

Working Group on Governance and Anticorruption Meeting of August 2, 2007

The meeting welcomed the participation of the Presidential Anti-Graft Commission, the arrival of the new Chief of Party of the Millennium Challenge Corporation in the Philippines, Benjamin Allen and Tony Kwok, anticorruption advisor to the government.

Updates on the Multi Sectoral Anticorruption Council (MSACC) and on Integrity Development Reviews (IDRs) by Evelyn Baliton, Assistant Ombudsman, Office of the Ombudsman

The presentation covered updates since the last meeting in March on activities related to the convergence of anticorruption initiatives under the National Anticorruption Program of Action (NACPA), steered by the MSACC, the council representing the executive, legislative and judicial powers, as well as the constitutional bodies and the representatives from private sector and civil society. A NACPA-MSACC road show is planned to mobilize public support for anticorruption. There are 4 planned road shows to be conducted in major cities of the country and in each one, the active involvement of the government, the CSOs and the business sectors is expected. The road show will kick-off in Manila, and is tentatively planned to take place on 19 August.

The Integrity Development Review (IDR) assesses the corruption vulnerability in the agency system, and guides the agency in designing system safeguards. Last year, the IDR was undertaken in 5 agencies, considered as the most vulnerable to corruption. During the first half of 2007, an additional 11 agencies completed their IDRs. A presentation of the findings and recommendations has been concluded before selected donor agencies and the advisory committee.

The Office of the Ombudsman commissioned a study on the possible introduction of a new air cargo handling system in the new airport. The system would address delays, reduce bureaucracy and corruption.

During the discussions the following issues were raised:

- The next generation of IDRs will be funded out of the P1Billion anticorruption fund released by the Office of the President to the Presidential Anti-Graft Commission (PAGC), who will be in charge of identifying the agencies
- In terms of monitoring the recommendation, there is a need to publish the results of the Corruption Review Resistance, creating a healthy competitive environment among the agencies in terms of improving their level of achievement in the areas of public financial management, performance management, leadership, gifts and benefits policy, etc
- The IDR results need not only to be monitored on the implementation of the recommendations but also need to be supported in its implementation; donor assistance will be needed in support. MCC offered support in capacity building of the Bureau of Internal Revenue and the Bureau of Customs
- The idea was raised to invite heads of agencies that have completed the IDR to present their findings and plan of actions before the PDF working group in order to stimulate consistent reporting

Update on Philippine Procurement Reform by DBM Under Secretary Laura Pascua

DBM reported on the outcomes of the efforts to make procurement systems more efficient, useable, and transparent in terms of:

- Implementation and institutionalization of Procurement Reforms Program to the different levels of government
- Improvement and harmonization of GOP and development partners' procedures and guidelines for procurement at all levels
- Enhancement of Phil-GEPS to provide better services to GOP and ODA funded procurement requirements
- Development of a Procurement Monitoring System to regularly assess the progress of reform measures
- Implementation of strategic communication plan

Report on the 2007 Country Procurement Assessment Report (CPAR) Action Plan by Cecille Vales of World Bank

Cecille Vales reported on the results of the integrated OECDDBLI-CPI tool and the identified strengths and weaknesses of the current procurement system. Philippines scores well in terms of the legal and regulatory framework, but does less well in the implementation of the legislation, and its monitoring and enforcement. The CPAR working group came up with an action plan from 2007-2010, of which the main milestones can be summarized as follows:

- Strategic communication plan for procurement reform
- Strengthening monitoring and enforcement
- Strengthening capacity
- Improvement in process and procedures
- Enhancing linkages between Financial Management and Procurement
- Development of a complaint and review mechanism

Creation of a sub-working group on procurement

The CPAR working group also identified the need for more regular meetings, and the participation of a broader group of participants, both from the government and from the development partners. This need could be addressed by the creation of the sub-working group on procurement. Everybody agreed on the creation of a sub-working group. The Technical Support Office for the Government Procurement Policy Board (GPPB-TSO) together with the World Bank were elected as the co-chairs.

Follow up

- Office of the Ombudsman will regularly report during the PDF working group meetings on the results of the IDR
- The first meeting of the sub-working group on procurement will take place at the end of August

- The governance sub-working group will convene a meeting soon after the meeting on procurement
- CSOs will be invited for the working group and sub-working group meetings

List of participants

Last Name	First Name	Company/Office
Agulan	Dwight	AusAID
Ahmed	Jaseem	ADB
Alikpala	John	AusAID
Allen	Benjamin	MCA
Alvarado	Chat	PAGC
Alvarez	Ruby	DBM
Baliton	Evelyn	Office of the Ombudsman
Caroll	Tom	Canadian Embassy
Castillo	Amelita	DBM
Claur	Josue	British Council
Crouch	Thomas	ADB
Cumpston	Andrew	AusAID
De Backer	Roger	European Commission
Fernandez	Antonio	NEDA
Gavino	Carlos	USAID
Hipolito	Rafael	Office of the Ombudsman
Jacob	Jaime	PAGC
Jalandoni	Mark	Office of the Ombudsman
Janda	Gerald	DBM
Jena	Prasanna	ADB
Johnson	Ky	Asia Foundation
Kwok	Tony	Office of the Ombudsman
Matsuda	Yasohiko	WB
Mendoza	Heidi	ADB
Mercado	Emily	European Commission
Nunez	Joan Paulette	Office of the Ombudsman
Pascua	Laura	DBM
Penano	Emy	GPPB-TSO
Rothery	Robert	ADB
Santiago	Cristina	JICA
Takashi	Baba	JBIC
Tan	Leandro	MCA
Vales	Cecille	WB
Van der Auwera	Michiel	ADB