

Assessment of the Philippines' Public Procurement System for 2006

Pillars/Indicators/Baselines	Weights	Rating	Level of Achievement
Pillar I - The Legislative and Regulatory Framework	25.00%	22.50%	90.00% FA
Indicator 1 – Public procurement legislative and regulatory framework achieves the agreed standards and complies with applicable obligations	15%	12.50%	83.33% FA
1(a) – Scope of application and coverage of the legislative and regulatory framework	0.20	3 0.60	
1 (b) – Procurement methods	0.15	2 0.30	
1(c) – Advertising rules and time limits	0.10	1 0.10	
1(d) – Rules on participation	0.15	2 0.30	
1(e) – Tender documentation and technical specifications	0.05	3 0.15	
1(f) – Tender evaluation and award criteria	0.15	3 0.45	
1(g) – Submission, receipt and opening of tenders	0.15	3 0.45	
1(h) – Complaint	0.05	3 0.15	
Indicator 2 - Existence of Implementing Regulations and Documentation	10.0%	10.00%	100.0% FA
2(a) – Implementing regulation that provides defined processes and procedures not included in higher level legislation	0.20	3 0.60	
2(b) – Model tender documents for goods, works and services	0.20	3 0.60	
2(c) – Procedures for pre-qualification	0.10	3 0.30	
2(d) – Procedures suitable for contracting for services or other requirements where technical capacity is a key criterion	0.10	3 0.30	
2(e) – User's guide or manual for contracting entities	0.20	3 0.60	
2 (f) – General Conditions of Contracts for public sector contracts covering goods, works and services consistent with national requirements and when applicable, international requirements (20% of Indicator)	0.20	3 0.60	

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Pillar II - Institutional Framework and Management Capacity	25.00%	16.00%	64.00% SA
Indicator 3 – The public procurement is mainstreamed and well integrated into the public sector governance system	9.00%	4.80%	53.3% SA
3(a) – Procurement planning and associated expenditures are part of the budget formulation process and contribute to multi-year planning	0.30	2 0.60	
3(b) – Budget law and financial procedures support timely procurement, contract execution, and payment	0.20	2 0.40	
3(c) – No initiation of procurement actions without existing budget appropriations	0.20	0 0.00	
3(d) – Systematic completion reports are prepared for certification for budget execution and for reconciliation of delivery with budget programming.	0.30	2 0.60	
Indicator 4 – The country has a functional normative/regulatory body	8.00%	7.20%	90.00% FA
4(a) – The status and basis for the normative/regulatory body is covered in the legislative and regulatory framework	0.30	3 0.90	
4(b) – The Body has a defined set of responsibilities	0.20	3 0.60	
4(c) – The body's organization, funding, staffing, and level of independence and authority (formal power) to exercise its duties should be sufficient and consistent with the responsibilities	0.30	2 0.60	
4(d) – The responsibilities should also provide for separation and clarity so as to avoid conflict of interest and direct involvement in the execution of procurement transactions	0.20	3 0.60	
Indicator 5 – Existence of Institutional Development Capacity	8.00%	4.00%	50.0% PA
B5(a) – The country has a system for collecting and disseminating procurement information, including tender invitations, requests for proposals, and contract award information	0.15	1 0.15	
5(b) – The country has systems and procedures for collecting and monitoring national procurement statistics	0.30	1 0.30	
5(c) – A sustainable strategy and training capacity exists to provide training, advice and assistance to develop the capacity of government and private sector participants to understand the rules and regulations and how they should be implemented	0.25	3 0.75	
5(d) – Quality control standards are disseminated and used to evaluate staff performance and address capacity development issues	0.30	1 0.30	

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Pillar III - Procurement Operations and Public Procurement Market Performance	25.00%	11.75%	47.00% PA
Indicator 6 – Efficient Procurement Operations and Practice	10%	3.33%	33.33% NA
6(a) – The level of procurement competence among government officials within the entity is consistent with their procurement responsibilities	0.25	0	
6(b) – The procurement training and information programs for government officials and for private sector participants are consistent with demand	0.25	2	
6(c) – There are established norms for the safekeeping of records and documents related to transactions and contract management	0.25	0	
6(d) – There are provisions for delegating authority to others who have the capacity to exercise responsibilities	0.25	2	
Indicator 7 – Functionality of the Public Procurement Market	10.00%	4.67%	46.67% SA
7(a) – There are effective mechanisms for partnerships between the public and private sector	0.40	2	
7(b) – Private sector institutions are well organized and able to facilitate access to the market	0.30	1	
7(c) – There are no major systemic constraints (e.g. inadequate access to credit, contracting practices, etc.) inhibiting the private sector's capacity to access the procurement market	0.30	1	
Indicator 8 – Existence of Contract Administration and Dispute Resolution Provisions	5.00%	3.75%	75.00% FA
8(a) – Procedures are clearly defined for undertaking contract administration responsibilities that include inspection and acceptance procedures, quality control procedures, and methods to review and issue contract amendments in a timely manner	0.50	2	
8(b) – Contracts include dispute resolution procedures that provide for an efficient and fair process to resolve disputes arising during the performance of the contract	0.25	3	
8(c) – Procedures exist to enforce the outcome of the dispute resolution process	0.25	2	

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Pillar IV - The Integrity and Transparency of the Public Procurement System	25.00%	18.40%	73.62% SA
Indicator 9 – Effective Control and Audit System	8.00%	4.13%	51.67% PA
9(a) – A legal framework, organization, policy, and procedures for internal and external control and audit of public procurement operations are in place to provide a functioning control framework	0.25	2 0.50	
9(b) – Enforcement and follow-up on findings and recommendations of the control framework provide an environment that fosters compliance	0.20	2 0.40	
9(c) – The internal control system provides timely information on compliance to enable management action	0.20	1 0.20	
9(d) – The internal control systems are sufficiently defined to allow performance audits to be conducted	0.10	2 0.20	
9(e) – Auditors are sufficiently informed about procurement requirements and control systems to conduct quality audits that contribute to compliance	0.25	1 0.25	
Indicator 10 – Efficiency of Appeals Mechanism	5.00%	4.25%	85.00% SA
10(a) – Decisions are deliberated on the basis of available information, and the final decision can be reviewed and ruled upon by a body (or authority) with enforcement capacity under the law	0.15	3 0.45	
10(b) – The complaint review system has the capacity to handle complaints efficiently and a means to enforce the remedy imposed	0.30	3 0.90	
10(c) – The system operates in a fair manner, with outcomes of decisions balanced and justified on the basis of available information	0.15	2 0.30	
10(d) – Decisions are published and made available to all interested parties and to the public	0.15	1 0.15	
10(e) – The system ensures that the complaint review body has full authority and independence for resolution of complaints	0.25	3 0.75	
Indicator 11 – Degree of Access to Information	4.00%	2.67%	66.7% PA
11(a) – Information is published and distributed through available media with support from information technology when feasible	1.00	2 2.00	
Indicator 12 – Ethics and Anti-corruption Measures	8.00%	7.35%	91.93% FA
12(a) – The legal and regulatory framework for procurement, including tender and contract documents, includes provisions addressing corruption, fraud, conflict of interest, and unethical behaviour and sets out (either directly or by reference to other laws) the actions that can be taken with regard to such behavior	0.20	3 0.60	
12(b) – The legal system defines responsibilities, accountabilities, and	0.20	3 0.60	

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penalties for individuals and firms found to have engaged in fraudulent or corrupt practices			
12(c) – Evidence of enforcement of rulings and penalties exists	0.10	2 0.20	
12(d) – Special measures exist to prevent and detect fraud and corruption in public procurement	0.15	3 0.45	
12(e) – Stakeholders (private sector, civil society, and ultimate beneficiaries of procurement/end-users) support the creation of a procurement market known for its integrity and ethical behaviors	0.10	3 0.30	
12(f) – The country should have in place a secure mechanism for reporting fraudulent, corrupt, or unethical behavior	0.15	2 0.31	
12(g) – Existence of Codes of Conduct/Codes of Ethics for participants that are involved in aspects of the public financial management systems that also provide for disclosure for those in decision making positions	0.10	3 0.30	
Grand Total	100.00%	68.65%	SA

Legend:

NA - No baseline elements substantially met

PA - Less than 50% of the baseline elements substantially met

SA - More than 50% of the baseline elements substantially met

FA - All baseline elements are substantially met