

### ABSTRACT

This dissertation presents the findings as a result of a study on the compliance issues to public procurement laws in Tanzania, with a focus on the local government authorities. Open and effective competition is one of the pillars of the public procurement regime in Tanzania, and the regulations on procurement in the public sector requires, at the best, using competitive tendering methods through predetermined bidding procedures. For the past two decades, the procurement system in Tanzania, like everywhere in the globe, has been under a series of reforms aiming at, among others improving service delivery and enhance compliance to the applicable laws, regulations and guidelines with the purpose of realising value for money in public procurement.

Recent compliance audits by the relevant public bodies reported a degree of non-compliance especially in local governments and this research used a case based strategy with Babati District Council as the entity studied. The research empirically explored issues surrounding the performance-compliance in both directions – impediments and success factors for good compliance. The purpose of the study and research questions are presented in chapter one of this report. Related literature on public procurement and compliance in particular indicate that compliance is a complex issue with multitude of factors ranging from commercial practicality, ethical, cultural, social psychological and many others as reported in chapter two of the report. However, the reviewed empirical studies recognise the need to extend researches in other organisations located in various geographical areas and with the consideration for involving the society at large – other than the purchasers.

The research methods included the use of interview in the collection of data with others being participatory observation, and unstructured interviews for better qualitative data collection and analysis. The overall results suggest that understanding of the procedures coupled with good management support, ethical behaviour, political will and professionalisms enhances compliance. However,