

Reforming Government Procurement and Going Electronic



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Introduction

- E-procurement is a TOOL, not a GOAL
- Problem of corruption can be divided into two broad categories:
 1. Behavioral Aspect
 2. Procedural Aspect

Abuse of Procedures

- Loopholes in Philippine procurement procedures subject to abuse:
 1. Excessive Discretion
 2. Unnecessary Delays
 3. Opportunities for Collusion
 4. Lack of Transparency
- Before going electronic, procedures have to be reformed for automation

Reforming Government Procurement

Administrative
Reform:
Goods

Administrative
Reform:
Infrastructure

LEGISLATIVE REFORM:
Goods, Infrastructure and
Consulting Services
Coverage: National Gov't and
Local Gov'ts

Fundamental Procurement Reforms

Basic Reforms

- ✓ Shift of emphasis from Pre-qualification to ELIGIBILITY CHECK with strengthened POST-QUALIFICATION
- ✓ Shift from Lowest Evaluated Responsive Bid to Lowest Calculated Responsive Bid as criterion for award
- ✓ Approved budget as ceiling; removal of floor



Problems Addressed

- ✓ Delays, collusion, abuse of discretion and lack of competition
- ✓ Abuse of discretion and lack of transparency
- ✓ Lack of transparency and collusion

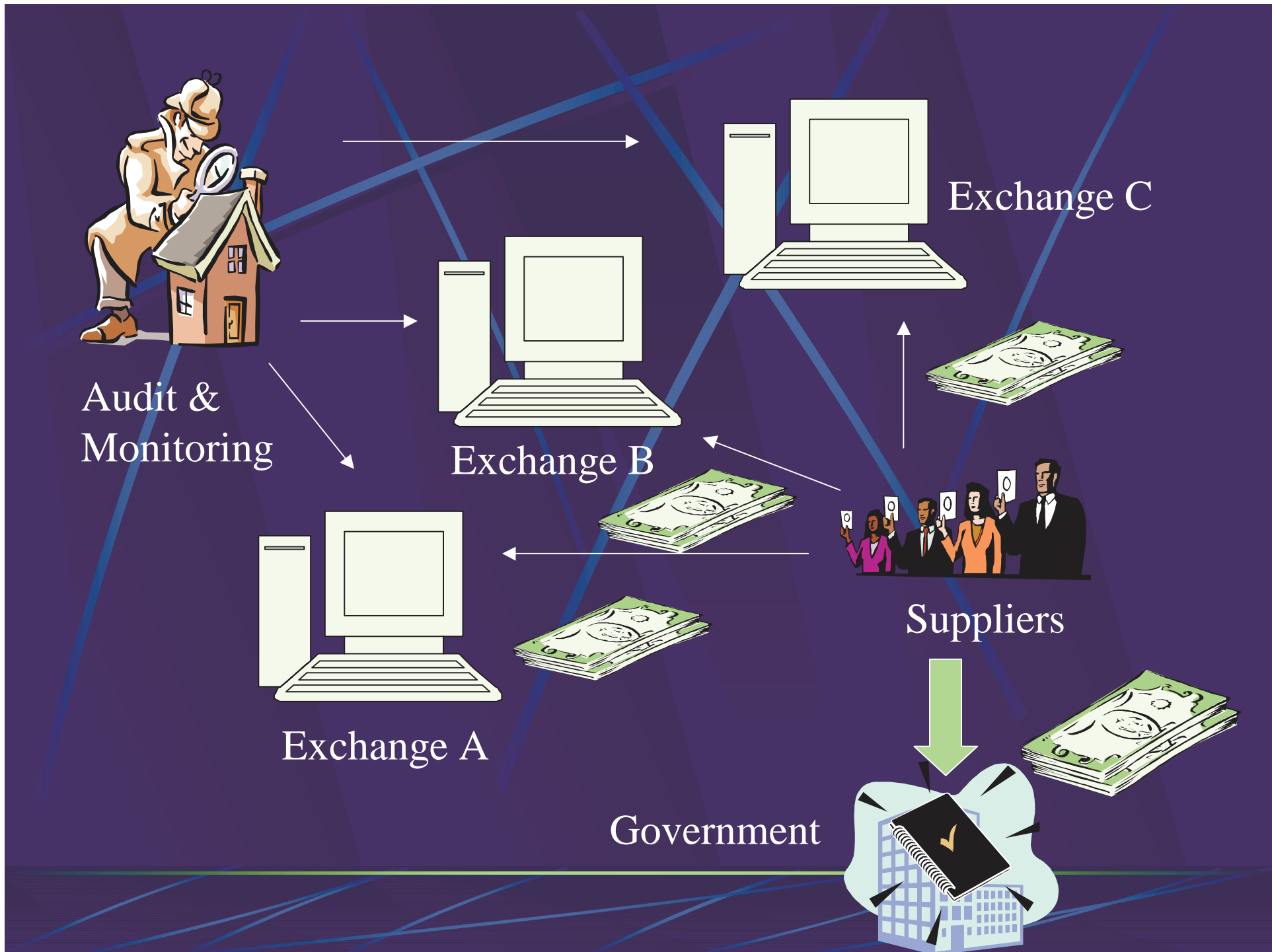
E-Procurement

- 1st Phase of Government's Electronic Procurement System (EPS) features:
 1. Public Tender Board
 2. Suppliers' Registry
 3. Electronic Catalogue
- Mandatory only for common-used goods and posting of bids

Single vs. Multiple Portals



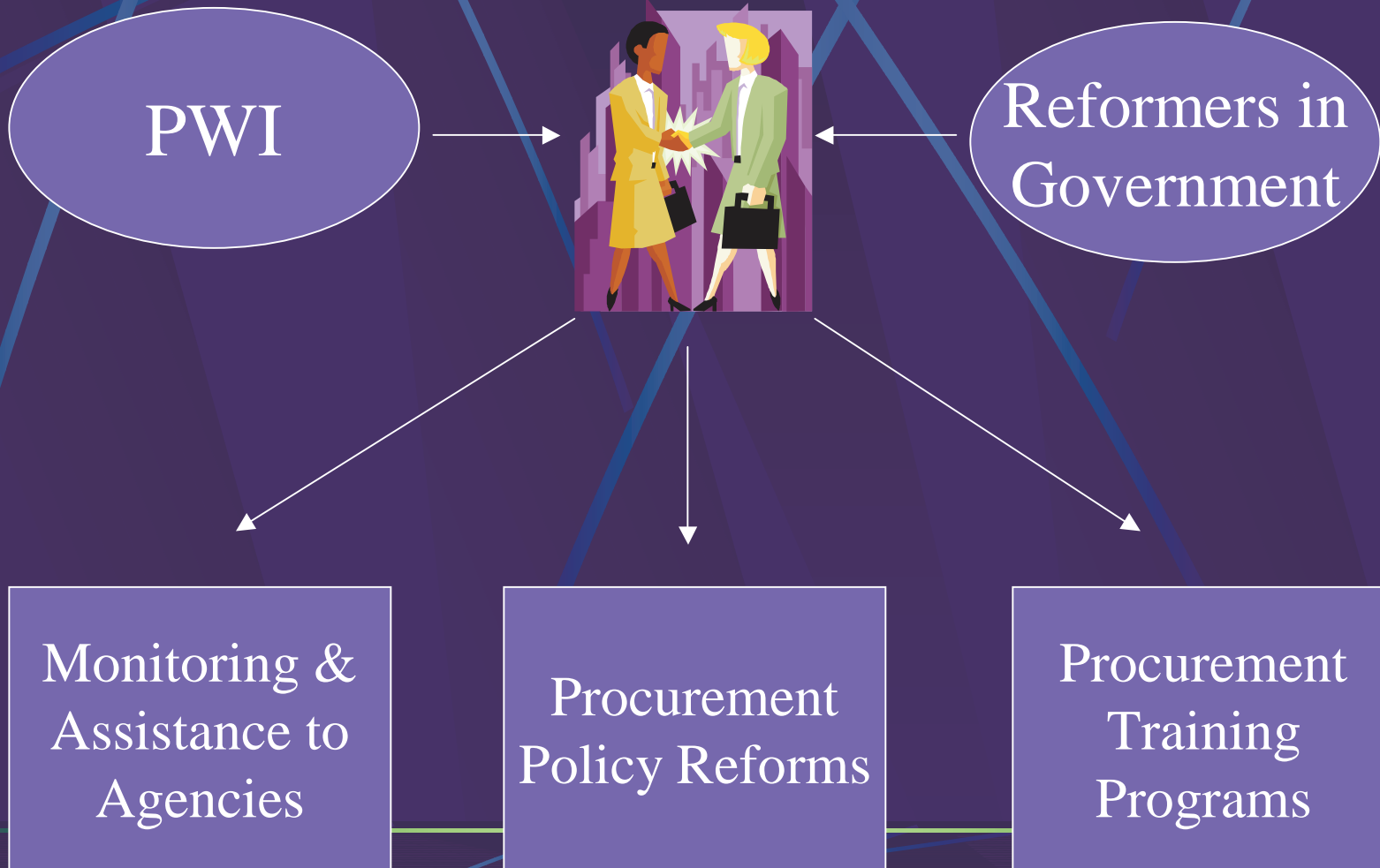
- ISSUE: *Whether or not government should have a single and centralized electronic portal for all its procurement activities*



E-Procurement Issues

- Using private sector procurement processes for the Government
- The On-line Registry System and the requirement of an “open” bidding
- Dynamic Bidding or “Reverse Auction”

Procurement Watch Inc.



Closing

Any system is only as good as the rules behind it



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THANK YOU