terms during implementation.			
9. Procurement specialists must avoid the perception that they may appear to be influenced by their personal interests when doing their job, even if this is not the case.			
10. Poor record keeping may be a sign that unethical practices are taking place.			

After the training, participants took a post-test containing the same 10 questions, though the questions were in a different order. The purpose of the pre- and post-assessment was to evaluate how much knowledge and understanding of the subjects participants had acquired during the training.

The comparison of the pre-test and post-test results show improvement across all questions.

FIGURE 5. TEST RESULTS



V. PARTICIPANTS' FEEDBACK

At the end of the training, FAST trainers asked participants to complete a short satisfaction survey, the results of which are below.

Question	Yes	No			
1. Did the training content meet your expectations?	96%	4%			
	1	2	3	4	5
2. How would you rate the quality of the instructors? (1 poor / 5 very good)			4%	25%	71%
3. How would you rate the quality of the training? (1 poor / 5 very good)				21%	79%

In addition, the team conducted interviews with some of the participants after the training. Some of the feedback received included:

- The training conducted was high-quality and addressed training needs relating to the development of specifications for pharmaceuticals.
- The interactive approach of the training was useful and interesting.
- A participant from a remote region expressed appreciation for the training and requested that more training be conducted in remote districts, including universities.

ANNEX I: LIST OF PARTICIPANTS

	Organization	Full Name	Position	Gender	Attended:		
					Day 1	Day 2	Day 3
Ministries and Departments							
1	Ministry of Foreign Affairs	Isaeva Tursun Taalaibekovna	Specialist in administrative work of the Department	Female	X	X	X
2	Ministry of Health and Social Development	Turgunaliyeva Asel Zhailoobekovna	Chief Specialist, Procurement Department	Female	X	X	X
3	Ministry of Emergency Situations	Abdrakhmanov Azat Alymbekovich	Head, Department of Public Procurement	Male	X	X	X
4	Ministry of Economy and Finance	Ruslan Sadyrbaev	Head, Department of Reports and Monitoring of Local Budgets	Male		X	
5	State Service for the Execution of Punishments under the Ministry of Justice	Keneshov Azamat Keneshovich	Head, Public Procurement Department	Male	X	X	X
6	State Border Service State Committee for National Security	Asanbekova Rimma Sultashevna	Procurement Specialist	Female	X	X	X
7	GPNK Kyrgyz Temir Joly Logistical Security	Sakmatov Zhyldyzbek Artykbekovich	Public Procurement Engineer	Male	X	X	
8	Office of the Plenipotentiary Representation of the Government of the Kyrgyz Republic in Batken Oblast	Saidinov Asilbek Mazhidovich	Leading Specialist	Male	X	X	X
9	Aiyl Bank OJSC	Orozaliev Ruslan Taalaibekovich	Head, Procurement Department	Male		X	X
10	Rural District Council	Nurdinbaev Sarinzhi Sultankulovich	Deputy Counsellor	Male	X	X	X
11	Deposit Protection	Zhaparov Baktybek Alimbekovich	Professional for Widely Competed Procurement	Male	X	X	X

	Organization	Full Name	Position	Gender	Attended:		
					Day 1	Day 2	Day 3
	Agency under the MEF						
12	Republican TB Hospital in Karabalta	Karabaeva Aliya Anarbekovna	Purchasing Economist	Female	X	X	X
13	Luxembourg Community Government	Timur Noguev	Professional for Widely Competed Procurement	Male	X	X	X
14	Bishkek Health Department Car Depot	Aymanov Azatbek Mukanbetovich	Head, Public Procurement Department	Male	X	X	X
15	Belovodsky Preschool Orphanage	Korzhova Natalia Alexandrovna	Procurement Specialist	Female	X	X	X
16	Alamudun Community Government	Zhumanaliev Aziz A.	Professional for Widely Competed Procurement	Male	X	X	X
17	Katta-Taldyk Community Government	Sydykova Gulbarchyn Kozhonazarovna	Professional for Widely Competed Procurement	Female	X	X	X
18	State Enterprise "Department of State Buildings of the Office of the President and the Government	Aitkulov Nurlan Sheishenbekovich	Deputy Director	Male	X	X	X
19	Tien Shan Alpine Scientific Center at the Institute of Water Problems and Hydropower of the National Academy of Sciences	Erkimbaev Maksatbek Toktobekovich	Professional for Widely Competed Procurement	Male	X	X	X
20	GUOBDD Ministry of Internal Affairs	Rinat Adaev	Head, Public Procurement Department	Male	X		
21	Alfa-Telecom CJSC	Kenzhebaev Melis Tolonovich	Head, Procurement Department	Male	X	X	X
22	Asylbash Community Government	Ismailova Anara Dyushenbekovna	Chief Accountant (Procurement Specialist)	Female	X	X	X
Department of Public Procurement, Ministry of Economy and Finance							
23	DPP	Saparbayev Erlan Turdakunovich	Director	Male		X	X

Organization		Full Name	Position	Gender	Attended:		
					Day 1	Day 2	Day 3
24	DPP	Duisheev Mirbek Imankadyrovich	Deputy Director	Male		X	
25	DPP	Osmonkulova Aisuluu Beishenbekovna	Head, Complaints and Electronic Catalog Department	Female	X	X	X
26	DPP	Satybaldiev Toktor Seydalievich	Chief Specialist, Department of Public Procurement Methodology	Male	X	X	X
27	DPP	Sharsheev Nursultan Dzholdoshbekovich	Head, Analysis and Innovation Department	Male	X	X	X
28	DPP	Mambetova Kanyshai Asangulovna	Chief Specialist, Department of Coordination and Regulation	Female	X	X	X
29	DPP	Zhantoroeva Aisuluu Kantoroevna	Chief Specialist, Complaints and Electronic Catalog Department	Female	X	X	X
30	DPP	Tyumenbaeva Aizhan Kubatbekovna	Leading HR Specialist	Female	X	X	X
31	DPP	Emilbekova Alina Kanatovna	Record-Keeping Specialist	Female	X	X	X
Training Center, Ministry of Economy and Finance							
32	Training Center	Turdumambetova Erke Doolotbekovna	Director	Female	X	X	X
33	Training Center	Kokareva Larisa Mikhailovna	Trainer	Female	X	X	X
34	Training Center	Ulanbek Uulu Dastan	Trainer	Male	X	X	
35	Training Center	Moldokulov Kanat Aydarkanovich	Trainer	Male	X		
36	Training Center	Kudayarov Sagyn	Trainer	Male	X		
Independent Complaints Commission							
37	ICC	Atanova Gulsaara Turgumbaevna	Member	Female	X	X	X
38	ICC	Koichueva Meerim Turarovna	Member	Female	X	X	X
39	ICC	Kochkonova Anara Mamatkassymovna	Member	Female	X	X	X
Total attending per day					34	36	32
FAST Project Team							

	Organization	Full Name	Position	Gender	Attended:		
					Day 1	Day 2	Day 3
40	Project Team	Welmar Rosado	DCOP	Male	X	X	X
41	Project Team	Alex Kitain	Senior Technical Advisor PFM	Male	X	X	X
42	Project Team	Kirsten Jensen	Senior Procurement Consultant	Female	X	X	X
43	Project Team	Emmanuel Sigler	IT Consultant	Male	X	X	X
44	Project Team	Timur Cherikov	Procurement Consultant / Project Coordinator	Male	X	X	X
45	Project Team	Chinara Satylkanova	Procurement Consultant	Female	X	X	X
46	Project Team	Nurkyz Sulaimanbekova	Procurement Consultant	Female	X	X	X
47	Project Team	Nurida Baizakova	Consultant	Female	X	X	X
48	Project Team	Saina Abdymomunova	Consultant	Female	X	X	X
49	Project Team	Olivia Gruzdova	Interpreter	Female	X	X	X
50	USAID	Chnara Mamatova	Project Coordinator	Female		X	

ANNEX II: TRAINING SCHEDULE

WEDNESDAY 22 SEPTEMBER 2021

Time	Session
09:00	Welcoming Remarks
	Participants' Pre-Training Test
	Introductions and Course Overview
	Session 1: The Public Procurement Cycle
11:00	Coffee/Tea Break
11:30	Session 1: The Public Procurement Cycle - continued
	Session 2: Procurement Planning
13:00	Lunch Break
14:00	Session 2: Procurement Planning - continued
15:30	Coffee/Tea Break
16:00	Session 2: Procurement Planning - continued
17:20	End of Day 1

THURSDAY 23 SEPTEMBER 2021

Time	Session
09:00	Icebreaker Exercise
	Welcome and Overview of Day 2
09:20	Session 2: Procurement Planning - continued
10:30	Coffee / Tea Break.
11:00	Session 3: Contract Management
12:30	Lunch Break
13:30	Session 3: Contract Management – continued
15:10	Coffee / Tea Break
15:40	Session 3: Contract Management – continued
17:00	End of Day 2

FRIDAY 24 SEPTEMBER 2021

Time	Session
09:00	Icebreaker Exercise
	Welcome and Overview of Day 3
09:20	Session 3: Contract Management – continued
10:30	Coffee / Tea Break
11:00	Session 4: Integrity in the Procurement Cycle
12:30	Presentation of Certificates
12:50	End of Training / Lunch