

Updates on Procurement Reform and the CPAR: The Philippine Experience



Capacity Building

■ Initial Steps towards Professionalization

- Roll-out of Trainings on R.A. 9184 and the Use of the Philippine bidding documents (PBDs) Edition II (Ed. 2)

- *Status of Trainings (As of Dec. 31, 2005)*

<i>NGAs, GOCCs, other govt. agencies</i>	<i>Local government units</i>
16%-R.A. 9184 and Use of PBDs	83% -R.A. 9184 88%- Use of PBDs

Capacity Building

- Issuance of the Philippine Bidding Documents
 - PBDs Edition I – August 2004
 - PBDs Edition II – July 2005
- Issuance of the Generic Procurement Manuals
 - Pilot-testing of the Generic Procurement Manuals in 9 Agencies – completed
 - Approval by the GPPB- June 14, 2006
 - Training of Trainors - August 2006
 - Roll-out of GPM - Sept.-Dec. 2006 (Target Date)
 - Mandatory use - January 2007 (Target date)

Capacity Building

- Institutionalization of the Value Engineering Program to rationalize, achieve cost savings and efficiency in design
 - Training of trainers – July/December 2005
 - Roll-out – On-going
- Training on Detecting Fraud and Corruption
 - First Batch – July 2005
 - Training on Use of Software – March 2005

Professionalization Program

- Development and Implementation of the Professionalization Program

- Study on the Professionalization Program has been completed
 - 15 Modules developed
- 2nd Phase (Development of Detailed Modular Syllabus) – to be bidded out to a domestic academic institution with foreign/international tie-up

Strengthening Implementation of Procurement Reform through E-Procurement and the PhilGEPS

- Purpose: to promote transparency, efficiency and ICT
- PHILGEPS- Single, centralized electronic portal to be used by all government agencies in the procurement of common goods and also as the primary source of information on the procurement of:
 - Other goods and general support services
 - Civil works
 - Consulting services

E-Procurement and the PhilGEPS

- Features of the Pilot EPS (Phase 1)
 - Electronic Bulletin Board
 - Posting of all agency procurement opportunities
 - Posting of bid notices and awards
 - Supplier Registry
 - Database of registered suppliers
 - Electronic Catalogue
 - Electronic price list of commodities that can be acquired without bidding

The PhilGEPS Project

- Five year contract outsourced by PS-DBM last April, 2004 to Ayala Systems Technologies, Inc.
- Allocated budget of PhP 250 Million from PS Fund to include the following features:
 - Phase 1- Enhancements of the Pilot EPS (April, 2004-August 28, 2006)
 - Dynamic Home Page wherein contents refresh daily to display current notices, recent awards, calendar of events and GEPS statistics
 - Online registration of Buyers and Suppliers
 - General Public can view both open opportunities and award notices
 - Changes in terminology to adhere to RA 9184

The PhilGEPS Project

- Phase 2 (4th Quarter 2007)
 - Virtual Store
 - supports online procurement of both common and non-common use item
 - Electronic Payment
 - Electronic transfer of funds
 - Charges and Fees
 - Introduction of User Fees for the use of the system and bid documents distributed by the system or by an agency.
 - Electronic Bid Submission
 - Implementation of E-bid submission process

Status

- Transactions as of July 18, 2006

Agencies Registered.....	4,524
Suppliers Registered.....	16,851
Notices Posted.....	232,095
Awards Posted.....	37,808

Country Procurement Assessment Report (CPAR)

- Background:

- 2002- Philippine public procurement system assessed as average risk, dysfunctional, cumbersome, prone to corruption;

- Outcomes:

- Low thresholds for use of public procurement system in NCB
- Prior review
- More than 20 rules not acceptable in WB assisted projects

Country Procurement Assessment Report (CPAR)

- CPAR done jointly by the Philippine Government and Development Partners
- 2002 CPAR Key agreed actions –
 - passage of an omnibus procurement law
 - issuance of standard bidding documents and forms
 - national training program

COUNTRY PROCUREMENT ASSESSMENT REPORT (CPAR) 2006

■ Objectives

1. take stock of the progress of the reform and measure its impact on selected agencies or sectors;
2. strengthen implementation and enforcement;
3. improve monitoring and develop the tools for measurement of reform impact at all levels of Government, including local government units;
4. strengthen the communication strategy of the reform, providing key actions to improve the perception rating on the public procurement system;
5. expand and ensure the active participation of the civil society and the private sector.

■ Scope

- Review of the effectiveness of policy and procedural reforms
- Develop and roll-out nationwide the tools for monitoring and measuring the impact of reform
- Strengthen implementation and enforcement in the following areas
 - Link procurement to public financial management system
 - Further simplification and harmonization of procurement documents and forms and streamlining of procedures
 - Assess the enforcement of anti-corruption measures
- Assess the sustainability of civil society and private sector participation
- Assess the effectiveness of GOP's communication strategy

■ Methodology

- Consultations and workshops will be conducted to generate consensus and agreements on actions to attain the CPAR objectives.
- Baseline Indicator System used to assess effectiveness of the policy and institutional reform at the country level
- Agency Performance Indicators used to measure procurement performance of agencies

- In-depth review of the Phil-GEPS, e-NGAS and e-budget
- Review current procurement cases whether administrative or criminal, and determine the efficiency of the process
- Review the effectiveness of GOP's procurement communication strategy based on the result of the national and local survey
- Invitation of stakeholders to participate in the process
 - Country authorities (GPPB IA-TWG members/GPPB-TSO Staff)
 - CSOs
 - Development partners (ADB, JBIC, USAID, AUSAID, EC)

- CPAR – instrument for monitoring progress of reform

- Updates: February 2004

August 2005

- 2 Stages of the CPAR Process

1. Kick-off Mission

2. Final Mission Status of the 2006 CPAR

▪ Some of the studies to be undertaken under the 2006 CPAR Process focusing on the Anti-Corruption Program

- Assess the blacklisting and suspension policy and procedure and recommend measures to align it with international practices
- Assess the Effectiveness of Anti-Corruption Measures on Public Procurement in the Philippines, and Develop a rules on Prosecution of Cases, focusing on the following:
 - International Financial Institutions
 - The Government Procurement Policy Board (GPPB)
 - The Commission on Audit (COA)
 - Oversight Committees
- Assess the Effectiveness of Anti-Corruption Measures on Public Procurement in the Philippines, and Develop a Roadmap for the Prosecution of Cases, focusing on the following:
 - 1. The Ombudsman
 - 2. The Sandiganbayan
 - 3. The Presidential Anti-Graft Commission (PAGC)
 - 4. The Department of Justice (DOJ)/National Bureau of Investigation (NBI) Report of Findings and Recommendations, with Roadmap on the Prosecution of Cases

Target Dates for the 2006 CPAR

Activity	Date
Kick-off Mission	Jun 13-19, 2006
BIS/API Workshop by GPPB IA-TWG	August 14-15,2006
BIS/API Workshop-GPPB/Development Partners	August 21,2006
Consultation and Dialogue with GOP	August 28-30, 2006
LGU workshop on Procurement	September 4-8,2006
2006 CPAR Mission	September 25-29,2006

THANK YOU!

