



Organizing and Sustaining Civil Society-led Procurement Monitoring in the Philippines

CSO:	Baba’s Foundation Inc. (BFI) is currently heading the Secretariat for the Davao Procurement Transparency Core Group [DPTCG]
Years:	2009 – 2010
Country:	Mindanao, Philippines
Amount:	--
Sector:	Civil Society Monitoring of Public Procurement and Auctions

Corruption Problem:	Widespread corruption in government procurement throughout the Philippines
Tools employed:	Capacity Building, Third Party Monitoring, Constructive Engagement, Coalition Building, Community Mobilization, Structured Consultation Process

This Project is an offshoot of the Evelio B. Javier Foundation implemented project “Strengthening Local Mechanisms for Effective Civil Society Organization’s Participation in Public Procurement Processes” implemented in 2009 - 2010. The Baba’s Foundation, Inc. is currently the Secretariat for DPTCG, a coalition of 26 member-NGOs all based in Mindanao and involved with programs on good governance and anti-corruption. The project brought together CSOs to work jointly toward establishing effective procurement monitoring mechanisms, mobilizing volunteers and building the capacity of civil society actors to meaningfully monitor government procurement.

Corruption Problem Addressed

The Davao Procurement Transparency Core Group (DPTCG) is addressing corruption in government procurement. Studies have shown that 30% of the Philippine government’s procurement budget, which constitutes about 15% of the total annual budget, is lost due to corruption and other forms of misusing public funds. Sources include audit reports, testimonies from witnesses such as government employees involved in procurement,

and entities who have been parties to procurement by government. Several of these corrupt practices have also been exposed in the mass media.

To help curb – if not stop this type of corruption – DPTCG is organizing and enhancing the capacity of civil society organizations (CSOs) in the Davao Region of Mindanao, by mobilizing them as observers during bidding and procurement processes carried out by government agencies. As mandated under the Philippine’s Government Procurement Reform Act, CSOs may designate observers to monitor all phases of the bidding/procurement process, including contract implementation by the winning bidders.

Actions Taken by BFI

The engagement of CSOs as observers during all stages of government procurement processes is DPTCG’s principal approach toward addressing corrupt practices. In the initial phase of the program, there was resistance on the part of government entities to invite civil society organizations as observers, even if the Government Procurement Reform Act required them to do so.

To soften any resistance, several dialogues, fora and other interface activities were initiated by DPTCG, inviting server heads and key personnel of different government agencies.

Through these activities, the efforts of the CSOs were appreciated by the attending government agencies, and both CSOs and government agency representatives came up with their ideal concepts of “good government”, which included the goal of a corruption-free nation. The participation of academia and the private sector proved to be an effective strategy to facilitate dynamic and progressive thinking and the development of action steps to combat corruption in the procurement system. In order to elicit government agencies to commit to the path of good governance chosen, DPTCG initiated the crafting and signing of a Memorandum of Agreement, an ethical code to be adopted by participating entities. When, as a result of volunteer monitoring, a case of corruption had been discovered, DPTCG submitted its report to the Office of the Ombudsman.

Impact and Results Achieved

As a result of the participation of CSOs and pressure exerted to assert due diligence in government procurement, procurement has become more transparent and most of the agencies are now following proper procedures. In some agencies, CSO observers reported that there is a considerable decrease in the complaints about “syndicated” bidding procedures, reducing the prevalence of bidders who have already been awarded with a procurement contract long before the bidding processes has actually finished.

Several CSOs reported that as a result of their vigilance in the monitoring of the construction of a government building, the budget had been utilized as laid out in the original project plan, resulting in

better quality of construction and – in other instances – in better services for the population.

Another observed impact, has been the growing number of government procuring agencies that are open to the presence and participation of CSOs as observers of the Bids and Awards Committees (BAC). In the initial phase of the project, only 7 government agencies were receptive, most of them from Davao City. Currently, some 18 government agencies are inviting DPTCG to send BAC observers during all phases of the bidding process, and several invitations have been received from provinces around the Davao Region. DPTCG currently prioritized third party monitoring of the five top procuring entities and local government units in each city or province within the Davao Region to guarantee focus, results and in-depth participation.

Another achievement of the project is the creation of city and provincial integrity boards, initiatives for collaboration amongst CSOs, local government units and other stakeholders in each locality to maintain and sustain the mechanisms of combating corruption.

Documentation

Project completion reports (PCRs) and Project completion assessments (PCAs) of the EBJFI-implemented project can be accessed at www.ptfund.org under the “Where-we-work” tab.

The BFI website can be accessed at <http://babasfoundation.org/>

For further information please contact: info@babasfoundation.org

Prepared by: Christita R. Epal, BFI; Gerry van der Linden, PTF