

ABSTRACT

A study to determine effectiveness of contracts management on attaining value for money in public procurement of goods in Tanzania was done at the Ministry of Agriculture Livestock and Fisheries. The objectives of the study were to evaluate the formulation of procurement contracts in achieving value for money in public procurement of goods, determine effectiveness of procurement contracts of goods as per agreed terms and condition and examine the contribution of effectiveness contract management through procurement process of goods toward achievement of value for money. The study employed both qualitative and quantitative approaches; moreover research design was a cross-sectional survey. In addition, a cross-sectional study was employed since the sample measurement was carried out at a single point in time. The study used a Case Approach as to capture data from the respondents regarding the information of contract management in the Public Sector.

Results showed that one of insufficiency of the contract is delays of contract formulation. High percentage (98.3%) admitted to be aware of the public procurement proceedings and indicated that contracts are effectively followed, (good 35.6%, very good 30.5% and excellent 32.2%). However, on the part of sufficient formulation of the contract 96.7% reported the contract not to be sufficiently formulated and 72% ranked the contracts to be just fair. Among the measures recommended assigning and train specific staff was proposed by 36.9% of respondents. Flexibility for amendment was seen by 10.7% of respondents to be important in improving formulation of public procurement contracts. To more or less similar extent, 9.8% of respondents suggested capacity building to the Public Procurement Unit staff and tender board members to be imperative. Having a competent, experienced and ethical team while formulating, implementing and administrating the contracts was pin-pointed to be crucial in formulating an effective and reflective procurement contract. It was revealed that contracts are completed within the required time, majority (61.7%) were neutral on this whereas 8.3% of respondents disagreed. Majority of respondents (85%) agreed and 10% strongly agreed that delivered goods conform to the quality standard as specified. It was evident that penalties are not charged for goods with poor quality delivered to MALF. However, poor quality goods are rectified during defect liability period (80%). In most cases the Government disburses fewer amounts of budgeted funds and sometimes the funds are not received in time. Various challenges were reported that includes delay in completion of the contracts, weak inspection and acceptance committee, budget fall ups, specialization of work, awareness of stakeholders on procurement process. Other challenge includes language barrier, conflict of interest,