# Philippine Procurement Reform

Summer Institute in Communication and Governance Reform June 18, 2012 Los Angeles Caby Verzosa

Program Leader Leadership for Development





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### Lozada finally surfaces, links Abalos, Big Mike to ZTE mess

02/07/2008 | 03:03 AM





(Updated 7 a.m.) While it started off as a sensible project, all hell over the \$329.5-million broadband deal with ZTE Corp. of China broke loose due to millions of dollars in "commissions."

This in a nutshell was how engineer Rodolfo Noel Lozada Jr. (profile of Lozada) described the mess over the deal, which he said was highlighted with a "furious exchange of words" and threats to his life.

#### ZTE controversy timeline

April 2007: Transportation and Communications Secretary Leandro Mendoza and ZTE Corp. Vice President Yu Yong entered into a US\$ 329.5 million contract for a national broadband network (NBN) that will improve government communications capabilities. (OP)

August 29, 2007: Nueva Vizcaya Rep. Carlos Padilla disclosed in a privilege speech that COMELEC Chairman Benjamin Abalos met

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- » Neri reiterates Abalos offered him '200 broadband project

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# "Counterreform never sleeps"

- Sina Odugbemi, CommGAP

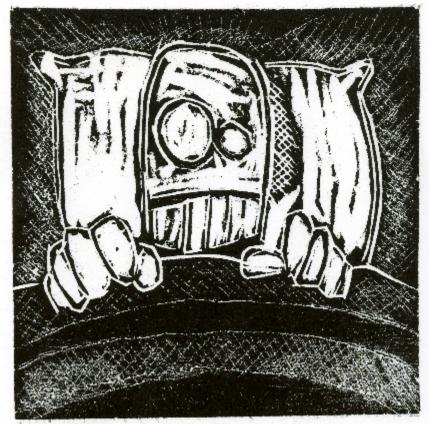


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"The acid test of reform should not be what can be attained but what can be sustained."

Robert O. Varenik,
 Open Society Justice Initiative

# Philippine Procurement Reform: From Passage to Implementation

Executive Course in Communication and Governance Reform July 18, 2011 Washington, DC Caby Verzosa
Leadership and Governance
World Bank
Institute

### **Timeline**

2004-2006

Presentations to NGOs /Civil Society

**Business** 

Media

Law

**Passed** 

Training on Procurement GPPB Website

Government e-Procurement

Implementing Rules & Regulations

Monitor Procurement Practices

Train Trainers from Ministries

Trained 83% of LGUs

GPPB Help Desk responded to 4000 Questions

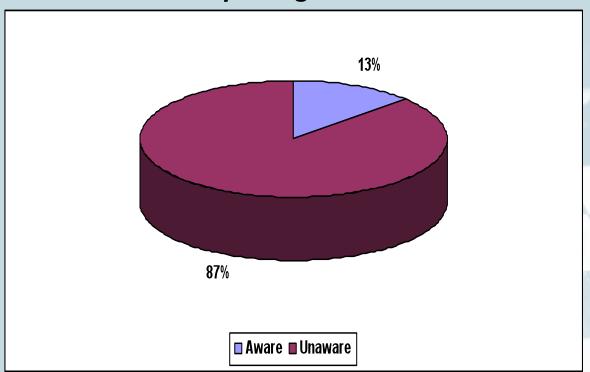
Train Civil Society for Bids & Awards Committees

Jan 2003 2004 2005 2006



## Public Awareness of the Procurement Law

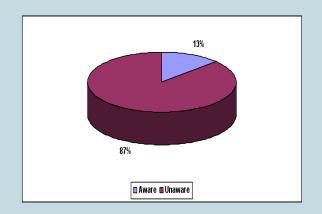
A surprising statistic ?...



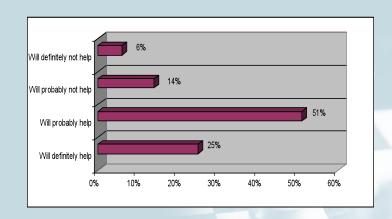


### **Attitudes toward the Law**

Despite low public awareness of the law...



... maj oritybelieve the law will help reduce corruption.



#### Question 105:

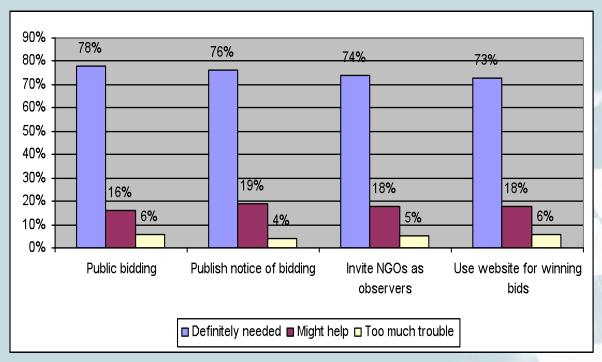
We have a law that provides for the standard rules in public bidding for government projects to guarantee that all contractors are given equal opportunity to join and win a government contract. This is called the Government Procurement Reform Act or RA9184. Have you heard or read something about it?

#### Question 106:

Do you think this law will help reduce corruption in government contracts?

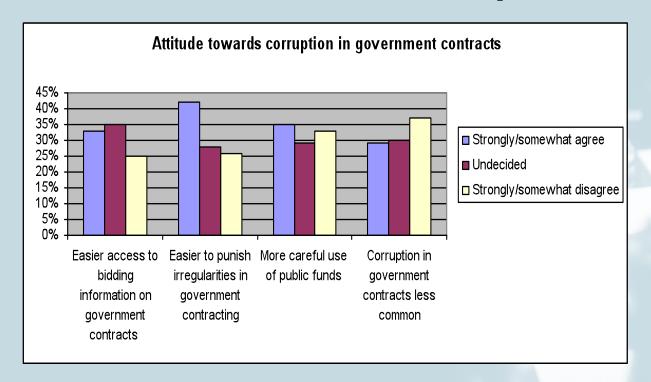


# Support for Provisions of the Procurement Law



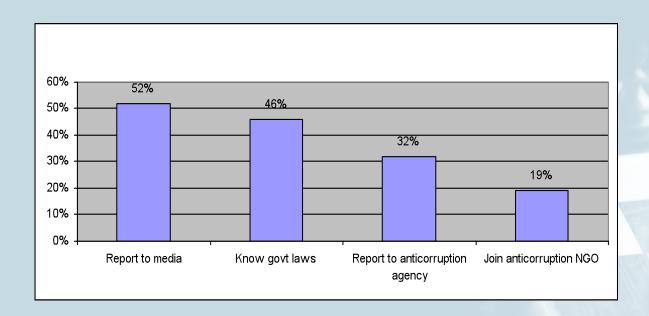


## **Attitude towards Corruption**





## Willingness to take Action





# Is Communication Capacity needed to Implement Reform?

## **Table Exercise**

You have just been hired as communication advisor to the Government Procurement Policy Board.

You have about to attend a board meeting and provide a general sense of the communication strategy, moving forward. What will you say?

Focus on political, organizational, public will?

## Communication Challenges

• Where do we focus Resources?

Mobilize Middle Managers

OR

Minimize Opposition

How do we Manage Opposition to Reform?

## **Lessons Learned**

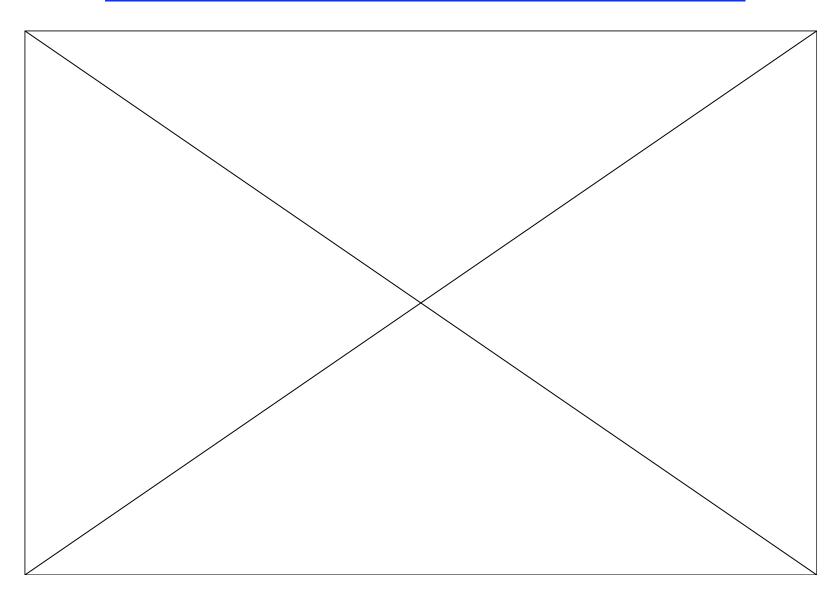
During implementation phase, priority audiences shift – increased importance of middle managers, vested interests, civil society

- Mobilize middle managers;
- Keep vested interests at bay;
- Build broad based support.

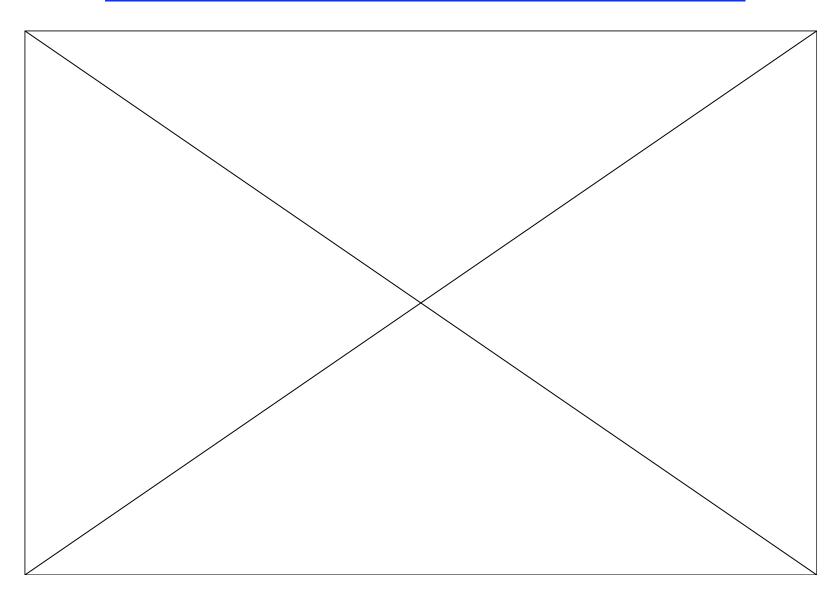
## **Lessons Learned**

Sequencing communication activities —
influenced by strategic importance of the
audience/stakeholder group; communication
capacity of government and reformers; power
and influence of vested interests.

# Healthcare Reform in the U.S.



# Healthcare Reform in the U.S.



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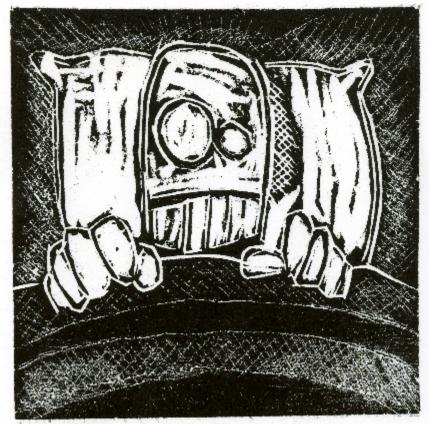


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