

# Measurement Targets for Public Procurement and Challenges to Be Overcome

**Kenya** Country **Reference**

Prepared by: Chris Oanda

President IFPSM

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# Introduction

- Public procurement is a key driver of economic growth and service delivery in Kenya, representing about 40% of the national budget. Measuring procurement performance ensures **accountability, efficiency, and value for money**.

# Purpose of the Presentation

- Highlight key measurement targets for procurement performance
- Examine challenges Kenya faces in achieving them
- Invite feedback based on your experiences
- Consider recommendations for sustainable improvement

# The Policy Context

- Anchored in the Public Procurement and Asset Disposal Act (PPADA, 2015)
- Oversight by Public Procurement Regulatory Authority (PPRA)
- Linked to Vision 2030, Big Four Agenda, BETA and SDG 12

# Why Measurement Matters

- Ensures transparency and accountability
- Tracks efficiency and cost savings
- Enables evidence-based policy decisions
- Builds public trust

# Core Performance Dimensions

1. **Efficiency** – time, cost, process compliance
2. **Effectiveness** – achieving intended outcomes
3. **Equity & Inclusivity** – participation of youth, women, PWDs
4. **Transparency** – open tendering and data
5. **Sustainability** – environmental and social factors

# Key Measurement Targets

## (PPRA Indicators)

- % of procurements conducted competitively
- Average procurement cycle time
- % of contracts completed within budget/time
- Level of compliance with PPADA
- % of spend to AGPO groups
- Complaints resolved within timelines

# Digital Transformation Metrics

- Adoption of IFMIS and e-Procurement modules
- Data integration among PPRA, Treasury, MDAs
- Reduction in manual processes
- Timeliness of procurement data reporting



# Economic Impact Indicators

- Local content utilization rate
- SME participation rate
- Procurement contribution to GDP and employment
- Cost overruns as % of total expenditure

# Governance and Integrity Indicators

- Number of corruption cases reported/resolved
- Auditor General compliance findings
- Whistleblower protection effectiveness
- Transparency Index (Open Contracting)

# Case Example – AGPO Initiative

- 30% of procurement reserved for youth, women, and PWDs
- Current uptake: ~24% (2023 PPRA data)
- Challenges: Access to credit, capacity building, delayed payments
- Opportunities: Digital registration and mentorship

# Case Example – E-Procurement Rollout

- IFMIS e-Procurement module launched in 2018
- Achievements: Reduced paperwork, improved audit trails
- Challenges: Connectivity, system downtime, user resistance
- **NOW: EGPS Rollout by the Central, Regional/County Government**
- Way forward: Training and phased rollout to all public entities

# Institutional Challenges

- Weak enforcement of PPRA guidelines
- Limited data analytics and tracking
- Fragmented county systems
- Political interference

# Capacity Challenges

- Skill gaps in procurement planning and contract management
- High staff turnover
- Limited professionalization despite progress by KISM and PSPAK

# Financial and Process Challenges

- Budget constraints and delays
- Poor planning and unrealistic specs
- Late supplier payments causing defaults

# Governance and Ethical Challenges

- Political influence in awards
- Collusion and bid rigging
- Weak sanctions
- Limited citizen oversight



# Data and Measurement Gaps

- Inconsistent data from entities
- Lack of reporting templates
- Limited use of dashboards/analytics

# Opportunities for Improvement

- Strengthen performance-based procurement
- Expand open contracting data portals
- Build capacity through KISM, PPRA, academia
- Use AI and analytics for risk detection

# Recommendations

1. Institutionalize KPIs across all MDAs
2. Implement real-time monitoring dashboards
3. Align KPIs with national goals
4. Enforce penalties consistently
5. Build a culture of ethics and accountability

# Conclusion

- Measurement is essential for efficiency, integrity, and impact.
- Kenya has strong foundations but faces structural, capacity, and governance challenges.
- With digital tools and leadership commitment, procurement can drive inclusive growth.

**The END.**