

## MinDef calls for more effective procurement

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The Ministry of Defence voiced concerns on whether the procurement processes to develop the country's armed forces into a credible deterrent are efficient and effective.

According to Permanent Secretary at the Ministry of Defence Dato Paduka Awang Haji Abdul Majid bin Mangarshah, the preoccupation is justified as the ministry is accountable for a large sum of government money.

A procurement process, he said, is an exceptionally complex one by virtue of cutting edge technology and long timescales over which plans have to be laid.

Dato Paduka Haji Abdul Majid said this during a speech at the opening of a workshop on procurement processes, organised by the Defence Science and Technology Agency (DSTA) in collaboration with the Royal Brunei Technical Services (RBTS) at the Rizqun International Hotel, from May 12-14.

He noted that for the 2008/9 fiscal year, the defence budget allocation is around \$508 million, and the Directorate of Finance and Acquisition (DFA), with support from the RBTS, is accountable for spending some 40 per cent of the annual budget.

"Ensuring that the money is spent to achieve the best outcome for the frontline is a huge responsibility," he said. "DFA and RBTS face the imperative of stretching every dollar spent on defence and that each dollar is spent on the right priority area, in order to maximise value relative to cost."

According to the permanent secretary, DFA and RBTS are main procurement agencies to achieve the overall goals.

"This is a substantial challenge requiring us to find better ways of doing business. A healthy and functioning defence procurement system will help us acquire cost effective solutions that optimise our operational requirements."

He also emphasised on the need to "move from compliance-focused transactions to a higher value knowledge-based procurement. We need to move from ad hoc purchasing to a more proactive, informed and planned analysis of customer requirements. We need to adopt best market practices and innovative procurement strategies, such as public private partnership (PPP) and performance-based periodic contracts".

On the three-day workshop, the permanent secretary said the outcome of the event would play a central role in identifying the scope for increased efficiency to make a real difference in defence procurement functions.

"Together, DFA and RBTS must drive through change initiatives and others with determination, to ensure that the best possible value be achieved from the government's money in delivering the highest level of operational effectiveness in supporting the frontline."

The workshop, supported by Brunei and Singapore Defence Ministries, was officially opened by the permanent secretary yesterday.

On hand to conduct the workshop are senior officials of DSTA, the procurement and research arm of Singaporean Ministry of Defence.

According to RBTS, 34 participants from RBTS and MinDef Brunei are attending the workshop, which aims at exposing them to experiences from the speakers.

The team of DSTA speakers, led by Deputy Chief Executive of Strategic Development Brigadier-General (Rtd) Sin Boon Wah and three senior officials Director of College/Platform & Systems Integration Tay Kok-Phuan, Director of Systems Engineering Competency Community Alex Lee Yeaw Lip, and Deputy Director of Procurement Lee Wee Khong.

RBTS said the topics lined up for the workshop include: procurement organisational structure; life cycle management system; organisation and structural support; system acquisition management; procurement systems and command; and control development.

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