

**KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY,
KUMASI, GHANA.**

**ASSESSING THE EFFECTS OF PUBLIC PROCUREMENT FRAMEWORK
AGREEMENT ON PROCUREMENT PRACTICES IN SECOND CYCLE**

SCHOOL'S IN GHANA.

KNUST

BY

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DECLARATION

I, Joseph Obiri Aduamah hereby declare that this thesis is the result of my own work. Except for references to the works of other people which have been duly acknowledged, this thesis is the result of my research done at the building technology department, KNUST under the supervision of Professor Joshua Ayarkwa. This work has neither in part nor in whole been presented anywhere for another Master's Degree.

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DEDICATION

I wish to thank the Almighty God for bringing me this far. I dedicate this work to my loving wife Yvonne Obiri-Yeboah and children Jeanelle and Josiah. I also thank my late mother Esther Akua Sasah for her support throughout my education. I appreciate the support and encouragement given me by Mr. and Mrs. Kusi Achampong of Cape Coast University in pursuing this course.

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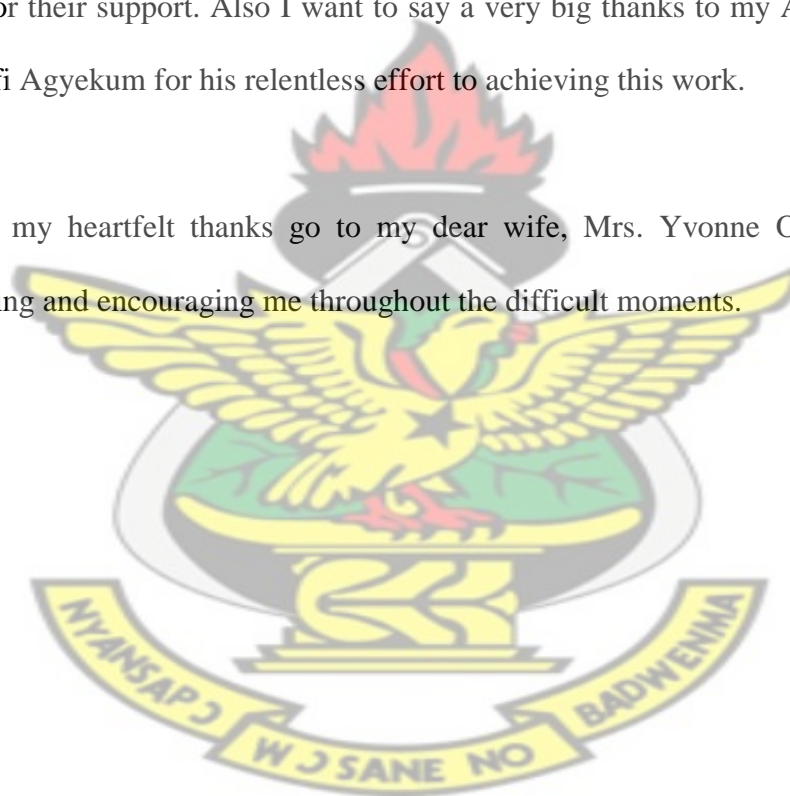


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ABSTRACT

The application of Framework Agreement (FWA) in the Second Cycle Schools of Ghana has been met with myriad of mixed reactions with little known about its effect in ensuring Value for money in procurement practice. This study aims at assessing the effects of the Public Procurement Framework Agreement on procurement practices in Second Cycle Schools.

This study used an explanatory research design. Both probability random and non-probability purposive sampling techniques were used to sample 46 respondents. The respondents were headmasters/headmistresses, bursars, procurement officers, supply officers, and store keepers in ten (10) Senior High Schools in Central region of Ghana.

The study identified that 72% of the study participants had not had any training programme on the Public Procurement framework Agreement. While 60% of the schools had used the Framework Agreement for up to two years, 34% used the agreement within the last one year. A total of 48% of the respondents considered the tendering procedures of the Framework Agreement as inappropriate; while 63% of the respondent opposing that quality goods were not offered at cheaper prices under the Framework contract. The leading challenges were that the Framework Agreement increased the cost of goods sold and hindered budgetary control.

The low level of understanding and appreciation of the Framework Agreement calls for a review of its implementation and greater stakeholder consultation and education especially among procurement officers and heads of second cycle schools.

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CHAPTER ONE

INTRODUCTION

1.0 Background of the Study

The Public Procurement Authority (PPA) is a body established by an act of parliament of Ghana (Act 663) whose objectives is to harmonize the processes of public procurement in the public service to secure a judicious, economic and efficient use of state resources in public procurement and ensure that public procurement is carried out in a fair, transparent and non-discriminatory manner. As part of their objectives to ensure value for money, PPA introduced to the various second cycle schools a framework contracting agreement which seeks to streamline all procurement activities under one umbrella to ensure uniformity in prices to save cost and to serve as an antidote for Breaking Bulk in Procurement as stipulated in Act 663, section 21(5)-Page 6.

According to the Directive 92/50/EEC (Services Directive), Directive 93/36/EEC (Supply Directive), Directive 93/37/EEC (Works), the concept of a Framework Agreement (FWA) is essentially an arrangement which establishes the contractual terms which will apply to subsequent orders made for the goods, services or works covered by the framework over the period of time during which it is in force. The inclusion of specific provisions in the Public Sector Directive covering Framework Agreements clarified the position in terms of the availability of Framework Agreements but also introduced restrictions and controls over their use and ambiguities about the legal rules.

In 2004 the Public Sector Directive introduced, for the first time, explicit provisions into European Union public procurement law covering the setting up and running of Framework Agreements by contracting authorities.

The use of Framework Agreements was not, however, a new practice or concept within the European Union at that time. Prior to 2004, the Utilities Directive then in force already provided for regulated utilities to use Framework Agreements.

The Public Procurement in the European Union: Communication from the Commission, follow up to the Green Paper COM (98) 143 final, 11 March 1998. [EU Commission - COM Document], specified variety of framework-type arrangements already in use in a number of Member States (for example France, Sweden and the UK) where the view was taken that these were permissible within the existing provisions of the (then) public sector Directives³. In other Member States, however, there was little or no use of framework-type arrangements – probably due to a number of factors including a lack of specific regulation in the public sector Directives then in force.

Establishing a Framework involves an initial call for tenders against set terms and conditions, the appointment of one or more suppliers on the basis of those tenders, and then the placing of periodic orders (commonly referred to as “calling off”).

The mechanism is by no means unique to the European Union: similar agreements or arrangements include “Indefinite Delivery/Indefinite Quantity” (IDIQ) in the United States, “supply arrangements” in Canada, “panel arrangements” in Australia and, more generally, “umbrella contracts”. Similar arrangements exist elsewhere. The historical context leading to the inclusion of the framework provisions in the Public Sector Directive is relevant in understanding the current state of the regulation of framework agreements. The Directive was the outcome of long-running consultations and negotiations which had formally commenced towards the end of 1996 when the European Commission published the Green Paper “Public Procurement in the European Union: Exploring the Way Forward”. The Green Paper envisaged minimal

changes to the Directives then in force, referring to the need to ensure legislative stability. There was no reference in the Green Paper to the possible introduction of provisions covering the establishment and operation of framework agreements.

The response to the consultation on the Green Paper proposals was that significant legal reform was required. In the Commission's follow-up Communication issued in 1998 it announced its intention to introduce a new legislative package. This was focused on simplifying the legal rules and introducing new flexibilities to reflect practical developments in the market such as the introduction of electronic procurement, the development of public-private partnerships and the inclusion of provisions on the establishment and operation of Framework Agreements.

In the context of the proposals relating to Framework Agreements, the Commission referred in the Communication to its concerns that long-term contracts could pose a threat to competition, causing positions to become entrenched and certain firms to be shut out. It stated that it was: "essential therefore that precise rule be laid down for the use of these procedures." It emphasized the need for objective and transparent information to be published on framework contracts and was of the view that: "to ensure that these contracts are not walled off, lists should either be valid only for a limited period or be kept permanently open to new firms." These comments indicate the Commission's thinking at that time, and provide pointers to the final position set out in the Public Sector Directive, such as the general limit of (4) four years for the duration of a Framework Agreement and the "closed" nature of a Framework Agreement during its existence.

1.1 Statement of the Problem

In 2011, a report by the Public Procurement Authority (2012) identified that there was varying outcome in terms of cost items of similar products procured in Second Cycle Schools in Ghana. A typical example was the price of A4 paper which was bought at different prices from same source of suppliers by schools. This meant an over-expenditure leading to lack of value for money. In order to curb this alarming situation, as a response the Public Procurement Authority (PPA) in collaboration with the Ghana Supply Company (GSC), the Framework Agreement was introduced as a pilot programme in some cluster of schools in the Greater Accra Region of Ghana. The programme came into full force in the year 2013; out of which its implementation has brought about mix reactions as to whether or not it is achieving its objectives of value for money and uniformity in prices in the various second cycle institutions. Concerns have been raised by Procurement Staff and management of schools as to whether or not the objectives of the framework are being met and whether the Framework Agreement is a better alternative to the existing procurement arrangement; hence the need to assess the effect of the Public Procurement Framework on procurement practice in second cycle schools. This necessitates the conduct of an empirical investigation to ascertain the levels of knowledge, the effect of the framework agreement on procurement practices and its associated challenges.

1.2 Aim and Objectives

Aim

The aim of this study is to assess the effects of Public Procurement Framework Agreement on Procurement Practices in Second Cycle Schools.

Objectives

To achieve the aim, the following objectives will be looked at:

1. To determine the level of awareness of management and procurement staff of selected schools of the framework agreement program.
2. To identify challenges associated with the implementation of the FWA program.
3. To identify the effects of the FWA on procurement after its introduction.

1.3 Research Questions

1. What are the levels of awareness by management and procurement staffs on framework agreement program?
2. What are the challenges facing the implementation of the framework agreement program?
3. In what ways are the frame-working agreements affecting procurement practice after its introduction in the selected second cycle schools?

1.4 Significance of Study

The findings of the study will be an important source of information to the Public Procurement Authority, The Ghana Supply Company and the management and staff of Second Cycle institutions. The information from the study will give PPA a fair knowledge of the effects of the framework agreement and possible adjustments that need to be done to better the procurement processes.

The study will also give useful information to the Ministry of Education and the Ministry of Finance and Economic Planning to undertake interventions to promote efficient procurement processes that will help obtain value for money. Additionally, the findings could augment the pool of data required by other researchers in their bid

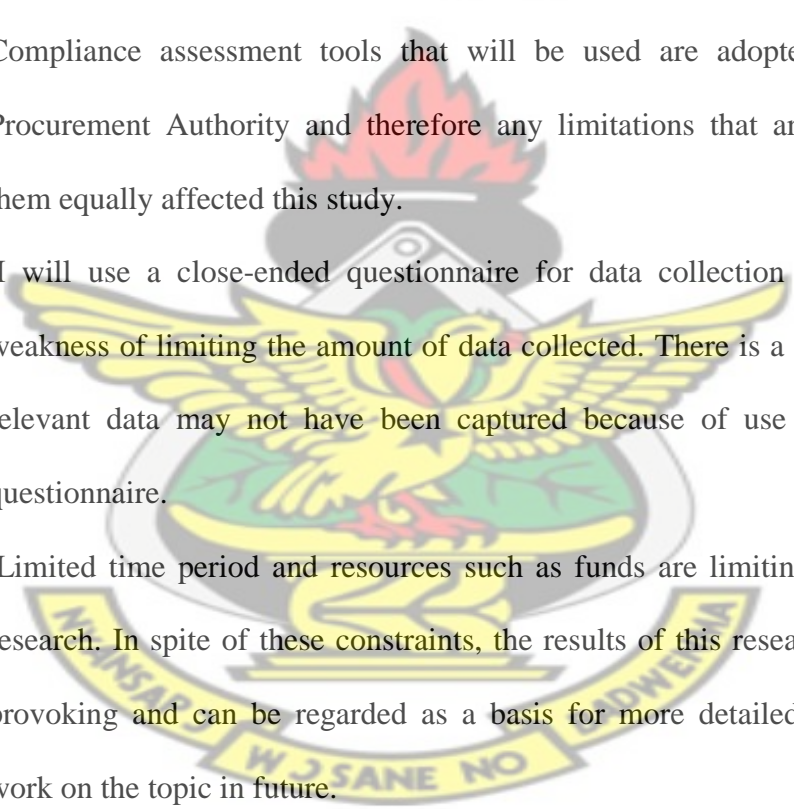
to design interventions to solve procurement problems in the nation and also serve as a source of information for further research work on the topic.

1.5 Delimitation of Study

The study will be delimited to second cycle schools in the Central Region. This study will also be delimited to only schools with qualified procurement staff.

1.6 Limitation of Study

Like any other research, this study will not be without constraints and these are:

- 
- i. Compliance assessment tools that will be used are adopted from Public Procurement Authority and therefore any limitations that are embedded in them equally affected this study.
 - ii. I will use a close-ended questionnaire for data collection and this has a weakness of limiting the amount of data collected. There is a likely hood that relevant data may not have been captured because of use of close-ended questionnaire.
 - iii. Limited time period and resources such as funds are limiting factors to the research. In spite of these constraints, the results of this research are thought provoking and can be regarded as a basis for more detailed and analytical work on the topic in future.

1.7 Organization of the study

The study will be divided into five main chapters. The chapter one will constitute the introductory aspect. The chapter two is where other relevant documents are reviewed. In other words this aspect forms a very significant aspect of the study because it explores varied works that had important bearing on the study. It will deal with the

subject matter of the study; public procurement, framework agreement. Chapter three of the study comprised the research methods. The fourth chapter dealt with the presentation, analysis of data and discussion of major findings. Chapter five consisted of the summary of the study, recommendations and conclusion

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CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

This chapter reviews works done on Public Procurement Framework Agreement (FWA). The review focuses on the overview of Public procurement and the concept of Framework Agreement. The Second Cycle Schools and colleges of Education, who are major stakeholders of the framework agreement reform, have expressed varied perceptions about the implementation of the program. The Public Procurement Authority (PPA) has raised some concerns to some of the key issues raised by the public and the entities. In this chapter, a number of relevant literatures on assessing the effects of Public Procurement framework agreement on procurement in second cycle schools in Ghana are presented in order to establish and provide answers to the research question.

2.1 Public Procurement Overview

The remit of contemporary public procurement includes meeting traditional goals of cost and value to wider economic, social, environmental and ethical concerns (McCrudden, 2004). As such it is reasonable to describe public procurement as multi-dimensional in character (Thai, 2001). Scholars refer to the willingness and ability to respond to the policy environment as normative procurement practice (Lloyd and McCue, 2004).

One suggestion is for a concept of “public value” to take centre stage in procurement practice (Loader, 2007).

The structure and organisation of procurement is a key to achieving organisational and policy outcomes. Various stage gate models attempt to trace the contribution of procurement within organisations (Reck and Long, 1988; Murray, 2004).

It is generally accepted that clerical purchasing wherein “anyone and everyone” is involved is inferior to strategic procurement, where there is consistency between corporate and procurement strategies. This alignment is supported by processes including cross-functional teams, market research and consideration of trade-offs (Rajagopal and Bernard, 1993). In either case portfolio models are used to guide buyer decision-making processes such as diversify, exploit or partner with suppliers (Kraljic, 1983).

2.2 Ghana’s Public Procurement Reform

Ghana’s public procurement reform is part of a number of reform agenda’s embarked upon by the government with the aim of improving public financial management and assisting in generating budgetary savings. The objectives are to streamline the system of procurement for goods, works and services for national development; to harmonise local and international laws regarding procurement; foster competition, make efficient use of national resources, ensure transparency and accountability and provide value for money (Ministry of Finance, 2009).

The World Bank (1996) identified some major flaws in Ghana’s public procurement system which included a loose legal framework, lack of codified procedures and regulations, the weak capacity of procurement staff, huge expenditure, and unclear institutional and organisational arrangements for processing procurement and decision making in awarding contracts. This has led to the enactment by Parliament, of the

Public Procurement Act 663 in 2003. The Act supersedes all existing procurement laws (e.g. District Tender Board Regulation 1995, Ghana National Procurement Agency Decree 1976 and the Ghana Supply Commission Law 1990). The PPA is founded on five fundamental pillars of Public Procurement namely (The World Bank, 2003) a comprehensive, transparent, legal and institutional framework; clear and standardised procurement procedures and standard tender documents; competent procurement staff; an independent control mechanism and the use of anti-corruption measures. The Act provides a comprehensive Public Procurement mechanism. For example, Part I stresses the setting up of a Public Procurement Board, which is the central body in charge of policy formulation on procurement with oversight responsibility for the process. Part II specifies the establishment of a Tender Committee and Review Board. The former ensures compliance with the Act by providing one-stop procurement decisions for approvals and awards of contracts to certain predefined value thresholds and referrals to the Review Board for approval (Clause 17). Parts IV and V stipulate the methods of procurement, procedures for preparing tender packages, evaluating tenders and awarding contract (Clause 34-40). Clause 50 stipulates that the lowest bidder shall be considered successful with the tender price ascertained on the basis of the criteria specified.

The World Bank (2003) points out that although Ghana's PPA contains the basic ingredients for achieving best value, addressing transparency and accountability; it lacks sufficient conditions for achieving value for money due to the restricted use of the lowest price contractor selection approach. In addition, poor managerial and technical expertise amongst contractors and construction professionals are seen as negative contributors to achieving value for money. However, the actual impacts of

the Act in promoting transparency, accountability and value for money in public sector procurement are still unknown.

2.3 Policy Environment of Public Procurement

McKevitt et al. (2013), gave certain findings on Public Procurement from their research. The remit of contemporary public procurement includes meeting traditional goals of cost and value to wider economic, social, environmental and ethical concerns (McCrudden, 2004). As such it is reasonable to describe public procurement as multi-dimensional in character (Thai, 2001). Scholars refer to the willingness and ability to respond to the policy environment as normative procurement practice (Lloyd and McCue, 2004). One suggestion is for a concept of “public value” to take centre stage in procurement practice (Loader, 2007).

2.4 Public Buying Process

The structure and organization of procurement is a key to achieving organizational and policy outcomes (Reck and Long, 1988; Murray, 2004). It is generally accepted that clerical purchasing wherein “anyone and everyone” is involved is inferior to strategic procurement, where there is consistency between corporate and procurement strategies. This alignment is supported by processes including cross-functional teams, market research and consideration of trade-offs (Rajagopal and Bernard, 1993). Strategic procurement is characterized as rationalistic and developmental. In either case portfolio models are used to guide buyer decision-making processes such as diversify, exploit or partner with suppliers (Kraljic, 1983).

2.5 Objectives of Procurement

The main objective of procurement according to the Public Procurement Act (Act, 663) is to obtain value for money (Economy) which seeks to secure a judicious, economic and efficient use of state resources at a reasonable cost. Value for money is not about achieving the lowest initial price; it is defined as the optimum combination of whole life costs and quality. Procurement according to the World Bank (2000) has four basic principles upon which procurement systems function. The first seeks to maximize economy and improve efficiency, the second is for promoting competition and encouraging maximum participation by suppliers and contractors for the supply of goods, works or services to be procured. Further it ensures Fairness and equitable treatment of all suppliers and contractors and finally leads to transparency in procedures and minimizing opportunities for corruption and collusive activities.

2.6 Procurement Methods

There are various Procurement Methods used in the acquisition of goods, works and services, and the choice of selecting a procurement method is based on the threshold of items to be procured or by circumstance. According to the public procurement Act 2003 (Act, 663) the following methods of procurement can be used for procurement by the public entities in Ghana.

- Competitive Tendering (section 35 & Part V)
- Restricted Tendering (sections 38-39)
- Two-Stage Tendering (sections 36-37)
- Single Source Procurement (sections 40-41)
- Request for Quotation (RFQ) (sections 42-43)
- Request for Proposal (RFP) for Consultancy Services (sections 66-77)

2.6.1 Competitive Tendering

According to Ghana's Public Procurement Act 2003 (Act, 663), this is a Standard high value tendering methodology for goods, works & non-consultancy services. It involves:

- Procurement method with maximum competition
- Formal procedure with detailed invitation to tender documents
- Standard tender documents available for drafting tender documents
- Opportunities advertised & open to all tenderers
- Public Tender Opening

2.6.1.1 Types of Competitive Tendering

- *International Competitive Tendering*
 - High Value or complex procurement
 - Nature of procurement unlikely to attract enough competition locally
 - Procurement above threshold stated in Schedule 3 of Act 663
- *National Competitive Tendering*
 - Relatively low value
 - Procurement MUST not attract foreign competition
 - Good justification to restrict tendering to domestic suppliers
 - Goods valued within threshold stated in Schedule 3 of Act 663
- *Frame work Agreement (FWA)*
 - Relatively low value
 - Encourages uniformity in prices
 - Procurement must not attract foreign competition
 - Good justification to restrict tendering to domestic suppliers

- Goods valued within threshold stated in Schedule 3 of Act 663

For the sake of this research, emphasis will be placed on the framework agreement which is a competitive tendering process where suppliers, consultants and contractors are allowed to bid for the award of contract.

2.7 Procurement Procedures

Procurement procedures are step by step approach to ensure that rules, principles and regulations governing public procurement are duly followed to ensure that the Public Procurement law (Act 663) is adhered to by all public entities.

2.7.1 Procurement Planning

The Public Procurement Act 663 provides for the activity of planning under Part 3 section 21. Generally, planning enables organizations to determine performance standards, establish overall direction, anticipate and avoid future problems and reduce the risks of uncertainty, identify and commit resources towards the achievement of goals, determine and develop performance standards, and effectively coordinate various activities in the organization (PPA Manual, 2005).

This means that all procuring entities would need to plan their procurement for the ensuing year by 30th September of the preceding year. The plan would be reviewed and approved by their Entity Tender Committees (ETCs), after which the plans are updated quarterly if the need be. The lists of entities who submit their procurement plan are published in the Public Procurement Bulletin of the Public Procurement Authority.

2.7.2 Invitation to Tender

Section 47 of Act 663 requires public entities to advertise their intentions to buy goods, services and works are spelt out by using International and National Competitive Tendering. Advertisement is required for invitations to tender if there is no pre-qualification. The object of advertising procurement is to source for potential suppliers, contractors or consultants who can offer quality at a reasonable cost to achieve value for money. In the selection process, equal opportunities are given to all qualified and eligible tenderers without discrimination and the most responsive tenderer is awarded the contract.

For reasons of transparency, fairness and impartiality, tender documents are made available to all eligible tenderers by the procuring entity. Procurement entities are to provide tender documents to suppliers and contractors in accordance with procedures and requirements that were stated in the advertisement. The price at which the tender document is sold should be enough to recover the cost of printing and the document being made available to suppliers and contractors. Sufficient quantities of tender documents should be made available to any potential supplier who wishes to tender. It is an offence to deny any supplier or contractor the opportunity to participate in any tender simply because stocks of documents are exhausted (Section 49, Act 663).

2.7.3 Submission of Tender

Section 53 (1) to (9) of the Public Procurement Act 663 states that the procurement entity shall fix the place for, and a specific date and time as the deadline for the submission of tenders and tender shall be in writing, signed and submitted in a sealed envelope. A tender received by the procurement entity after the deadline for the submission of the tenders shall not be opened and shall be returned to the supplier or contractor which submitted it.

2.7.4 Tender Opening

Section 56, (Act 663) of the Public procurement Act, 2003 spells out that tenders should be opened immediately after the close of tenders. The Procurement Unit will need to ensure smooth operation of the proceedings, prepare minutes of the opening and advise the chairman of the opening session on procedural issues if requested. A Tender Opening Committee is usually constituted and is made up of at least three persons including the Chairperson. The Chairman of the Tender Opening Committee controls and directs the Tender Opening and does not allow tenderers representatives to interfere with the work of the Committee. Any objections by a tenderer to the procedures or decisions of the tender opening should be made in writing to the Head of the Procurement Entity.

The section 55 of the Act states that the provision of tender security is required for international and national competitive tenders for procurement of goods and works in the country. In the case of Procurement of consultants services tender security is not required. The use of security is important, in particular, in international trade where the Purchaser may not know the Tenderer or Supplier's professional ability, financial position and credibility. Therefore it is normal for the Purchaser to demand that the Tenderer's or Supplier's ability to perform in accordance with the instructions or contractual obligations be secured with a financial guarantee.

2.7.5 Evaluation of Tender

The procurement entity shall evaluate and compare the tenders that have been accepted in order to ascertain the successful tender in accordance with the procedures and criteria set out in the invitation documents. The successful tenderer shall be the tender with the lowest evaluated tender price specified in Section 59 of the Public Procurement Act, 2003 (Act 663).

2.7.6 Contract Award and Acceptance of Offer

A formal contract document will be drawn up, using the agreed terms and conditions, and signed by both parties. Simple requirements may use a purchase order or where existing framework contracts exist, contracting may consist of placing a call-off order under the existing contract. The awarded contract must be managed to ensure that both the buyer and supplier perform their contractual obligations. Activities may include expediting delivery, arranging inspection or freight forwarding, checking bank guarantees, establishing letters of credit, making arrangements for receipt and installation of goods, verifying documentation and making payments. Works contracts will often require technical supervision by an engineer or project management team to ensure quality, time schedule and cost. Contracts for consultancy services often require the direct participation of the buyer or client organization, as the recipient of training or technical advice Section 65, (Act 663).

2.7.7 Monitoring and Evaluation

Process of controlling the performance of the procurement function and ensuring its efficiency and effectiveness is essential to the management of the procurement process. It is vital to evaluate how well the procurement process has gone, identify any weaknesses or problems and agree actions to prevent similar problems in the future. Evaluation may include a formal procurement audit. Procurement monitoring is an essential part of procurement management and control linked to compliance with Act 663 performance outcomes such as value for money, professionalism and code of conduct in procurement. Monitoring and evaluation is done by management of entity, staff of PPA, private sector, oversight bodies (internal and external audit), civil society (including NGOs), project beneficiaries, and media (PPA Annual Report, 2008).

2.7.8 Award criteria

The basis for admission to the Framework and award of contracts must be set out in the published notice or in the documentation being supplied to candidates. The criteria under which tenders will be evaluated and contracts awarded must be indicated. It is important to note that substantive changes or modifications in award criteria are not permitted during the operation of the framework. This needs to be borne in mind in particular when holding mini-competitions for the award of contracts. In such cases it would seem reasonable that, at the outset, that criteria weighting would be indicated within an indicative range.

In inviting bids in the context of holding a mini competition for particular requirements, it would seem appropriate that the criteria and weightings would be more precisely formulated having regard to the requirement concerned. It is conceivable that some of the stated criteria would attract less weighting in one case than another. For example, timeframe for supply or delivery of a service might be important in the performance of one contract but less relevant in other cases (PPA, Procurement Manual).

2.7.9 Contract award notices

The obligation to publish a contract award notice applies in the case of Framework Agreements where the total value of contracts to be awarded exceeds the relevant EU thresholds. The standard Contract Award Notice is used for publication. However, the requirement to publish relates only to the framework agreement at the time is established, not to individual contracts or draw-down of requirements or awards based on mini – competitions undertaken under the agreement World Bank (2008).

2.8 Overview of Framework Agreement (FWA)

According to the National Public Procurement Policy Unit (2007), before the adoption of the Public Procurement Directives, 2004/17/EC covering the utilities sector and 2004/18/EC covering the public sector, a provision for framework agreements existed only in the utilities sector. However, public sector contracting authorities in many Member States operated efficient the Framework type arrangements, based on competitive tendering, which represented good practice and achieved value for money. These typically were used to “draw down” commonly procured supplies or services as needs arose in a given period. In the absence of a specific provision covering framework, there was uncertainty as to how some of these arrangements complied with the legal provisions of the public sector procurement Directives.

This uncertainty is removed with the implementation of Directive 2004/18/EC which defines Framework Agreements as set out in Utilities Directives but introduces provisions designed to ensure that they are awarded in an open, transparent and competitive manner. Article 1(5) of the public procurement Directive defines a framework agreement as ‘an agreement between one or more contracting authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity.’ In effect, framework agreements are agreements with suppliers or service providers which set out terms and conditions under which specific purchases can be made during the term of the agreement. Article 32 of Directive 2004/18/EC sets out the conditions and procedures under which agreements must be set up and contracts based on the agreements awarded, Utility Directives (2004).

The Framework agreement was not reported as method of procurement (Ameyaw et al., 2012). The methods indicated in their studies were single sourcing, restrictive tendering, competitive tendering, single source procurement, request for quotation and restrictive tendering.

2.8.1 Definition of Framework Agreement

The Utilities Directive (2004) in UK and the proposed consolidated Public sector Directive (2004), both define a Framework Agreement as an agreement with suppliers, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and quantity. In other words, a Framework Agreement is a general term for agreements with suppliers which set out terms and conditions under which specific purchases (call-offs) can be made throughout the term of the agreement. The Framework Agreement may, itself, be a contract to which the EC procurement rules apply. This would be the case where the agreement places an obligation, in writing, to purchase goods, works or services for pecuniary interest (or consideration in UK legal terminology). For this type of agreement, there is no particular problem under the EC rules, as it can be treated in the same way as any other contract.

However, the term is normally used to cover agreements which are not, themselves, covered by the definition of a contract to which the European Commission (EC) rules apply (though they may create certain contractually binding obligations). Such agreements set out the terms and conditions for subsequent call-offs but place no obligations, in themselves, on the procurers to buy anything. With this approach, contracts are formed, EC Directive terms, only when goods, works and services are called off under the agreement.

It is this form of agreement, where the Framework itself cannot be readily classifiable as a contract for the purposes of the current Directives, which has caused much difficulty in relation to the application of the EC procurement rules, and which is addressed explicitly in the text of the proposed new EC public sector Directive and in this note. But it should be stressed that the contractual status of a Framework Agreement, under the proposed new public sector Directive, should not cause undue concern; the key is that a means of awarding contracts under framework agreements is provided for without the need to re-advertise and re-apply the selection and award criteria from the outset.

2.9 Knowledge on Public Procurement Framework Agreement in Ghana

The Ghana Procurement Lawyers' Association (2012), identified the concept of the Framework Agreement as an arrangement which establishes the contractual terms which will apply to subsequent orders made for the goods, services or works covered by the framework over the period of time during which the framework is in force. Establishing a framework involves an initial call for tenders against set terms and conditions, the appointment of one or more suppliers on the basis of those tenders, and then the placing of periodic orders (commonly referred to as “calling off”). The mechanism is by no means unique to the European Union: similar agreements or arrangements include “Indefinite Delivery or Indefinite Quantity” (IDIQ) in the United States, “supply arrangements” in Canada, “panel arrangements” in Australia and, more generally, “umbrella contracts”.

In 2004 the Public Sector Directive introduced, for the first time, explicit provisions into European Union public procurement law covering the setting up and running of Framework Agreements by contracting authorities. The use of framework agreements

was not, however, a new practice or concept within the European Union at that time. Prior to 2004 the Utilities Directive then in force already had provided for regulated utilities to use framework agreements. A variety of framework-type arrangements were already in use in a number of Member States (for example France, Sweden and the UK) where the view was taken that these were permissible within the existing provisions of the (then) public sector Directives.

In other Member States, however, there was little or no use of framework type of arrangements, probably due to a number of factors including a lack of specific regulation in the public sector Directives then in force. The Public Sector Directive provides that the relevant value to be taken into account when determining whether a framework agreement falls above the relevant threshold level for the purposes of its procurement is "the maximum estimated value net of Value Added Tax (VAT) of all the contracts envisaged for the total term of the framework agreement". If the framework only relates to one contracting authority and to a single requirement (for goods, services or works) then this calculation should be relatively straightforward. Difficulty may arise when more than one contracting authority is using the framework agreement and the requirements which may be procured through it are multiple. In the context of framework agreements, what is important (having regard to contracting authorities' transparency obligations) is that the likely value of the contracts which might be awarded under the Framework Agreement is visible to economic operators who may be interested in expressing interest in tendering. It adds transparency to state, to the extent possible, the likely ranges of contract values which may stem from the framework agreement (PLA, 2012).

The Framework Agreement, often known as an umbrella agreement, is an agreement which is reached between two parties to cover a long-term collaborative arrangement. Framework agreements are used typically where an employer has a long term programme of work in mind and is looking to set up a process to govern the individual construction or supply packages that may be necessary during that framework term. Framework Agreements allow an employer to instruct another party to carry out works or provide services, by reference to pre-agreed terms, over a (usually) pre-agreed period of time (Glover, 2008).

The Public Procurement Authority (PPA) identified the Framework Agreement as “Blanket Purchase Agreement”. An announcement by government in its 2007/2008 budget statement does not impose an obligation on the purchaser to purchase, but may obligate the supplier to supply whenever there is a requisition by the purchaser for supply.

The PPA in the process of procurement in the public sector and securing a judicious use of public funds held a forum on January 24, 2008, where in attendance brought together public procurement practitioners, civil society and members of the Association of Ghana Industries. The then director of PPA, Adjei (2008) raised a concern in the implementation of the framework concept which says ‘it will roll out a strategic programme and guidelines to regulate the implementation of the policy in the ensuing months’.

According to Adjei (2008) the concept of framework seeks to act as the vehicle to rationalize the Public Procurement System that is currently characterized by fragmentation of purchase actions and also help minimize administrative costs

involved in repeat orders. Further he stated that the Framework Agreement seeks to streamline the procurement process and reduce the cost of individual tendering process thus ensuring best value for money. This was a platform aimed at offering ample explanation on the rationale for the implementation of the framework agreement. The introduction of Blanket Purchase Agreement (FWA) was informed by government's 2007/2008 budget statement as a main policy initiative for common use items to enjoy the benefits of economies of scale and enhance significant cost saving in public sector procurement.

2.9.1 Duration of Framework Agreement

The duration of Framework Agreements is limited to a maximum of four years. However, there is provision to establish frameworks for longer than this in exceptional circumstances where this can be justified by the subject of the framework contracts. An example which has been quoted relates to a situation where in order to supply or fulfill a contract, a level of capital investment is required on the part of a contractor. If the appropriate return on this investment cannot be achieved within a normal maximum four year period, a longer term framework may be justified, European Commission (2011).

Framework Agreements can be concluded with a single supplier or with several suppliers, for the same goods, works or services. In the latter case, there must be at least three suppliers, provided that there are sufficient candidates satisfying the selection criteria and which have submitted compliant bids meeting the award criteria. The agreement will establish the terms which will apply under the framework, including delivery timescales and daily or hourly rates.

2.9.2 Making Call-offs

When awarding call-offs (individual contracts), under framework agreements, authorities do not have to go through the full procedural steps in the EC Directives again so long as the rules were followed appropriately in the setting up of the framework agreements themselves. However, the relevant EC Treaty provisions and Treaty-based principles, including non-discrimination, still apply at this stage, and authorities need to be careful to ensure that nothing is done which is discriminatory, improper or which distorts competition. The length of call-offs, under a framework agreement, is not specifically limited by the Directives. For example, call-offs for consultancy services might be for three, six or twelve months or longer. It may be the case as a result that individual call-offs extend beyond the four-year term of the framework itself. However, this should not be done in order to circumvent the EC rules.

For example, it would be difficult to justify a 12 month call-off, right near the end of the life of the framework itself, where the normal pattern had been for such call-offs to last for just one month at a time. The length of call-offs, as with other contracts, should be appropriate to the purchases in question and should reflect value for money considerations.

Where a Framework Agreement is concluded with just one supplier or operator, call-offs under the agreement should be awarded within the terms laid down in the agreement, supplemented as necessary. It is the same principle as that applying to a normal contract, except that, with a framework agreement, there will be an interval between the awarding of the framework itself and the calling-off of the goods, works or services under it. There can be no substantive change to the specification or the terms and conditions agreed at the time that the framework is awarded.

Where frameworks, for the same goods, works or services, are awarded to several suppliers, there are two possible options for awarding call-offs under the framework.

Option one; apply the terms of the Framework Agreement:

First, where the terms laid down in the Framework Agreements are sufficiently precise to cover the particular call-off, the authority can simply award the call-off to the supplier who provides the most Economically Advantageous (VFM) offer based on the award criteria used at the time that the framework was established. For example, frameworks might be concluded with five suppliers for the delivery of individual photocopiers, fax machines and printers, separately priced, and for delivery within set timescales. If the authority simply wants to call-off some photocopiers, it would go to the supplier offering the most economically advantageous offer, using the original award criteria, for that item alone without reopening the competition. If that supplier for any reason could not supply the items required at that time, the authority would go to the supplier offering the next most economically advantageous offer, and so on.

Option two; hold a mini-competition:

Second, where the terms laid down in the framework agreements are not precise enough for the particular call-off, a mini competition should be held with all those suppliers within the frameworks capable of meeting the particular need. This does not mean that basic terms can be renegotiated, or that the specification used in setting up the framework can be substantively changed. It is more a matter of supplementing or refining the basic terms to reflect particular circumstances in a way foreshadowed in the framework. Examples of such terms are:

- Particular delivery timescales;
- Particular invoicing arrangements and payment profiles;

- Additional security needs;
- Incidental charges;
- Particular associated services, eg installation, maintenance and training;
- Particular mixes of quality systems and rates;
- Particular mixes of rates and quality;
- Where the terms include a price mechanism;
- Individual special terms (e.g. specific to the particular products or services that will be provided to meet a particular requirement under the framework).

Where a mini-competition is held for a particular call-off, the contracting authority should consult in writing (invite to tender) the suppliers within the framework which are capable of meeting the particular need. This does not necessarily mean that every supplier in the framework must be included. The bids submitted when the framework was set up should indicate which suppliers are able to meet the specific requirement. Contracting authorities should fix a time limit which is sufficient to enable the selected suppliers to submit their bids for the particular call-off. This time limit should take account of the complexity of the call-off and the time needed for the different tenderers to submit their bids.

Tenders should be submitted in writing, and they should remain confidential until the time limit has expired. The contracting authority should award the call-off to the supplier which has submitted the most economically advantageous tender on the basis of the award criteria set out in the framework itself focusing on the particular requirement.

2.9.3 Types of Framework Agreement

Frameworks for supplies, services and works are allowed under the proposed new provision (European Commission, 2011). Examples of each type are as follows:

- **Supplies from a single supplier:** a Framework Agreement is required for desks by one authority and is awarded, following the Official Journal of the European Community (OJEC) and selection, on the “most economically advantageous” basis to a single supplier. The authority calls-off its requirements for desks, during the period of the framework, on the basis of the terms agreed when the framework was set up;
- **Supplies from several suppliers:** a framework agreement is required to cover a number of authorities’ paper needs over four years. Following the OJEC notice and the selection process, based on financial and economic standing and technical capacity, bids are evaluated on the “most economically advantageous” basis for entry into the framework. A number of suppliers are included in the framework to supply a variety of paper types, plain, lined, recycled, coloured etc over the four-year period. The authority goes to the supplier within the framework whose offer is the “most economically advantageous”, based on the original award criteria, for each call-off required throughout the four years. As the terms do not need to be refined or supplemented in this case, the authority has no need to use the mini-competition option.
- **Consultancy services:** a framework agreement is required for a range of consultancy services. An OJEC notice is issued and candidates for the framework are selected on the basis of financial and economic standing and

technical capacity including track record and ability. Bids are then evaluated on the “most economically advantageous” basis, including quality systems and fee rates. A number of companies are included in the framework, covering the range of consultancy services required. Hourly rates for different grades of staff form part of the agreed terms. When there is a need to call-off specific services, within the framework, the contracting authority holds a mini competition with all providers capable of meeting that need for the category of services required in order to establish which company provides the “most economically advantageous” (vfm) offer for the particular mix of grades/rates required;

- **Minor works:** a framework is awarded to several contractors on a UK-wide basis, following OJEC, selection and award on the “most economically advantageous” basis. The contractors provide a range of services within categories, such as building, plumbing and electrical services. Hourly rates, call out charges and levels of quality are set under the framework agreement. When a call-off is required, the authority goes to the contractor providing the “most economically advantageous” offer, on the basis of the original award criteria, for the particular need. There is no need for a mini-competition in this case, as the terms do not need to be refined. An alternative approach might be to award a framework to a single contractor for each region; and
- **Major works 1:** a framework is needed for units to be constructed as part of a major works programme. Following an OJEC notice and a selection process, based on financial and economic standing and technical capacity, a framework is awarded to a small number of prime contractors for units to be constructed

as necessary throughout the period of the agreement. The kinds of units in question might include prison cells, categories of hospital beds (eg acute, accident and emergency etc) garages etc, where there is a standard size, design or requirement. The awards are made on the basis of the particular mix of quality/unitary prices to meet the need. At the call-off stage, a mini-competition is held and bids are invited from all contractors capable of meeting the requirement for the specific units, with the call-off awarded to the contractor providing the “most economically advantageous” bid for the units required.

- **Major works 2:** a framework is required for the construction of standard building units or office space in various locations over a four-year period. Following OJEC and the selection process, based on financial and economic standing and technical capacity, a framework is awarded to a number of prime contractors on “the most economically advantageous tender” basis. Each of the prime contractors has the skills and supply chains necessary to undertake the different aspects of the construction work during the period of the framework. A decision is made, at each call-off, as to whether a mini-competition is needed based on whether the terms need to be refined. If a mini-competition is necessary, bids are invited from all prime contractors capable of meeting the particular need. Call-offs under the framework, which may be awarded any time up to the end of the agreement itself, can continue beyond the period of the agreement until the work is completed

2.9.3.1 Single Party Framework

This involves publishing a tender notice indicating the intention to set up a single supplier framework, inviting tenders and awarding all contracts under the framework to the most suitable tenderer selected on the basis of the published award criteria. The terms and criteria for award of contracts would be precisely formulated and published in the contract notice or tender documentation. The contracting authority may draw down requirements in accordance with the agreed terms as needs arise for the duration of the framework. Under this arrangement there is no scope to supplement or amend the initial tender. The price, delivery times, and other terms are likely to be settled but some terms, such as the quantity, may not. The price need not be fixed in absolute terms; it may be possible to set it by reference, for example, to a price index provided the mechanism chosen makes it possible to price specific orders in an objective and transparent manner.

2.9.3.2 Multiparty Framework Agreement

Under the same procedure, a multiple - supplier framework could be put in place by publishing this intention in the tender notice. The notice would indicate the relevant number of participants to be selected on the basis of the award criteria (price or most economically advantageous, possibly based on order of merit) at the end of a full tendering procedure. In setting up multiple supplier frameworks, a minimum of three participants must be included (provided, of course, that there is at least this number of qualified tenderers). These selected tenderers would be used for further requirements for the works, supplies or services which were the subject of the tendering process.

A typical example is Kilkenny Local Authority (KLA) which is one of 34 local authorities throughout Ireland. As part of its service remit, KLA maintains 20 water supply schemes and 35 wastewater schemes. A decision was needed to either opt for a

“winner takes all” approach or, alternatively, apportion the contract to several contractors as part of a multi-party framework agreement. It was decided that works would be allocated between suppliers on a 35-25-20-20-percentage split. Next a within case analysis of policy and the role of procurement is presented. Before the KLA framework was publicly advertised analysis of cost and capability factors led to a decision to continue with the policy of using external contractors. In collaboration with Water Services, the Procurement Unit devised documentation for the tender. There was evidence that the trade-offs vis-a-vis performance-conformance was carefully considered in all the cases (Mark et al., 2012).

2.9.3.3 Binding Framework agreement

The term “binding” framework is used in the (very rare) instance where the contracting authority must use the framework agreement for any purchases it wishes to make of the works, services or supplies which form its subject matter. In other words, these arrangements are exclusive.

2.9.3.4 Non-Binding Framework agreement

The large number of non-binding “buying club” Framework Agreements provides contracting authorities with a wide choice of potential suppliers. This means that contracting authorities are in a position to “shop around” for the supplier that offers the best deal. Often this “shopping around” consists of nothing more than comparing the prices offered by suppliers for the same goods via different framework agreements. This is not generally viewed as a problem, save for the fact that the UK Government has identified a large amount to duplication in the numbers of framework agreements set up to offer the same, or similar, subject-matter (PLA, 2012).

2.9.4 Examples of FWA Contracts in other Countries

An example of goods and works Framework Agreement is the Trade and Investment framework agreement between the Caribbean community and the government of the United States of America Washington (July 22, 1991).

Framework agreement on Trade between MERCOSUR and the State of ISREAL aims at strengthen the relationship between the contracting parties of FWA to promote the expansion of trade and to promote the conditions and mechanisms to negotiate a free trade area in conformity with the rules and disciplines of the world trade organization

Framework agreement between the parties: HER MAJESTY THE QUEEN in right of the province of Alberta (government), the Alberta teachers' association (the association) and the Alberta school boards association (September 1, 2012 to August 31, 2016) is a typical example of a framework agreement for the procurement of services.

According to section 35 of the Indian Constitutional Act, (1982) the Constitutional right Framework agreement between MI'KMAQ of NOVA SCOTIA and HER MAJESTY THE KING in right of Canada (June 7th 2002) was established. This is also a type of service level framework agreement.

2.10 Effects of the Framework Agreement on Public Procurement Practice.

The assessment of the effect of a phenomenon over the other usually spans over a time period. In Ghana, the introduction of the framework agreement is only two years old. An evaluation of its effect on public procurement practice in the body of literature within the Ghanaian context is almost non-existing. Notwithstanding, the

effect of the framework agreement on public procurement has been documented in by other scholars though very scanty.

The framework agreement typically contains a mechanism for the instruction or “calling-off” of individual tasks which will then be subject to the pre-agreed terms of a construction or supply contract. This is another advantage of the framework agreement, namely the need for only a minimum of administration and further negotiation. There is a significant element of pre-agreement.

Thus a properly organized framework agreement should also make provision for the agreement of standard project documents, including those related to price and quantity. This should make the negotiation of those contracts far easier and should also mean that an actual contract will be entered into. That said, on each project-specific underlying contract, remember it will still be necessary to consider the scope of work and services, allocation of risk, completion date, price and payment particular to that project.

The benefit of the FWA according to the current Utilities Directive, and the proposed consolidated public sector Directive is that, because authorities are not tied to the agreements, they are free to use the frameworks when they provide value for money, but to go elsewhere if they do not. Another benefit is the fact that it brings improvement in efficiency on both parties. People and organizations get used to working with one another. They can build relationships. They get to know what makes things tick and happen. There is the benefit of early contractor involvement in a project.

Everyone involved can take a long-term view. For example, if the parties have the comfort of being contractually bound in a long-term relationship, they will be prepared to invest in product development. This requires an element of trust which

can only be developed over a period of time as framework agreements rarely proceed on the basis that work is guaranteed.

The advantages of framework is the flexibility they bring to the public procurement function through transparent and competitive mechanism whereby contracting authorities can place contracts with suppliers in the framework without having to carry out onerous tendering procedures for individual requirements that are covered by the framework.

It reduces administrative cost of tendering either within or across contracting authorities and has the potential to develop competition on price and on quality and ensure better service delivery. It also has the potential to encourage competition, in particular where there are limited number of suppliers, with resulting cost benefit and improved service to contracting authorities.

According to Glover (2008), some benefits of the FWA contract are as follows: The first benefit of FWA he raised was its contractual certainty. The Constructing Excellence website enshrined the following benefits in procuring over a period of time. A framework can deliver many benefits, such as:

- Reduced transaction costs achieved through economies of scale
- Continuous improvement within long-term relationships
- Better value and greater community wealth
- Solutions that delight customers.

Estimating the value and establishing frameworks for works, supply and service contracts will generally involve aggregation of requirements for a period of time and will possibly extend to a number of contracting authorities or sectors. Consideration should be given to how proposed arrangements will impact on Small and Medium Sized Enterprises (SMEs). While total demand may be aggregated, requirements will

generally be drawn down in small lots, in many cases following mini – competitions. In selecting participants, authorities should ensure that where smaller enterprises can meet requirements or compete for particular lots, the terms of the framework facilitate their inclusion.

There will be instances where flexibility and ability to respond speedily to requirements will place such enterprises in a particularly favorable position to participate and compete effectively.

The framework agreement gives small suppliers an awareness of opportunities for “self-help” (Loader, 2013). The framework proposes that buying complexity and supplier engagement are conditions that support reconciling rationalistic and normative pressures on public buyers. According to the Public Procurement Authority (2013) the framework agreement seeks to harmonize cost of Government expenditure in public institutions so as to facilitate the allocation of funds. It believes that through the framework all public entities will have common prices and value for uniform user items under the framework contract to achieve value for money spent.

It has been viewed on the contrary to also take autonomy from the procurement officers in their various departments who should directly be involved in the tendering process. By this, the fear of most procurement officers is that, the full implementation and application of the framework agreement will make officers redundant with little functions to perform in their various units.

2.11 Challenges in the implementation of FWA

The European Commission has, during recent years, expressed some concerns about the FWA approach. The main concern has been that, in making call-offs under a framework agreement, there should be no scope for substantive amendments, through negotiation, to the terms established by the framework agreement itself when

awarding contracts based on a framework agreement, the parties may under no circumstances make substantive amendments to the terms laid down in the agreement. Contracting authorities may not use framework agreements improperly or in such a way as to hinder, restrict or distort competition.

The current Utilities Directive, and the proposed consolidated public sector Directive, both define a framework agreement as an agreement with suppliers, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and quantity. In other words, a framework agreement is a general term for agreements with suppliers which set out terms and conditions under which specific purchases (call-offs) can be made throughout the term of the agreement. The framework agreement may, itself, be a contract to which the EC procurement rules apply. This would be the case where the agreement places an obligation, in writing, to purchase goods, works or services for pecuniary interest (or consideration in UK legal terminology). For this type of agreement, there is no particular problem under the EC rules, as it can be treated in the same way as any other contract. However, the term is normally used to cover agreements which are not, themselves, covered by the definition of a contract to which the EC rules apply (though they may create certain contractually binding obligations). Such agreements set out the terms and conditions for subsequent call-offs but place no obligations, in themselves, on the procurers to buy anything. With this approach, contracts are formed, in EC Directive terms, only when goods, works and services are called off under the agreement.

It is this form of agreement, where the framework itself cannot be readily classifiable as a contract for the purposes of the current Directives, which has caused much difficulty in relation to the application of the EC procurement rules, and which is

addressed explicitly in the text of the proposed new EC public sector Directive and in this note. But it should be stressed that the contractual status of a framework agreement, under the proposed new public sector Directive, should not cause undue concern; the key is that a means of awarding contracts under framework agreements is provided for without the need to re-advertise and re-apply the selection and award criteria from the outset.

2.12 Conclusion and Gaps in Literature

A review of the existing body of literature has brought to the fore that, there exist scholarly positions on procurement practice in Ghana. Notwithstanding, these positions are often geared towards a review of the country's legal framework of the Act 663. A literally search unveils that in the specific area of Public Procurement Framework Agreement, much has been documented in Europe with little known about it in sub-Saharan Africa and Ghana. Academic positions on the knowledge about the Frameworking Agreement, its effect on procurement practices and the associated challenges were absent among Ghanaian procurement scholars. This does not come as a surprise as the introduction and implementation of the concept is very infantile with less than two years of implementation. This current research therefore is a ground breaking one in the area of making concrete assessment of the knowledge levels, the effect of the framework, and the challenges associated with its implementation among stakeholders who are directory involved-Procurement officers in particular and administrators of second cycle schools

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This part of the study presents the methodology upon which the study is based. It contains the research design of the study, population and sampling design, data collection methods and data analysis methods with ethical considerations

3.1 Research type and Design

The research design for this study was the explanatory research. The research type was triangulation which involves both qualitative and quantitative. There is no single research methodology that is intrinsically better than the other hence, the need for a combination of research methods to facilitate improvement in the quality of research. Triangulation involves collection of both quantitative and qualitative data sequentially. According to Gay (1990) explanatory research involves collecting data in order to test hypothesis or to answer questions concerning the current status of the subject of the study.

It is economical and convenient for the study of this nature. Yin (1993) stated that explanatory research explains causal relationship between cause and effect of a phenomenon. It aims at explaining causal relationship between variables.

Explanatory research emphasizes detailed contextual analysis of a limited number of events or conditions and their relationships. Researchers have used the explanatory research method for many years across a variety of disciplines. Social scientists, in particular, have made wide use of this explanatory research method to examine contemporary real-life situations and provide the basis for the application of ideas and extension of methods.

The explanatory research method is defined as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used (Yin, 1993). In order to understand the concept of the Framework Agreement, explanatory research will be used to explain the topic assessing the effects of Public Procurement Framework Agreement on procurement in Second Cycle Schools in Ghana.

3.2 Research Setting

The study was carried out in some selected Senior High Schools in the Central Region of Ghana.

The Central Region occupies an area of 9,826 square kilometers, which is about 6.6% of the total land area of Ghana. The region has 20 administrative districts with the historical city of Cape Coast as the capital with estimated population of 2,413,050 for the year 2013 with an annual growth rate of 3.1% (PPME/CHIM-GHS, 2012). There are 1,207 primary schools, 856 junior secondary schools and 49 senior secondary schools. The schools selected for this study are Holy Child Senior High school, Ghana National College, Adisadel College, University Practice Senior High School, Efutu Senior High, Aggrey Memorial Senior High, Academy of Christ the King Senior High, Edinaman Senior High, St. Augustine's, Wesley Girls Senior High.

The Mfantipim School is a Methodist secondary school in Cape Coast, Ghana. It has origins in the first secondary school to be established in the Gold Coast, (now Ghana). The Wesley Girls' High school is an educational institution for girls, named after the founder of Methodism, John Wesley. The school was established in 1836 with 25 girls by the wife of a Methodist minister. Student population in the school is 1,200

with 68 teachers and 72 non-teachers. Twenty-three of these teachers are female, constituting about 34% of the teaching staff.

The University Practice Senior High School was the “brain child” of the Faculty of Education, University of Cape Coast. The dream became a reality when the Ghana Education Service warmly accepted the idea. The School is located on the University of Cape Coast Campus. It has 1,600 students with 83 tutors and 32 non-teaching staff.

The Holy Child School is known as Angel's Hill, and is a female second cycle institution in Cape Coast in the Central Region of Ghana. In 2003, the school was ranked among the best 100 school in Africa, producing the best overall female student in the 2003 Senior Secondary School Certificate Examinations (SSSCE). It was founded by the Society of the Holy Child Jesus (SHCJ) in the year 1946 to provide education to Catholics within the region.

The current student population stands at over 1000 girls aged between 14 and 18 years with a total of 175 staff being teaching and non-teaching. The Adisadel College is a 3-year boarding secondary school for boys (14-18years), Adisadel was founded on January 4th, 1910 by the Society for the Propagation of the Gospel (S.P.G.). The school was then named SPG Grammar School. In 1924 the name was changed to St Nicholas Grammar School. When the school was relocated to its present location in early 1936 from downtown Cape Coast, it assumed its current name-Adisadel College. Adisadel College campus sprawls over an area of approximately 1.5 square kilometers over hills and valleys in a suburb of Cape Coast known as Adisadel. It is located in the historic city of Cape Coast on the beautiful central coast of Ghana. It has a current student population of 2000 with 220 teaching and non-teaching staff.

Aggrey Memorial A.M.E. Zion senior high School is a publicly supported Coeducational senior high school in Cape Coast, Ghana. It provides students in forms 1 through 4 a rigorous preparatory education with the aim of passing the WASSCE. The school has distinguished itself as a leading secondary school by placing a high premium on educating students in the Arts and Sciences. It has a current student population of 1350 with 210 staff.

The Ghana National College was established in 1948. On Friday 16th July 1948, when agitations for self-government in the then Gold Coast had gathered high momentum, a new secondary school was established in Cape Coast. It was christened GHANA NATIONAL COLLEGE. Significantly, nine years later on 6th March, 1957 when the Gold Coast achieved independence, the country was renamed GHANA.

The establishment of GHANA NATIONAL COLLEGE in 1948, nine long years before Ghana itself came into being and before Dr. Nkrumah assumed the reins of power as Prime Minister, is a clear manifestation of Dr. Nkrumah's great vision. The school holds a current student population of 1350 made up of both boys and girls within the ages of 14 to 18 years. It has a staff population of 210 for both teaching and non-teaching staff.

The Edinaman Senior High School is located at the outskirts of Edina Elmina with a student population of 1,200 students who are boys and girls. It has a total of 120 teaching staff and 65 non-teaching staffs who see to the progress of the school. The school is rated as a grade B school and management of the school in collaboration with the PTA is doing its best to attain the status of a Grade A level.

The Academy of Christ the King is a mixed school with two campuses one in the Cape coast township just opposite Kofi Essuman Enterprise and the new site at Abura. The school has a student population of about 1,500 with 60% of them being boys and

the rest 30% girls. The school can boast of 150 competent graduate teachers of and 70 Non-teaching staffs.

Efutu Senior High School is located about 50kms away from the main Efutu Township with very serene environment and good infrastructural facilities. It is a mixed school which offers all the various courses accredited by the Ghana Education service. The school has a student population of 1,250 who are all boarders. It has about 130 teaching staff and 45 non-teaching staff.

3.3 Study Population

The population of the study constituted all Head of Schools, Store Keepers, Procurement Officers, Supply Officers and Finance Officers (Bursars) in the selected Senior High Schools in the Central region of Ghana

3.3.1 Target Population

The target population for this study constituted all headmasters or headmistresses, procurement officers, store keepers, and finance officers (Bursars) in ten (10) selected Public Senior High Schools in the Central region of Ghana. The inclusion of the procurement officers was to help in bringing to bear the extent to which PPA through Ghana Supply Company has affected the efficient and transparent use of public resources through the framework program. Also, including procurement officers and supply officers was to help in bringing out some positive and negative effects after the introduction of the framework contract and also other challenges in the procurement processes for contracting suppliers.

3.4 Sample and Sampling Procedure

The researcher used both probability and non-probability sampling for the study. Particularly the purposive sampling technique which is a non-probability sampling technique was employed to select the heads of schools, procurement, supply officers, finance Officers and store keepers. This is because, it is believed that all the officials at the procurement outfits were in the best position to respond to the research questions. With regard to the selection of the specific schools to be included in the study, the simple random sampling method was used. This technique was appropriate because it ensured equal, quantifiable and non-zero probability in the selection of the respondents (Sarantakos, 1997: 138). The names of all the Second Cycle schools in the Central the region was written on a paper and the researcher pick one to ten without replacing each school when it was picked. Ten Second Cycle schools in the Central region were simple randomly selected to be engaged in the study.

Notwithstanding, careful steps were taken to ensure that schools sampled were representative of the categories and grading of the schools in terms of category A or B or C who are implementing the Framework Agreement program. This was aimed at ensuring representativeness and offering a better appreciation of the research problem from all the categories of schools in the central region.

The sample size of 50 individuals from 10 selected schools was selected.

The decision to sample fifty respondents was informed by the fact that due to the peculiar nature of the study, sampling 50 would be deemed to have been adequate for generalization purpose. This is understandable bearing in mind that not a greater number of persons are involved in procurement practice in the Second Cycle Institutions.

In all, four districts within the Central Region of Ghana (i.e. Cape Coast Metropolis, Efutu, Assin, and Elmina) were randomly selected due to easy accessibility, financial and time constraints.

The Sample frame was collected from Central Regional Coordination Council and all the districts were assigned numbers from one to twenty-four. The four districts were randomly selected with the use of table of random numbers. The sample size of 50 was arrived at by purposively selecting five (5) research participants from each of the ten schools. The five persons sampled included the Heads of Schools, Accounts Officers, Procurement Officers, Supply Officers and Store keepers. In all a total of 50 research participants was to be selected. After the questionnaire was distributed, the researcher could only retrieve 46 of the questionnaire. This represented 92.0% response rate. The final sample size for the study was 46 research participants.

3.5 Methods and Sources of Data

Both primary and secondary sources of data were obtained for the study. The primary data was obtained directly from respondents through the administration of questionnaires.

The primary data provided reliable and accurate firsthand information relevant to the study. The secondary information was obtained from the library, internet, journals, articles, published works, newspapers, research reports and the Schools.

3.5.1 Data Collection Instrument

Questionnaires constituted the main data collection instrument used for the study. The questionnaire was appropriate because it is assumed that the procurement officials as well as the respondents were literate and for that matter they were able to respond to the questions unaided. Questionnaires facilitated the collection of data that ensured

the best matching of concepts with reality; it provided the same responses from a given set of respondents and helped reduce inconvenience caused by unfavorable interview times and busy schedules.

Saunders et al (2009) are of the view that questionnaire is used for explanatory research which will enable the study to examine and explain relationships between variables, in particular cause-and-effect relationships. In all 50 questionnaires were administered to research participants. The researcher personally administered the questionnaires to the respondents by going to various schools to administer the questioners after having sought consent and explain the objective of the study to the research participants. The questionnaires consist of both open and closed ended questions, based on the objectives of the research. The open ended questions in the questionnaires formed the basis of the qualitative data and as such were analyzed qualitatively.

The personal data had variables. Under the objective: Level of awareness of framework Agreement, five variables were considered while five and seven variables were examined under the objective; the effect of the Framework Agreement on procurement and the challenges.

3.6 Pre-Test

In order to test the reliability and validity of the data collection instrument, pre-test was carried out. The researcher conducted a pilot study in order to pre-test the instruments. This stage was aimed at revealing the suitability of the methods and instruments that was employed in the study.

This consequently will lead to early detection of errors and distortions in the questionnaire which will help correct the process and assist the researcher to familiarize himself with the research environment.

3.7 Data Analysis and Presentation

This section deals with the methods of analysis of the data. The researcher will analyze the data descriptively with the aid of the Statistical Package for Social Sciences (SPSS Version20). The results will be computed into percentages and subsequently presented in the form of pie charts, bar charts and tables. Additionally, inferential analyses was carried out by conducting both Univariate and bi-variate analysis to test the relations between variables of interest.

This was done by cross tabulating the variables of interest. Open-ended questions were analyzed qualitatively by looking at the themes and coding the responses. Content analysis informed the qualitative responses. The responses were considered based on their relevance to the study. This gave a general idea to the study, assessing the effects of Public Procurement Framework Agreement on Procurement in Second Cycle Schools.

3.8 Ethical issues and Considerations

The researcher adhered to the highest standards of ethical considerations by ensuring the following ethical requirement

Anonymity and Confidentiality: The researcher ensured that no respondent had the name indicated in the study. Additionally, respondents were assured of the purely academic nature of the study.

Plagiarism: The researcher ensured acknowledgement of all sources that were contacted in the study.

Informed Consent: All research participants had their permissions sought and their voluntary redrawing from answering the question was assured and permitted.

CHAPTER FOUR

RESULTS AND DISCUSSION

4.0 Introduction

This chapter presents the results on the study. The chapter presents the discussions of the study in relation to the literature reviewed. The results and discussions are organized under specific objectives of the study.

4.2 : BIO GRAPHIC DATA OF RESPONDENTS.

This section provides the bio-data of the research participants. The results are presented in graphs and tables below.

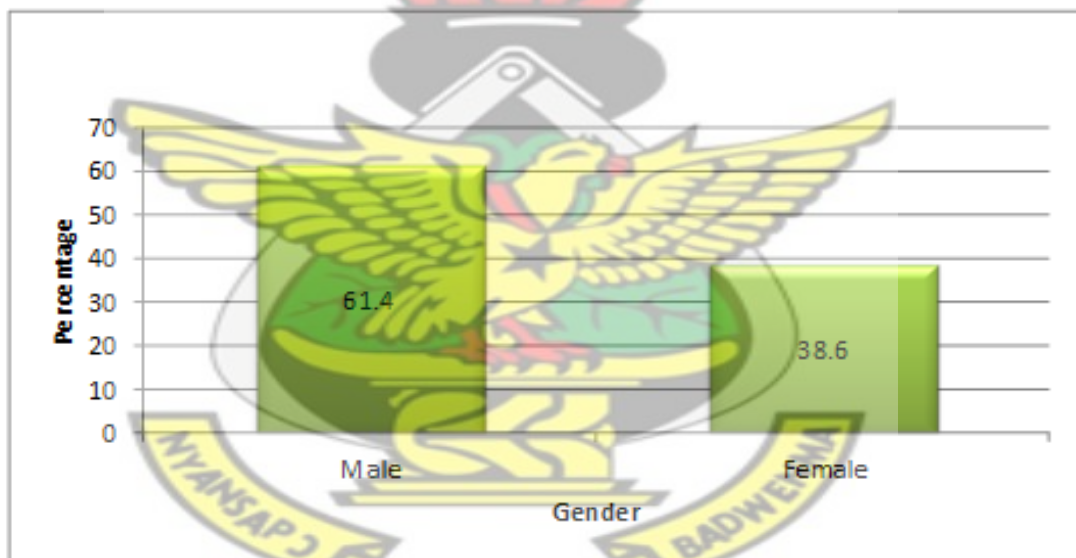


Figure 4.1: Gender of respondents (%)

From Figure 4.1, majority of the respondent are male occupying a total percentage of 61.4% of the total number of respondents. The number of females is 17 representing 38.6% of the total number of respondents. This shows that the number of males in the study area who work in second cycle schools are higher than that of females.

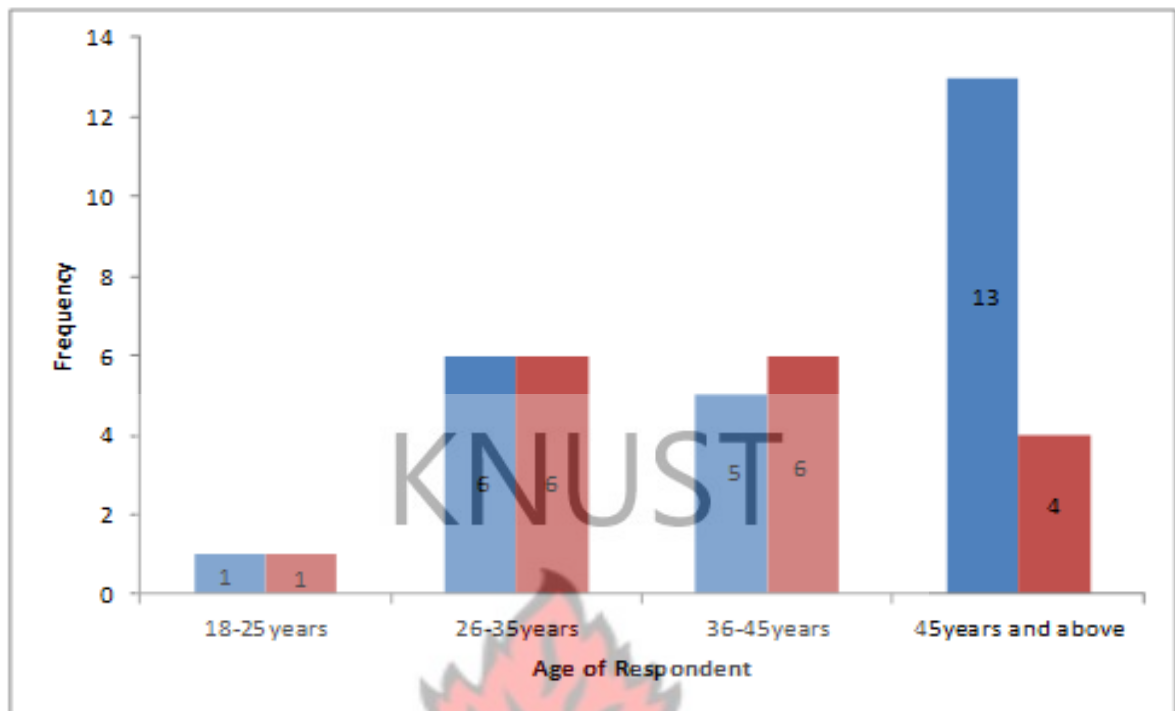


Figure 4.2: Relationship between gender and age of respondents

The study explored the relationship between the gender of respondents and their ages. The results were that the number of males and females within the age cohort of 18-35 are the same (7 each). Females within the age group of 36-45 are more than males within the same age group. The number of males in the age group of 45 years and above is 11 times more than females who are in that same age group.

The respondents' population is dominated by those who are in the age group of 45 years and above representing approximately 41% of the total respondents. Those within the age group of 36-45 years are 26.2%; age groups of 26-35 years occupy a total of percentage of 28.6% whereas those within the age group of 18-25 years occupy only 4.7% of the total number of respondents.

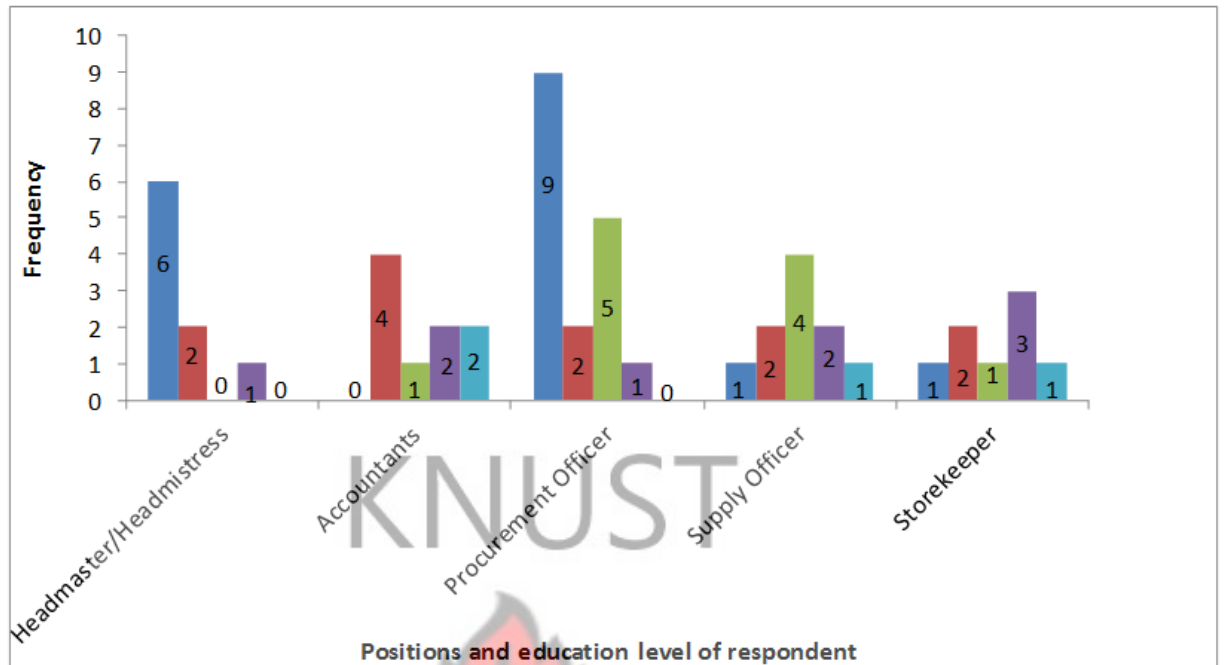


Figure 4.3: Relationship between Positions held by respondents and their level of education

The study found out that Master's degree holders were 17 out of the 46 sampled populations. Out of this number of respondents, six (6) representing a percentage of 13% of the total respondents were either headmasters or headmistresses. None of the accountant was a Master's degree holder. Procurement Officers who are masters' holders are nine (9). This is approximately 7% higher than masters' holders who were headmasters/headmistresses. Only one (1) respondent who was a Supply Officer hold a Master's degree. The same is so for store-keepers who formed part of this study.

Additionally, there were 2 degree holders who were headmasters. In terms of Procurement Officers, Supply Officers and Store-keepers; those who are degree holders are two (2) respectively.

Table 4.1: Working Experience and Public Procurement Framework Program's Training for respondents

	Training on Public Procurement Framework Program		Total
	Yes	No	
1-5years	10	25	35
Working 6-10years	3	6	9
Experience 11-15years	0	1	1
16-20years	0	1	1
Total	13	33	46

The study investigated into the working experiences of the respondents and their relationships with training on the Procurement Framework Agreement Program. The results stipulated in Table 4.1 shows that majority of the respondents (33 out of 46 respondents) are of the view that despite their working experiences in the various schools; there exist no training for them in line with the making them aware and conversant with the public Procurement Framework Agreement program.

The results from Table 4.1 also show that majority of the respondents representing 76.1% have worked for a period of 1-5 years; with this group of respondents, 25 out of the 35 representing 71.4% are of opinion that training programs on Public Procurement Framework do not exist. Contrary to the view of the majority of the respondents in this working experience group, 10 out of the 35 representing 28.6% are of the view that there exists a training program on the Procurement Framework Agreement. Respondents who are with working experience of 6-10 years are 9 out of the entire population of 46 respondents. Two (3) respondents affirmed that there are

training programs whereas the remaining number representing approximately 67% of the respondents in that working experience group. None of the respondents in the working experience group of 11-15 years and 16-20 years affirm that there are training programs on the Framework Agreement. The remaining number in those working experience groups holds the view that there are no training programs on the Framework Agreement on the Public Procurement

4.3 THE LEVEL OF AWARENESS ON PROCUREMENT FRAMEWORK AGREEMENT

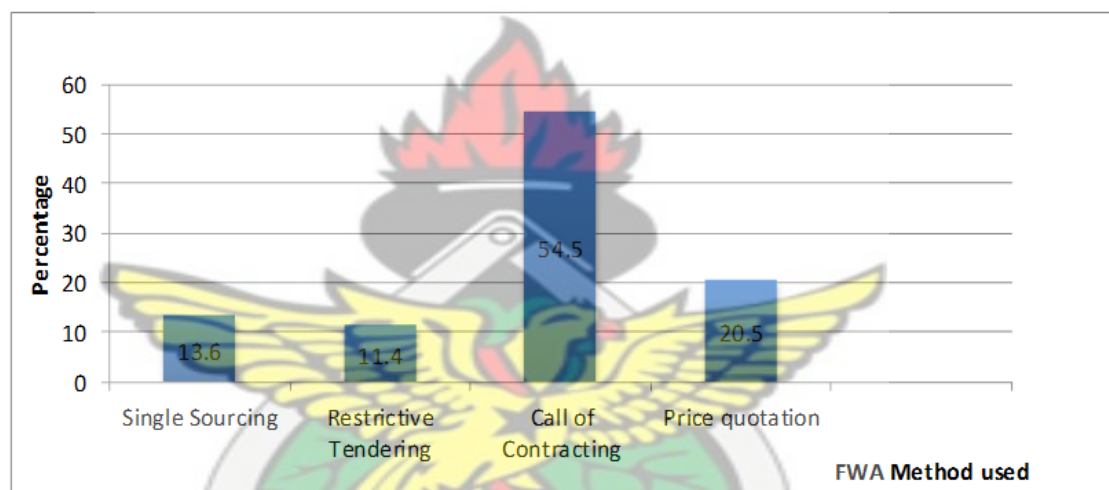


Figure 4.4: Method of procurement FWA used (%)

The results as indicated in Figure 4.4 show that Call- off contracting dominates as the major framework agreement method employed by the various schools (about 55% of the total respondents attested to the use of this particular method of Framework agreement. This was followed by price quotation which is nearly 7% above the single sourcing method in terms of use by the respondents of the study.

The number of respondents who used restrictive tendering method is 11.4% of the total number of respondents in the study.

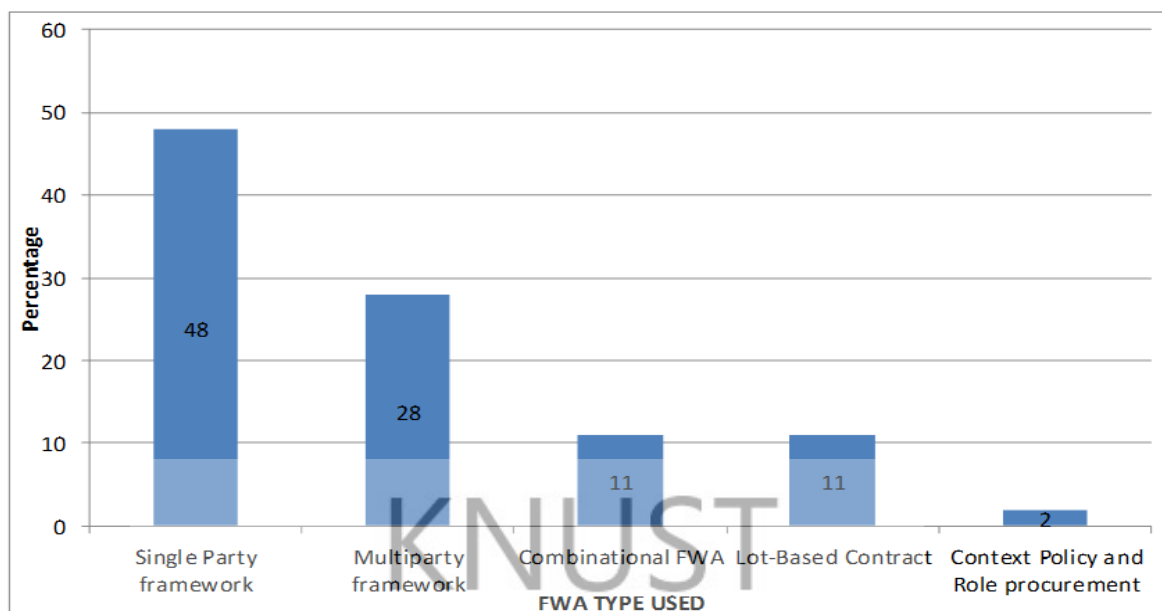


Figure 4.5: Type of FWA practiced

The study explored the type FWA practiced by the various second cycle schools under study. The results as indicated in figure 4.5 show that the dominant type of FWA used is the single party framework recording a percentage of 48 (22 out of the 46 respondents attested to this type of procurement). This was followed by multiparty framework which had 13 respondents affirming to its usage in their schools (a percentage of 28). Combinational FWA and Lot Based Contract recorded the same number of respondents (5 each) indicating that they practice the combinational FWA in their schools (11%). The context policy and role procurement recorded the lowest number of respondents (one (1)) representing a percentage of 2.

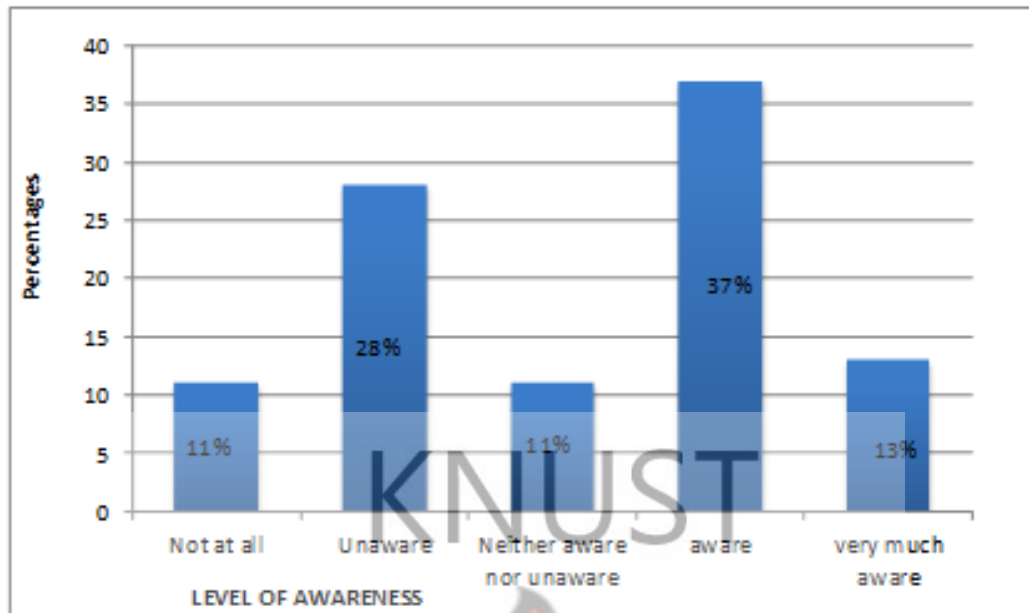


Figure 4.6: Awareness of Respondents on Procurement Framework Agreement

The level of awareness on the procurement Framework Agreement (FWA) by the respondents has been depicted graphically in Figure 4.4. A total proportion of 37% of the respondents representing the majority population are aware of the procurement framework agreement. Moreover, 28% of the sampled population indicated that they are unaware of the procurement Framework Agreement. 11% of the respondents are never aware nor unaware; the same proportion of the respondents never aware of the procurement framework agreement. A total proportion of 13% of the 44 sampled population indicated that they are very much aware of procurement framework agreement.

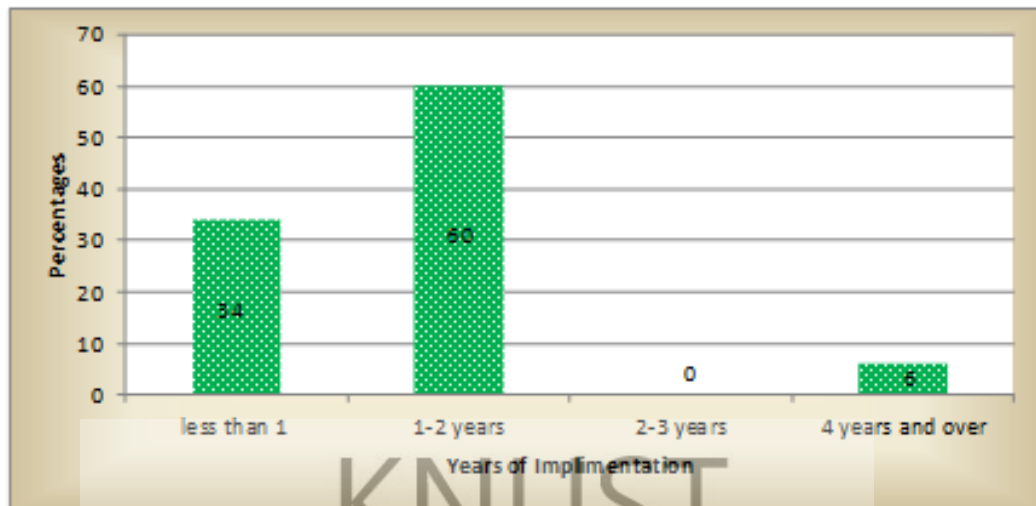


Figure 4.7: The number of years of using Procurement Framework Agreement by Respondents

Figure 4.7 shows the number of years attested by respondents in line with the use of the procurement Framework Agreement (FWA). None of the respondents established that their schools have used the framework agreement for 2-3 year period. Majority of the respondents representing 60% of the total sampled population of 46 respondents revealed that their schools have used the Framework Agreement for 1-2 years whereas a proportion of 34% of the total respondents claimed that they have used the framework agreement for less than a year. Those who indicated that their schools have used the framework agreement for 4 years and above were only 6% of the total respondents' population studied in this particular research work. From the results, one could hold the idea that the schools understudied employed the framework agreement just recently within a longest interval of two (2) years.

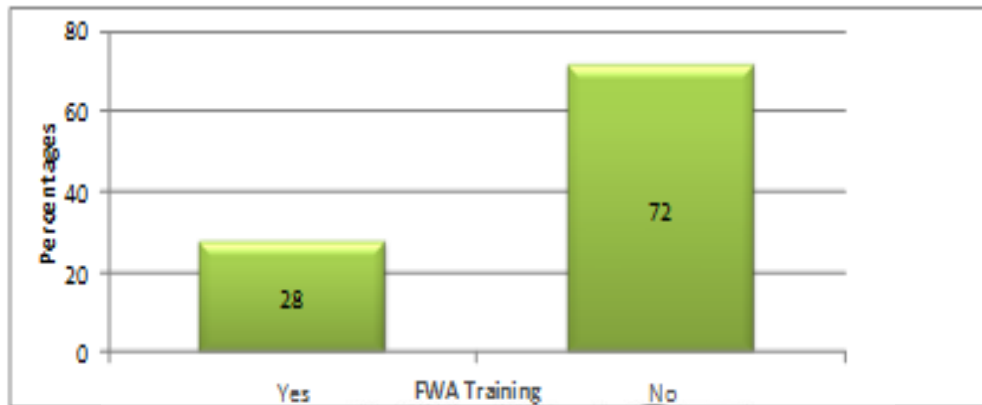


Figure 4.8: Existence of procurement training (%)

Figure 4.8 indicates the responses of respondents as to whether there are training programmes for staff regarding the public procurement framework agreement. Majority of the respondents established that there are no training programmes to equip the schools with the processes of procurement framework agreement. These respondents occupy 72% of the total sampled population understudy. The remaining respondents who are only 24% of the total respondents hold opposite view expressed by majority of the respondents. These respondents indicated that there exists procurement training for the various schools selected for this study.

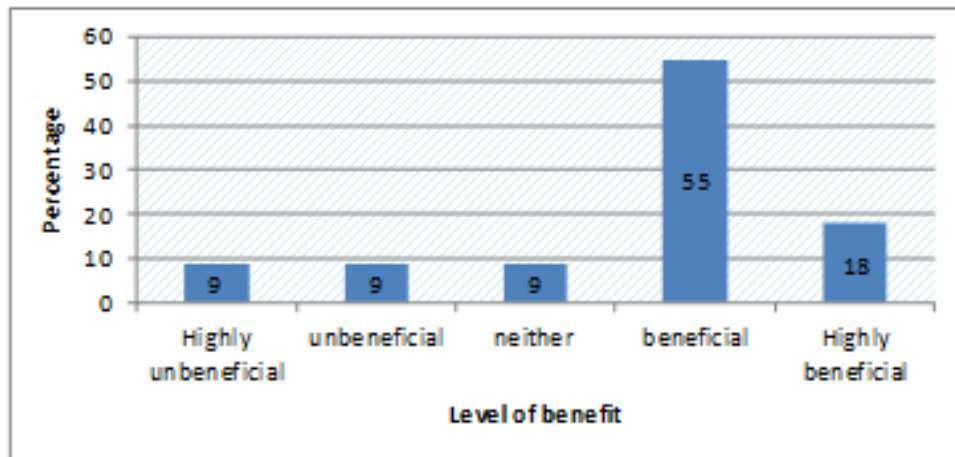


Figure 4.9: Assessment of training benefits (%)

The researcher further investigated into the benefits that accrue from the training exercises confirmed by 24% of the total respondents. Out of the 24% of the total sampled population representing 11 out of 46 respondents who attested that there exist training on the Framework Agreement, 18% of this population indicated that the training is highly beneficial for the schools. Majority of the respondents representing 55% of 11 respondents established that the training is beneficial. One (1) respondent indicated that the training is highly unbeneficial. The same number attested that the training is unbeneficial. These respondents who attested that there are training programs on the Framework Agreement revealed that the programs are not regular.

EVALUATING THE EFFECTS OF PROCUREMENT FRAMEWORK AGREEMENT

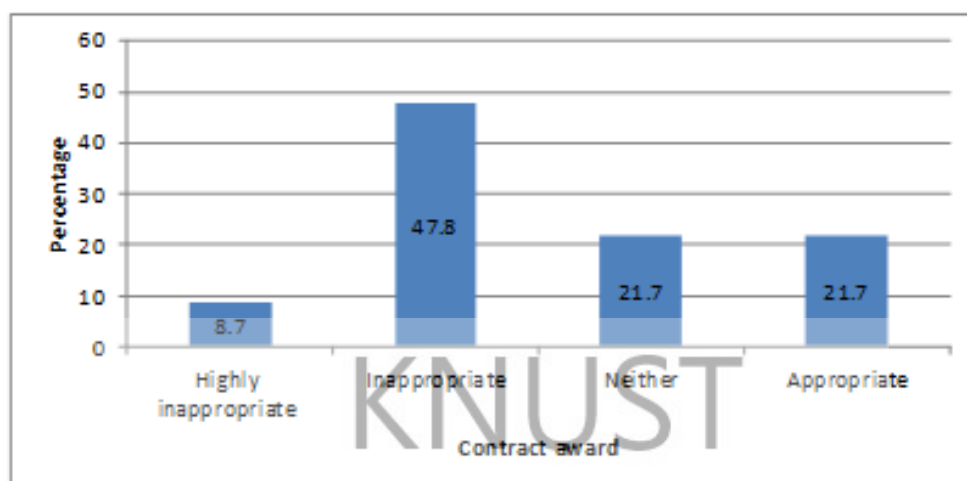


Figure 4.10: Appropriateness of tendering procedures for school contract (%)

In attempt to examine the effects of the Procurement Framework Agreement, the study examined the appropriateness of the tendering procedures for the various schools under study. Results as indicated in Figure 4.10 reveal that, majority of the respondents (47.8%) stipulated the tendering procedures under the framework agreement are inappropriate. Even nearly 9% of the 44 sampled populations went the extra mile to show that the tendering procedures are highly inappropriate. The number of respondents who indicated that the tendering procedures are appropriate occupied nearly 22% of the total respondents; proportion similar to those who are of the view that the tendering procedures are neither appropriate nor inappropriate.

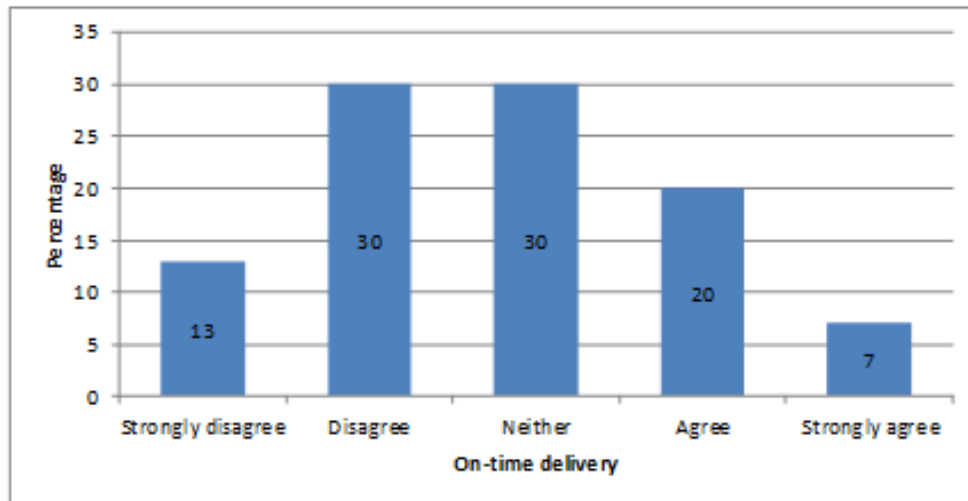


Figure 4.11: On Time Delivery of Goods under FWA (%)

Apart from the examination of the quality and cheapness of goods delivered under the public procurement framework agreement, the study also investigated into the views of the respondents in relation to the time the goods are delivered. Sadly, only 7% of the respondents strongly agree that there is on-time delivery of goods under the framework agreement. The total number of respondents who agree (both agree and strongly agree) to the fact that there is on-time delivery of goods under the framework agreement occupied 27% of the total respondents' population of 46. On the contrary, those who disagree (both disagree and strongly disagree) that there is on-time delivery of goods were 37% of the total respondents which is largely 10% higher than those who agree. A relatively large percentage of 30 of the total number of the respondents neither agree nor disagree.

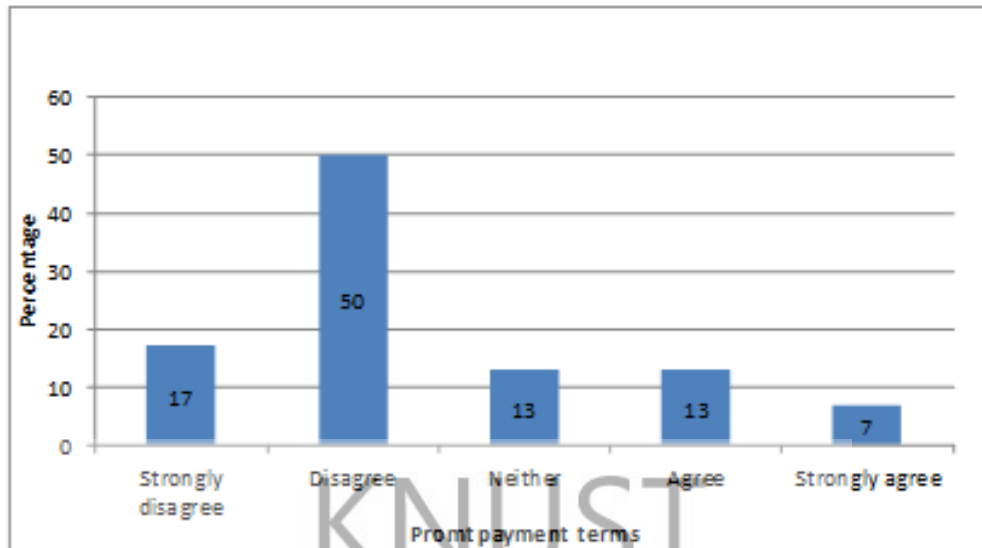


Figure 4.12: Payment Flexibility compared to local suppliers

Again, the study went the extra mile to find out the opinions of the respondents regarding the payment flexibility of goods under the framework agreement. Disheartening, the results as indicated in Figure 4.12 are similar to that obtained for on-time delivery of goods under the Framework Agreement. The percentage of respondents who disagree (both disagree and strongly disagree) occupy 67% of the sampled population; gap of 47% compared to the total percentage of respondents who agree (strongly agree and agree). 13% of the respondents representing an absolute number of 28 respondents neither agree nor disagree to the fact that payment flexibility exists under the public procurement framework agreement.

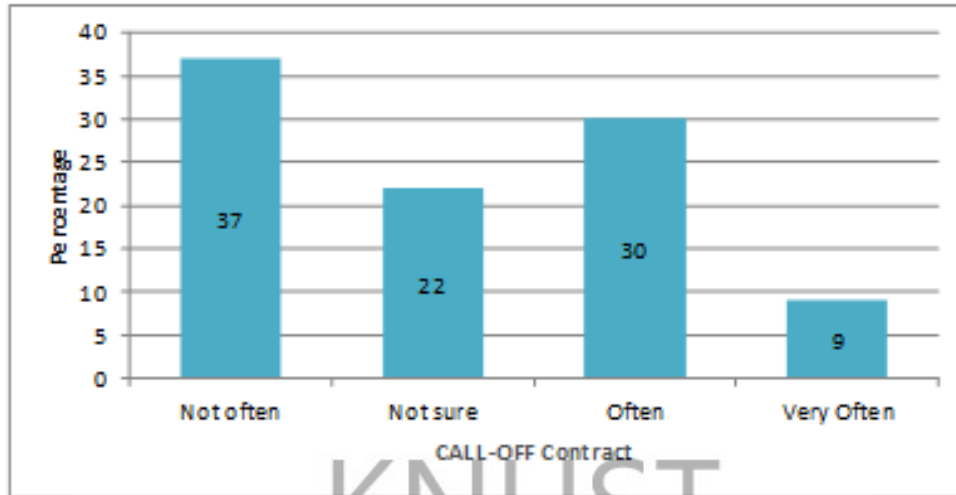


Figure 4.13: Call-Off of FWA (%)

Figure 4.13 shows the results of the views of the respondents regarding the regularity of call-off of the Framework agreement contracts in their schools. The study found out that, 14 respondents out of the 46 sampled population showed that call-off of the Framework Agreement is very often with 9% of the respondents going the extra mile to indicate that the call-offs are very often. According to 22% , they are not sure as to whether call-off is often, very often or not often. Majority of the respondents (17 out of 46) expressed the view that call-offs under the framework agreement are not often as already revealed by 14 respondent.

CHALLENGES OF PROCUREMENT FRAMEWORK AGREEMENT

This section of the research is dedicated to exploring the challenges associated with the implementation of the frame working agreement of the procurement in the Second Cycle Schools.

Table 4.2: Problems of FWA

Problems of FWA	Mean Score	Standard Deviation	Rank
FWA hinders budgetary control	2.52	1.090	1 st
Introduction of FWA increase cost of goods and services	2.28	1.068	2 nd
Payment conditions of FWA is putting much pressure on school management after delivery	2.02	1.270	3 rd
FWA is collapsing domestic suppliers existing in second cycle schools	1.93	0.963	4 th
Introduction of FWA is taking over the duties of procurement staff rendering them inactive	1.08	0.885	5 th

The study additionally investigated into the views of the respondents regarding the challenges their Schools were facing, concerning the Framework agreement. The challenges identified were: the Framework agreement increases the cost of goods sold, hinders the budgetary control (that is; monitoring of actual income and

expenditure against planned income and expenditure in schools), collapses domestic suppliers, take over the duties of the procurement staff and exert pressure on school management.

From table 4.5; one could deduce that, the problem of FWA hindering budgetary control recorded the highest mean score implying that majority of the respondents attested to it as a major problem of the FWA. This is followed by the problem that the introduction of the FWA increases cost of goods and services recording a mean mark of 2.52 with a standard deviation of 1.09 which is 0.03 lower than that of budgetary control. The problem that the payment of conditions of FWA is putting pressure on school management after delivery ranked 3rd as the third major concern raised by the respondents. This is followed by the fact that the FWA is collapsing the domestic Suppliers existing in the second cycle school (mean of 1.93 and standard deviation of 0.96). The issue that the FWA is taking procurement staff's duties (mean of 1.87 and standard deviation of 0.89) recorded the lowest rank of fifth (5th).

Table 4.3: Specific Challenges faced by schools with the use of FWA

Challenge of FWA	Mean Score	Rank
All of the above	0.37	1st
Unclear guidelines of FWA	0.30	2 nd
lack of training /experience on FWA	0.17	3 rd
Corruption in the FWA process	0.07	4 th
Lack of qualified staff	0.04	5 th
Delays	0.04	5 th

The challenges faced by the Second Cycle Institutions with the use of the FWA were investigated. Results as indicated in the Table 4.7 reveal that majority of the respondents recording a mean mark of 0.37 attested that the lack of qualified staff, the lack of training/experience on FWA, unclear guidelines of the FWA, corruption of the FWA process and Delays were the challenges faced by the various schools. Despite that, large proportion of people (recording a mean mark of 0.30) hold the view that the major challenge of the FWA has to do with the unclear guidelines of the framework agreement. The lack of training and corruption of the FWA process were ranked 3rd and 4th respectively whereas delays and lack of qualified staff recorded the same average and the same position as fifth (5th) major challenge of the framework agreement.

The need to enforce framework agreement in schools were investigated as presented in Fig. 4.13

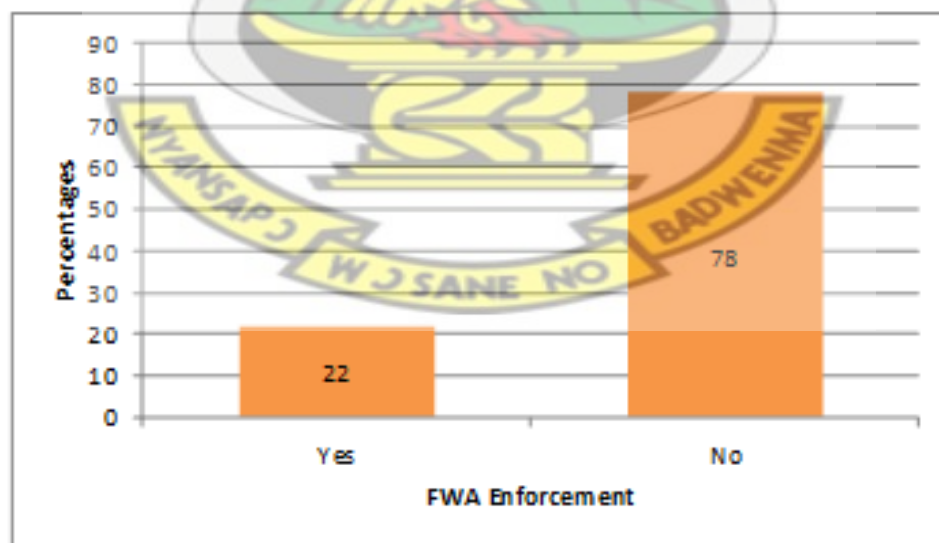


Figure 4.14: Whether FWA should be enforced

The results revealed that a total percentage of 78 respondents revealed that there is no need to enforce the Framework Agreement, 22% of the respondents representing 10 respondents indicated that there is the need to enforce the framework agreement.

A procurement officer who indicated the need for the enforcement of the framework agreement added that *“framework agreement is good but the various officers in the school should be properly trained and involved”*. *“Enforcing the framework agreement ensures transparency”* added by another procurement officer.

A procurement officer who indicated that there is no need for enforcement of the framework agreement indicated that *“most of the items given to contract under the framework agreement are inferior in quality and prices; most often are higher as compared to the level of suppliers’ prices”*. She further added that the schools should be left alone to do their own selection to ensure quality and economic benefits for the schools.

DISCUSSIONS OF RESULTS

Discussions are made under each objective of the study so as to ensure effective understanding of the study to its readers.

The level of awareness on Framework Agreement

The level of awareness on the Framework Agreement remains high as revealed by this study. This goes contrary with Ameyaw et al (2012) findings which recorded that none of the studied variable (sampled population) attested to the framework agreement as a method of procurement. In their study; they indicated that the dominant method which is much aware by large proportion of their target population was the request for quotation method. Other attested methods in their study were the single sourcing method and restrictive tendering. The awareness of the respondents on

the other methods such as competitive tendering, single source procurement, restrictive tendering and request for quotation was also affirmed in their study. Though the level of awareness on procurement framework in this study remains higher, the training of staff to help them to be well equipped with all the processes involved in it has received hinges. Thus, large number of the respondents is in the view that the framework agreement should not be enforced in the various schools. This calls for the concerned stakeholders to provide clear guidelines as well as routine training programmes to get staff to understand and be more equipped with the framework agreement.

Evaluating the effects of the framework agreement

In line with the effects of the framework agreement, findings from the study reveal that large number of the respondents refute the idea that the introduction of the framework agreement has led to the delivery of the best quality goods at a cheaper price. This opinion of the large number of respondents contradicts the Public Procurement Authority (2013) idea that the introduction of the framework agreement was to seek to the harmonization of cost of government expenditure in public institutions and to deliver the best quality goods at a cheaper price compared to existing products.

In terms of call-offs of the procurement method, the Public Procurement Authority (2013) indicates the need for regularity and consistency. The result on this study with regard the call-offs of the framework agreement stipulates that large number of respondents responded that the call-offs are not very often (regular). This runs contrary to the indication from the procurement authority.

Challenges of the Framework Agreement

Some proportion of respondents (7%) indicated that corruption is one key challenge facing the framework agreement of the procurement processes. This goes in line with the findings of Philip (2002) finding that grand corruption as well as petty corruption has become endemic and more difficult to stop under the public procurement. Without political will and commitment by the leadership of a country, grand corruption is perpetuated at an alarming rate with petty corruption becoming endemic and more difficult to stop (Philip, 2002; Kagwe, 2005; Thai, 2004; Jones, 2007). This explains why Badu and Manu (2009) indicated that the need to put in place strategies to battle against corruption should begin with strong will and clear commitment to tackle this issue.

The lack of qualified staff in the procurement processes has been revealed by World Bank (1994). This study to some extent supports world bank position since the majority of the procurement staffers studied in the present research have qualifications below a first degree. The organization ascertained that there are combined influences of inadequate strategies, political resistance and the lack of knowledge by staff about the appropriate tools to establish systematic change; thus, it is no surprising that respondents also revealed that there is lack of qualified staff under the procurement framework agreement.

CHAPTER FIVE

RECOMMENDATIONS AND CONCLUSION

5.1 Introduction

This is the final chapter of the study and basically summarizes the findings of the study, provides recommendations and ends with conclusion. Recommendations provided in this chapter are very useful could help improve the framework agreement if adopted by concerned stakeholders involved in the procurement processes.

5.2 Summary of findings

Issues under the summary of findings are classified under each objective of the study was as follows: the level of awareness of framework agreement. Issues under the findings are grouped under each of the objective of the study dubbed: the level of awareness of framework agreement, evaluating the effects of the framework agreement and the challenges of the framework agreement. Findings on the personal data of respondents are also indicated in the summary of findings.

5.2.1 Personal data

- Majority of the respondents (41%) in the various schools were 45 years and above in terms of their age.
- A large proportion of the respondents (26.1%) had attained degree; this was followed by those who have attained higher national diploma (23.9%) and diploma (21.7%). Majority of the diploma holders (21.7%) have working experience of 16-20 years.

- Respondents who are master's holders are predominantly headmasters/headmistress (13%). Only one (1) store-keeper holds a master's degree. He/she however has worked for their schools within the period of 1-10 years.

5.2.2 The level of awareness on Procurement Framework agreement

- Majority of the respondents (71.7%) agreed that there were no training programmes on the public procurement framework agreement in the various schools understudied.
- Call-off contracting dominates as a major method of procurement framework agreement employed by the various schools (54.5%).
- Majority of the respondents were aware of the procurement framework agreement (37%); large number of these respondents practice single party framework as a type of framework agreement (21.7%).
- None of the schools has used the Framework Agreement for up to three (3) years. In fact, large proportions of the respondents (60%) have used the framework agreement within a period of 1-2years.
- Most of the respondents (72%) refuted the idea that there is existence of procurement training for staff in the various schools. Marginal number of respondents (28%) agreed that there are training programs in their schools.
- Majority of the respondents (55%) out of the marginal number of respondents (28%) indicated that the training programs implemented in the various schools are beneficial. 18% of the respondents even went the extra-mile to indicate that the training programs are highly beneficial.

5.2.3 Evaluating the effects of Procurement Framework Agreement

- Greater number of the respondents (47.8%) examined in the various schools ascertained that the tendering procedures for school contract in the framework agreement are inappropriate. This calls for review of the tendering procedures under the framework agreement.
- The large number of respondents (63%); disagree and strongly disagree combined) revealed that best quality goods are not offered at a cheaper price under the framework agreement compared to existing products.

5.2.5 Challenges of Framework Agreement

- In terms of ranking, the major challenges with regards to the framework agreement are: the framework increases cost of goods sold (24%), hinders budgetary control (24%), collapses domestic suppliers (8.7%), exerts pressure on school management (8.7%) and finally taking over duties of procurement staff (4.3%).
- The major specific challenge faced by schools with the use of framework agreement is that the guidelines stipulated in the framework agreement are unclear. This specific challenge was attested by 31.8% of the total respondents. However, those who attested to all challenges: the lack of qualified staff, lack of training and experience, unclear guidelines, corruption and delays occupied the greatest proportion of 34.1% of the total respondents.
- Majority of the respondents (78%) think that the framework agreement should not be enforced in the various schools

5.3 Recommendations

- For the Framework Agreement to be successful the various procurement staff in the schools should be made to take part in selecting the suppliers under the framework.
- Adequate training should be organized by Public Procurement Authority for procurement staff and management of Second Cycle Schools.
- Heads of schools should allow their procurement staff to attend PPA trainings and also allow them to do the call-offs on behalf of the schools.
- The Public Procurement Authority (PPA) should allow the schools to come together to form a cluster to undertake their own tendering process and select their own suppliers.
- A monitoring and evaluation team should be put in place by PPA to effectively monitor the progress of the framework agreement program.

5.4 Conclusion

The public procurement Framework Agreement is very relevant but the level of understanding as well as the processes and procedures involved have received several hinges. In order to ensure effective implementation of the framework agreement so as to reap its intended benefits for the various second cycle schools, there is the need for regular training programmes on routine basis so as to make staff very conversant with the entire processes involved in the Framework Agreement.

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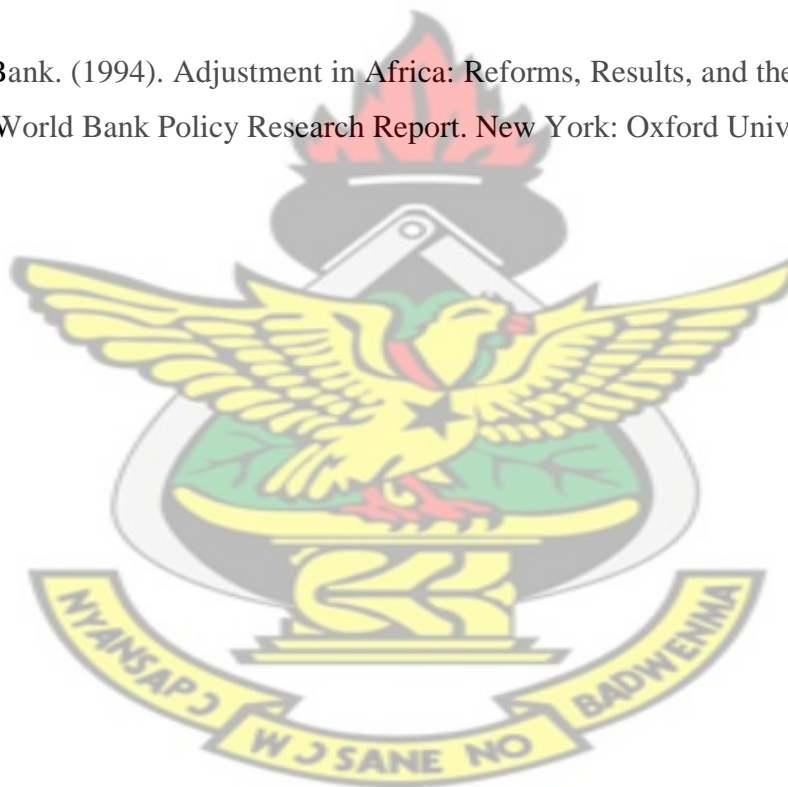
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APPENDIX 1.

COLLEGE OF ARCHITECTURE AND PLANNING

DEPARTMENT OF BUILDING TECHNOLOGY

RESEARCH QUESTIONNAIRE

Introduction: *I am a postgraduate student at the KWAME NKRUMAH UNIVERSITY OF SCIENCE AND TECHNOLOGY reading a program leading to the award of MASTERS DEGREE IN PROCUREMENT MANAGEMENT.*

I am carrying out a project on the topic: “ASSESSING THE EFFECTS OF THE PUBLIC PROCUREMENT FRAMEWORK AGREEMENT ON PROCUREMENT IN SECOND CYCLE SCHOOLS”. It is important to note that all the information provided will be kept confidential and anonymous and used purely for its academic purposes. I will be grateful if you could answer the following questions.

SECTION A: PERSONAL DATA

1. Gender: Male ☐ Female ☐
2. Age: 18-25yrs ☐ 26-35yrs ☐ 36-45yrs ☐ 45yrs and above ☐
3. Position held in School:
Headmaster/Headmistress ☐ Accountant ☐ Procurement Officer ☐
Supply Officer ☐ Store Keeper ☐ Supplier ☐
4. How many years of working experience with procurement do you have?
1-5 years ☐ 6-10 years ☐ 11-15 years ☐ 16-20 years ☐ 20 years and above ☐
5. Level of Education
Masters ☐ Degree ☐ HND ☐ Diploma ☐ GCE/A Level ☐
SSCE ☐ Other.....

SECTION B:

THE LEVEL OF AWARENESS OF FRAMEWORK AGREEMENT (FWA).

6. The Public procurement FWA was introduced by PPA through the Ghana Supply Company on the 10th of June, 2013. Are you aware?
- a) Not at all [] b) Unaware [] c) Neither aware nor unaware []
- d) Aware [] e) Very much aware
7. What type of method is the Procurement Framework Agreement (FWA)?
- a) Single sourcing [] b) Restrictive Tendering [] c) Call off contracting []
- d) Price Quotation []
8. Apart from the FWA, which other procurement method do you use currently?
- a) Competitive Tendering [] b) Single Source Procurement []
- c) Restrictive Tendering [] d) Request for Quotation []
9. How long have you been using the Framework Agreement?
- a) Less than a year [] b) 1 – 2 Years [] c) 3 – 4 Years [] d) More than 4 Years []
10. Have you had any training on the Public Procurement Framework Program?
- Yes [] No []
- ii. If yes, how do you assess the benefit of the training?
- a) Highly unbeneficial [] b) Unbeneficial [] c) Neither beneficial nor unbeneficial []
- d) Beneficial [] e) Highly beneficial []
11. What type of FWA are you practicing in your school?
- a) Single Party Framework [] b) Multiparty Framework Agreement []
- c) Combinational FWA [] d) Lot-Based Contracts []
- e) Context-Policy and role Procurement []

SECTION C: EVALUATING THE EFFECTS OF THE FWA.

12. Are the tendering procedures used by the Ghana Supply Company for the award of contract to suppliers appropriate for the school?
- a. Highly appropriate [] b. Inappropriate [] c. Appropriate []
d. Neither appropriate nor inappropriate [] e. Highly appropriate []
13. The prices offered under the framework agreement contract are cheaper than the existing local prices offered to the schools?
- a. Strongly disagree [] b. Disagree [] c. Neither agree nor disagree []
d. Agree [] e. Strongly agree []
14. The goods offered through the framework agreement are of the best quality as compared to the existing products delivered to the schools?
- a. Strongly disagree [] b. Disagree [] c. Neither agree nor disagree []
d. Agree [] e. Strongly agree []
15. Suppliers under the FWA ensure on-time delivery of goods as compared to the local suppliers?
- a. Strongly disagree [] b. Disagree [] c. Neither agree nor disagree []
d. Agree [] e. Strongly agree []
16. Payment terms to suppliers contracted by the FWA are more flexible than the existing domestic suppliers of schools?
- a. Strongly disagree [] b. Disagree [] c. Neither agree nor disagree []
d. Agree [] e. Strongly agree []

17.How often do you make a FWA call-off?

- a) Not Often [] b) Not sure[] c. Often [] d) Very Often []

SECTION D: CHALLENGES OF THE FWA

18.Do you have challenges with applying the FWA? Yes [] No []

RANK THE FOLLOWING CHALLENGES ASSOCIATED WITH YOUR USE OF FWA.

Please Tick the Right Answers

Qno.	QUESTION	Strongly Agree	Agree	Neither Agree nor Disagree	Disagree	Strongly Disagree
Q19	The introduction of the FWA increases cost of goods sold to schools.					
Q20	The FWA hinders budgetary control. (i.e. monitoring of actual income and expenditure against planned income and expenditure in schools).					
Q21	The FWA program is collapsing the domestic suppliers who exist in the second cycle schools					
Q22	The introduction of the FWA is taking over the duties of procurement staff causing them to be inactive.					
Q23	. Payment conditions of the FWA is putting much pressure on management of schools after delivery					

24. Which of the following challenges do you have?

- a. Lack of qualified staff [] b. Lack of training/experience on FWA []
c. Unclear guidelines on FWA [] d. Corruption in the FWA process []
e. Delays [] f. All the above [] g. None of the Above []
Other []

specify.....

25. Do you think the FWA should continue to be enforced in second cycle schools?
Yes [] No []

i. If Yes,
why.....

ii. If No, please state your reason (s).....

iii. Please if you have any additional comment or suggestion you can share with us.....
.....
.....

