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**Manual on
Participatory Public Procurement Watch at the Sub-National Level**

Funded by: Center for International Private Enterprise (CIPE)

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|--------------------------------|---|
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Preface

Participatory Public Procurement Watch at the Sub-National Level Manual is a manual for government and non-governmental institutions to keep as guiding document in the purpose of participating in the process of sub-national democratic development focusing on public procurement work. This is one part of all projects implementation at all levels. But this project is designed to implement at the local level with the support from Ministry of Interior, Local Good Governance Project, and provincial authorities.

Public Procurement refers to a bidding process to purchase goods, hiring services, and public construction projects using state resources for the purpose of seeking contractors who accept the most affordable price and provide high quality, appropriate quantity and on-time service. State resources include aid and loan that receive by public institutions.

The basic assumption is that procurement is successful when all parties gain benefits. The authority gains its legitimacy and credibility by managing the state budget effectively and efficiently. Business agencies who are the bidders also get job which provides appropriate profits and the achievement satisfy the citizens, with honor and justice.

Generally, public procurement work cannot be successful without an active participation from the local authorities and citizens. There is a need for good collaboration through a participatory monitoring process on the procurement works in order to ensure transparency and accountability. Successful public procurement is achieved when the basic objectives of the procurement are realized, leading to the reduction of any waste utilization of state budget and also aligned with the national policy on poverty reduction in Cambodia.

Moreover, the Royal Government of Cambodia (RGC) has promoted a democratic development model by placing good governance as the foundation for all national development strategies. Good governance must constitute the mechanisms that enable people to participate or it could be called social accountability, particularly the monitoring on project planning, implementation, and evaluation. Based on universal theory, public procurement is a part of public resource governance that requires it to be accountable to people through participatory monitoring from people to get agreement, transparency, and enhance partnership between relevant stakeholders in organizing for the services or the construction of any projects that yield benefits to the public such as the local services and essential infrastructure. Therefore, according to the Rectangular Strategy and the strategic plan of the RGC, good governance is a key principle for development works in society. In addition, appropriate implementation of public procurement will contribute to enhance people's livelihood.

This manual will also share experience on participatory implementation in the process of public procurement at the sub-national level in Cambodia; it becomes a guiding document for government and non-governmental institutions enabling them to understand and could apply these experiences in their respective local institution.

PART 1: INTRODUCTION

1. Contextual analysis on procurement in Cambodia

Citizen s participation is the right ensured in a democratic system. In principle, citizens have the right to participate in the governance process, especially in decision making process and activity that affect their lives such as the provision of any goods and social services which utilize the public budgets. In this sector, public procurement, which has a direct impact on achievements and services make people will be able or unable to demand or receive those goods and services sufficiently and effectively. Similar to the state party, citizens and their groups who monitor on the process and the results of public procurement must have sufficient capacity to be able to do so. The Royal Government of Cambodia (RCG) approved on the Procurement Law in 2012 but has not yet built the capacity of key actors in the procurement at the local level, an urgent and necessary step that the RGC needs to do. This is the first and important step that has to be planned or implemented in procurement work.

Since Pol Pot regime, Cambodia was under the communist regime and was isolated from the international community for many years. In 1993, Cambodia changed to adopt a system of a liberal (and multi-parties) democratic and a monarchy system as enshrined in the national constitution. In addition, Cambodia has received an enormous amount of international aid and humanitarian relief; for this reason, Cambodia must undertake a series of public and administrative reforms required under the liberal democratic principles and in accordance with the universal standard of financial management. In order to realize this goal, Cambodia receives technical support from many countries in order to develop the country and take into account recommendations in order to build an administrative system and the rule of law. In order to build a state with the rule of law, the effort to fighting corruption is very crucial to attract foreign investment. These are the reasons that make the RGC accepts the technical support from the international institutions with the hope that they will help Cambodia to make the reform and upgrade the national financial management system.

In 1994 and 1995, with technical support from the Asian Development Bank (ADB), Cambodia has developed the procurement regulation in order to make the state public procurement become more transparent and effective and in line with the international standard. At first, RGC applied these regulatory frameworks only for the loan/aid received from ADB. This regulatory framework has been improved many times and in the end, RGC agreed to use the regulations as the guiding principles to reform the public procurement system for all the government public institutions. In 1995, the Council of Ministers issued a sub-decree which included some articles on procurement in the 1994 Financial Law. In 2003, the Ministry of Economic and Finance organized one workshop to discuss about the procurement system in Cambodia. The workshop recognized that public procurement must be further improved and must be conducted in a transparent and effective manner because it is very essential for the economy, to ensure the benefits for both local people and foreign investors.

In addition, in 1995, RGC cooperated with the United Nations Development Program (UNDP) to pilot a program on decentralization system in five provinces in the country by transferring the roles to organize and the develop the management system to the provincial level. This program expanded to the rest of the country and, since 2002, included holding the Commune/Sangkat Council election. To date, there have been elections for three mandates already. Additionally, the Khan/District and provincial/municipality council election was carried out in 2009 and in 2014. But the decentralization and the implementation of the decentralization of the state budget to the district level was only implemented in 2013. The implementation of the procurement at commune/Sangkat and district level remains to be managed and carried out by the specialized departments.

In 2004, the World Bank and ADB, with the support from the government institutions, published an assessment report on procurement. This report analyzed the strength and weakness in implementing procurement and included key area of considerations for public procurement that meet the international standard. As a result of this report, on 16th June 2004, the (Cambodian) Prime Minister announced that public procurement must be implemented effectively; he recognized that public procurement reforms is an integral part of the Rectangular Strategy, meaning that every state budget expenditure and financial accounting must comply with the procurement procedures outlined in the Sub-Decree of the Council of Ministers and in accordance with the request from Ministry of Economic and Finance. In addition, there must be a law that ensures the interest of all parties, local people and foreign investors. In 2010, the draft law was completed and was subsequently approved in 2012.¹ (Prepared by Mr. Sok Sam Oeun)

1.1 Objective of the Manual

The manual on participatory public procurement watch at the sub-national level aims to disseminate and provide guidance on the implementation of public procurement in a participatory manner based on the experiences in implementing the project, “Strengthening Procurement System at the Sub-National Level,” carried out in Kampong Thom province, Cambodia. It also provides a roadmap for the government or non-government institutions and agencies who wish to understand more and gain experiences in order to effectively implement public procurement work in their respective institutions and locality.

1.2 Who are the users of this manual?

- **For authority:**
 - Use this manual as the model to establish the system or monitoring framework for public procurement that is responsive to the needs of people at the local area.
 - Better understand the laws or regulations on procurement in Cambodia.
 - Understand about the project bidding process
- **For citizen:**
 - This manual can be used as a resource to better understand procurement works in Cambodia.

¹ The title of the book or report, page number and year of publication, by Mr. Sok Sam Oeun.
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- Understand the bidding process of each project and monitor the effective use of the commune budget by local authority and engage with local authority to monitor the procurement.
- **For Civil Society:**
 - This manual could be useful for civil society organizations to prepare and implement the procurement project which is responsive to the needs of the funders in using the budget effectively.
 - Better understand the process of bidding within the respective institutions, easy for partner organizations.
- **For Private Sector:**
 - This manual could be used as resource materials for the institution or agency making decision to participate in the bidding process or implement any activity about procurement work by using the budget effectively.
 - Better understand the process of bidding within the respective institutions.

PART TWO: UNDERSTANDING PUBLIC PROCUREMENT

2.1 Definition

a. Bidding

In general, the term 'bidding' means the offer of the cost (through a competition process) for supplying goods or services. The purpose of bidding is to find the supply of service or goods in a cost appropriate to the expenditures and response to the need. In public works and development, bidding is used to refer to the process of seeking supplier or contractor who has high capacity and technicality to offer an appropriate cost and ensure the quality of goods or services, especially for public construction project.

b. Public procurement

Public procurement is one task in the development work which essentially focuses on the process of a bidding process on the purchase of goods or hiring services and any public construction project which utilize the state resources in order to find any contractor that charges appropriate price and supply service with high quality, sufficient quantity, and on time for benefits of citizens.

Moreover, public procurement is one of the mechanisms of social accountability². This mechanism makes the works in development sector, particularly the work of construction project, which utilize the state resource, become effective, equal, transparent, and accountable. These are important factors contribute to cutting the waste of public expenditures that use the state budget and contribute to poverty reduction in Cambodia.

c. Participatory public procurement

Participatory public procurement is a process to conduct public procurement in a partnership approach and enable participation, monitoring, and assessment of each step of procurement implemented by all stakeholders, including the authorities, citizens, CSOs, private sectors and other agencies, to ensure that it is carried out in accordance to the principles, guidelines and regulation on public procurement.

2.2 General principles of procurement

The municipal, district, Khan administration must apply the process of procuring goods, construction project, services or consultative services in accordance with the following principles:

² Social accountability is one form of responsibility that result from the action of the citizen and civil society in order to demand the state partners to be accountable to their works and to make other parties such as the media, private sector and donor supportive to these works.

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A. Transparency

- Approaches and procedures of procurement of municipal, district, Khan administration must be disseminated publicly through all means of communication.
- Procurement must be implemented in an open and clear manner in order to make citizen and relevant stakeholders to understand the process and the procedures of procurement.
- Information about bidding must be widely disseminated.
- In all cases and under all circumstances, procurement must comply with the bidding documents and standard contract.
- The result of the bidding must be announced to the public.
- The procurement committee could invite citizen representatives or relevant stakeholders to participate, observe all the stages or any stage of the procurement process, as much as possible.
- Every stage of the procurement must be documented clearly and keep the minutes and relevant documents safely; the public and relevant stakeholders could obtain those documents, if needed.

B. Accountability

- Role, responsibility and obligation of the committee, agency, officials and the government staff of the municipal, district, Khan administration related to the procurement must be clearly defined.
- The responsibility and reporting system for procurement must be carried out clearly; relevant procurement staff must have clear understanding about the responsibility and the reporting system.
- The procurement process must be documented and kept at a safe place in order to facilitate the auditing and the evaluation of the implementation of procurement work of the municipal, district, Khan administration.

C. Equality

- The supplier of goods, the construction contractor, the service providers, or the consultant who are qualified to participate in all biddings are to be given equal opportunity to bid and receive information about the bidding under a just and equal term and condition of competition.
- All bidding documents must be assessed systematically based on the criteria for assessment stated in the bidding documents.

D. Effectiveness

- The procurement process must be carried out in accordance with laws, measures and regulations on current public procurement.
- Procuring goods, construction, services or consultancy services must be based on the bidding documents and quotation of prices and appropriate quotation documents especially for technical requirement, standard of quality and actual quantity.
- Procurement must be done according to the deadline and effectively in accordance with the procurement plan.

E. Economical

- The municipal, district, Khan administration must make every effort to procure goods, construction, services, or consultative services based on practical needs, on time, and in an appropriate pricing.
- The quality of goods, constructions and services or consultative services must fulfill the standard of technical qualification and price.
- To ensure the economical, some factors must be taken into consideration such as:
 - The price set for bidding
 - Environmental impacts
 - The risk of implementing the contract because the contractors do not have enough experiences or resource to carry out the tasks required to fulfill the obligations.
 - The appropriateness of goods, construction, or services.
 - The validity of the use of goods, construction or services.
 - Operation cost, maintenance, or the provision of services.
 - The duration of supply-receive.
 - Expenditure on transporting (to destination)
 - Cost of storage.
 - Time spent for procurement.

F. Integrity

- Procurement must be done correctly, with honesty and ethically through a demonstration of the highest level of honesty in order to ensure great public interest.
- All relevant stakeholders in the procurement process must not involve in any form of corruption, fraud or coercion.
- Any person involves in the bidding process must be disclosed and declared in advance about any practical conflict of interest before participating in the assessment of the bidding proposal or consultative proposal or quotation of price.

G. Competition

- There must be maximized number of bidder in the bidding process.
- Procurement must be done through bidding which is publicly competitive unless under the condition as stated in the Public Procurement Law.
- Procurement process must ensure equal competition among the bidders and that no one bidder shall be more influential on the bidding results than the others. (MoEF, Approach and Procedures of Procurement of municipal, district, Khan administration, 2014).

2.3 Principles of preparing procurement plan

- The municipal, district, Khan administration must prepare its annual procurement plan and submit to the Provincial Department of Economic and Finance to review and approve before 31st of December before the financial year of implementation.
- The procurement plan must include all the construction projects, goods, services, consultative services, including the local development activity and the operational activity, general administration that the municipal, district, Khan administrations have plan for its subsequent financial year.

- The procurement plan must constitute to the following information:
 - Description of the potential procurement or name of the project
 - The institution procuring
 - Estimated cost
 - Procurement methods
 - Timeframe for each phase of the procurement procedures
 - The amount of budget needs to cover the expenditures for each quarter.

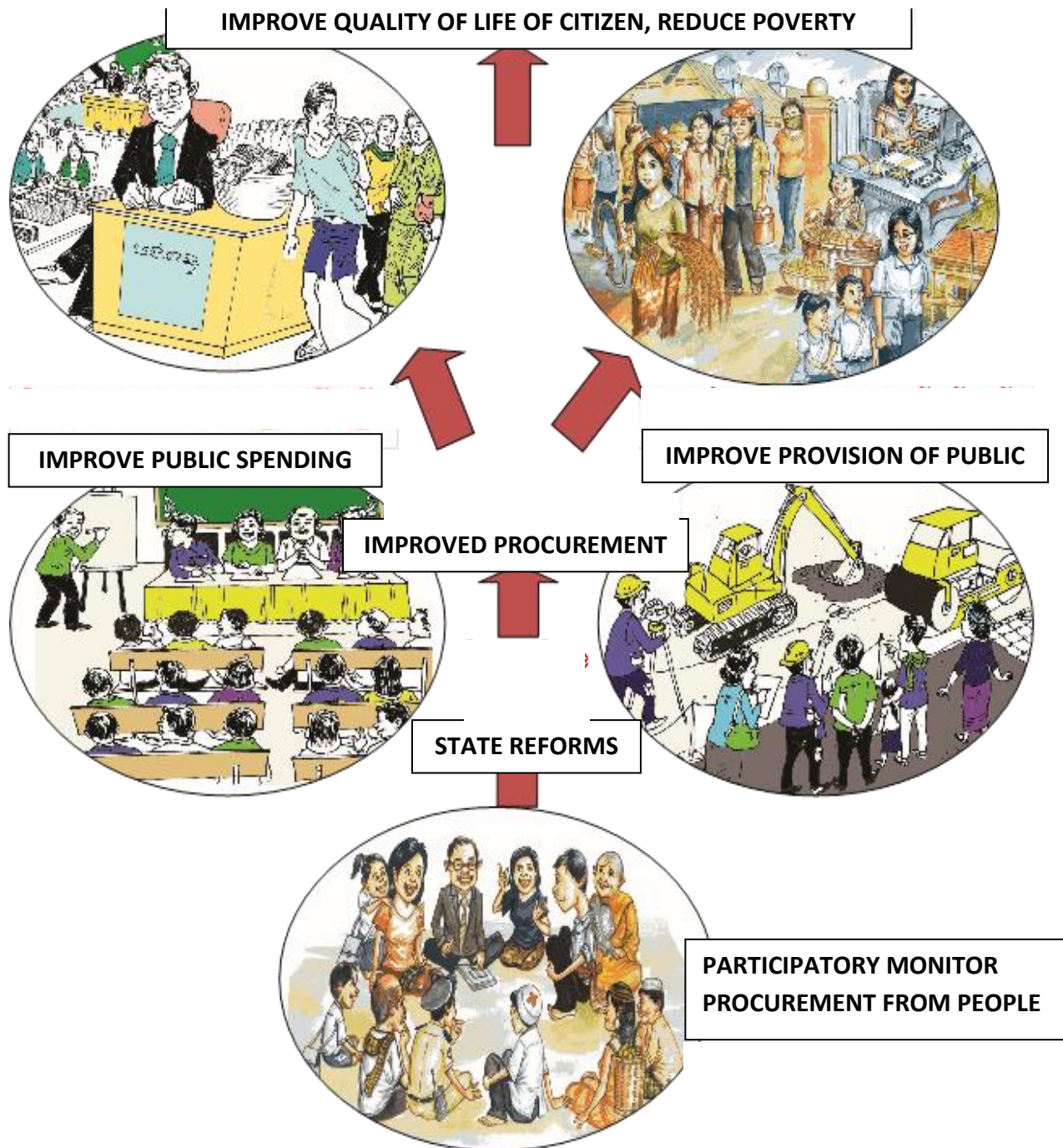
2.4 Steps in the procurement process

Procurement could commence after the project design phase is completed. This means that the project has underwent the technical review process and the budget to cover the project activities (total or some part of the project activity) have already been approved in the commune/Sangkat budget.

Phase and step of the procurement process

- **Phase 1: Preparing for bidding**
 - Step 1: Forming the procurement committee to check the list and decide on the applicants who submit the bidding proposal.
 - Step 2: Preparing bidding documents.
 - Step 3: Set the date for the meeting to open the bidding proposal with agreement from the local administrative office in the province/municipality.
 - Step 4: Announcement of the bidding
 - Step 5: Disclosing the bidding documents
 - Step 6: Filling in the bidding document by the bidders.
- **Phase 2: Hold meeting to open the bidding proposal**
 - Step 7: Submitting and receiving the bidding proposal and cost estimation
 - Step 8: The announcement to start bidding
 - Step 9: Opening the bidding proposal or quotations and record the results of the bidding proposal
- **Phase 3: Assessment meeting on the bidding proposal**
 - Step 10: Assess the bidding proposals or quotations and record the results of the assessment on the proposal
- **Phase 4: Hold meeting to disclose the result of the bidding**
 - Step 11: Announce the results of the bidding or quotation and record the results of the bidding
- **Phase 5: Preparing to implement the contract**
 - Step 12: Preparing and submitting the bidding report to administrative unit in the province/municipality.
 - Step 13: Agreeing on the work plan of the supplier or service providers
 - Step 14: Filling in the contract information and send to the administrative unit of the institution in the province/municipality (some definition extracts from the Manual on Commune/Sangkat Fund for Project Implementation Management, 2009 and could read the details of the content in this manual).

PART 3: GUIDELINE ON THE IMPLEMENTATION OF PARTICIPATORY PUBLIC PROCUREMENT



1. Preparing the organization for a participatory public procurement

The purpose to implement public procurement using a partnership approach requires the state institutions to be ready and be prepared in advance in order to successfully implement this new approach; this is the mechanism whereby citizens and CSOs participate with state institutions in monitoring, reviewing and consulting with each other to enhance the implementation of procurement effectively in their local community.

A. Building good relationship for consultation

Strengthening good relationship between the state institutions itself with civil society and relevant stakeholders in order to pave the way for a greater participation in the preparation on the government's process are the keys to successful piloting of the participatory public procurement. It provides opportunity for debates and defining the problems and possible solutions by all stakeholders. In addition, it builds trust on procurement work among some people who considers it to be sensitive work, with the potential to impact on the benefits of a group of people or some opportunists who involved in this work.

B. Positive reaction of public official (State Actor's interaction)

It is the commitment of the institution and government official to take the new approach to participatory public procurement, in line with the reform at the sub-national level of the democratic development with active citizen's participation. In order to implement this work, state actors must start to be opened and oriented to its subordinate staff to pay attention and collaboration with development partners who aim to support and strengthen this work.

C. Interaction with private sector

The collaboration and commitment of the private sector also contributes to realizing a successful pilot implementation of participatory public procurement. The collaboration of the private sector on procurement work could provide information for greater participation in other activity proposed by the government institution and CSOs in order to enhance transparency, equality and accountability of its operation.

D. Good collaboration

Collaboration refers to forming an agreement of a good partnership, made by all relevant stakeholders, both in the government and non-governmental institutions; it describes the roles and responsibilities, the contribution on resource, budget, emotion and other forms of support in order to ensure that there will be a good collaboration to drive the process of implementing any activity related to participatory public procurement.

E. Partnership with NGOs on public procurement

Any province or district that wishes to try new ideas on participatory public procurement should seek to partner with NGOs that is operating at the national or sub-national level that has experience

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and capacity in order to provide technical support, share experiences, and involve in monitoring this procurement successfully. The NGOs must be capable and experienced on good governance, social accountability on public procurement and provide consultation as well as relevant documents to support the ways and methods to mobilize people to participate.

Case study: Partnership between government institutions in Kampong Thom province and SILAKA on participatory public procurement

In order to identify one out of the four provinces for SILAKA forms partnership and implement the pilot participatory public procurement project, as per CIPE's original request, SILAKA conducted a short study about the administrative practice and social context of the four provinces in Cambodia: Kampong Thom, Kandal, Prey Veng, and Kampong Cham. SILAKA made a presentation about the project which essentially will contribute to good governance through the monitoring of procurement process in various projects implemented at the sub-national level. The study on participatory public procurement implementation commenced on 26 October until December 2011 to understand key actors and institutions from different sections who involve in procurement work, understand their willingness and readiness to participate and collaborate. The information gathered helped SILAKA to make informed decision to select one targeted province to implement this pilot project. The following criteria were used to select the pilot province:

Selection Criteria	Level of quality (1=very poor, 2=poor, 3=good, 4=very good)			
	Kampong Thom	Kandal	Prey Veng	Kampong Cham
• Relationship for consultation (management commitment)	4	4	2	2
• Tendency of the state actors toward the project (committee participation, government, private sector, and civil society, public procurement committee)	4	3	4	3
• Tendency of company or private sector to the project	3	2	4	2
• Collaboration in project implementation	4	3	3	3
• NGO has implemented project on procurement	3	1	1	2
• NGO used to be trained on governance and social accountability	3	1	2	3
• Area that is and will continue to implement procurement on the development project	3	3	3	3
Total	24	17	19	18

Based on the above result, Kampong Thom province was selected as the targeted province to implement the pilot project, "Strengthening Procurement System at The Sub-National Level" with citizens' participation.

2. Situation analysis on stakeholders' roles and responsibilities

The situation analysis on the roles and responsibilities of the institutions or relevant stakeholders should be clearly carried out in order to ensure effectiveness of this new approach to implementing the project successfully. Implementing partners in participatory procurement in Kampong Thom province includes Provincial Office of Planning and Investment, General Secretariat of NCDD of the Ministry of Interior, District/Municipality Councils and governors, National NGOs (SILAKA), local operating NGOs (Minority Organization for Development of Economy – MODE) and Center for International Private Enterprise (CIPE).

2.1 State institutions

A. Ministry of Interior

This institution has played an important role in paving the way for consultation in a partnership manner on the implementation of the project at the locality under its own authority. The agreed documents or Memorandum of Understanding between the government institutions and development partners (SILAKA and MODE) were made and paved the way for collaboration on participatory public procurement with relevant stakeholder at all sub-national levels.

The Coordination Office on Good Governance of the Ministry of Interior is an effective coordination office, playing the facilitating roles between the government and non-governmental institutions on the project with particular focus on enhancing good governance. The agreement and other recommendations were provided by the official in charge of this office in order to enhance the implementation of the project in a participatory manner.

General Secretariat of NCDD of Ministry of Interior is also an office involving in this procurement. All the existing procurements have been uploaded onto its website to disclose the information to the general public. Moreover, in accordance with the framework of decentralization and de-concentration of good governance at the sub-national level, it requires the facilitation, communication and consultation from provincial council and district/municipality council. This institution plays key roles to facilitate the active participation of elected councilors at the local level.

B. Local Authority

Provincial Office of Planning and Investment is the provincial administrative frontline, primarily responsible for communication, providing information and technical facilitation to the private company who wishes to compete in the public procurement. On the other hand, this institution plays the monitoring role and provides information on the in-activeness of any private company that does not have sufficient qualification to take the state bidding as well as seeking collaboration from the authority to take measures on issues related to public procurement.

District/Municipality councils

Based on the Law on Election, the management of municipality, province, district, Khan, and the district/municipality councils has the duty to consult and monitor all development works under the council management.

District and municipality governors and officials

The district governors and district officials play an important role in the operation of the public procurement which ensures that the implementation comply with the principles conditions of Law on Public Procurement in order to ensure transparency, effectiveness, equality and accountability at every phase of the implementation. In addition, the local authorities have the role and obligation to facilitate the collaboration from civil societies and citizens to actively participate in monitoring on the work under the framework of democratic development.

🔔 To ensure the participation of citizens in this process, the district could use some of its budget to support the existing citizen representatives in its locality or form a new group of citizens to participate in monitoring the public procurement work in its district.

2.2 Non-governmental institutions

Civil Society Organizations (CSOs) have important roles to contribute at its own capacity and technical expertise under its own mission and operation. The important roles in the participatory public procurement facilitates the formation of citizen representatives at the local level, facilitate the setting up of the structure of citizen 's representatives to be active and sustainable by providing them capacity strengthening, technical capacity to participate in monitoring the work along with local authorities. CSOs must adhere to the principles of neutrality, appropriate partnership in the collaboration with governmental institutions and the citizens in order to maintain good relation and local ownership.

C. Private Sector (bidding company)

Private sector also plays important role in participatory procurement. The right participation of this institution ensures effectiveness, equality, and accountability every time there is procurement commence until the completion of the provision of services, goods, or construction project. Providing honest feedback and good collaboration with the government institutions will contribute to the improvement of the procurement reform in Cambodia and will further enhance the service provision of the state, reduce the waste spending of the state, and lead to the improvement of the quality of life of citizens.

3. Forming local citizen representatives

The need to form local citizen representatives to participate, engage in consultation, monitor and assess the public procurement responses to the reform the Royal Government of Cambodia is implementing aiming to reduce the risks of widespread practices of irregularity of corruption. There is a need to make provincial budget more transparent, expand citizen network in order to inspire them to participate in the provincial procurement process and ensure good governance in advocacy and local management.

Local citizen representative on procurement is an independent group which is not under any administration of any government or non-governmental institutions. The independence of the group will enable an active participation from the non-state actors (citizen) that will provide feedback on any irregularity and success case to the state actors (authority) on the progress of the implementation of public procurement.

However, this group could receive financial contribution from the provincial and district office in order to reduce its own operation cost and make it sustainable, to set up an institution which continues to play role as watchdog on the government public procurement work.

Success Experience in Forming Local Citizen Representatives called, “Joint Procurement Monitoring Committee at the Sub-National Level”(JPMC)

In June 2013, the **Joint Procurement Monitoring Committee at the Sub-National Level, JPMC** was set up and recognized by Kampong Thom provincial authority. The group comprised members who are voluntary citizens, representative of local authority, private enterprise, and some CSOs. JPMC became an institution with a mixed composition of members and enables the discussion and consultation from citizens, and private sectors, and they could participate in monitoring provincial and district procurement. They play roles as watchdog on any irregularity, especially on corruption, and supported process of good governance; it is an effective information center/hub. JPMC implements its mission with clear goal and objectives:

- Facilitate the information dissemination on provincial budget, regulation on provincial procurement, opportunity for next procurement for local enterprise.
- Prepare documents about any form of abuse occurred in the procurement contract. Provide information about any irregularity to local official and participate in the consultation with those local officials in order to find ways to reduce corruption in public procurement.

Key Achievements of JPMC in Kampong Thom province

1. The establishment of JPMC must have clear structure (have clear by-laws)
2. Prepare the documents to seek recognition from the provincial governor.
3. Consulted with relevant authority in the monthly or quarterly meeting.
4. Disseminated information about the project, strengthening procurement system at the sub-national level, to citizen, private sector through the campaign, media, leaflet, community meetings with people, present the results and share information.
5. Collected feedback from all stakeholders in order to make adjustment.
6. Provided feedback to authority and relevant institutions about the results, monitor the procurement in order to improve on the reform on the public procurement works.

(Please refer to the details by-laws of the establishment of the Joint Procurement Monitoring Committee at the Sub-National Level in reference document 001).

4. Strategy to Strengthen Institutional and citizen representatives capacity

Building capacity of the institutions, Joint Procurement Monitoring Committee at the Sub-National Level, who is the working group to monitor the procurement, and relevant stakeholders in the implementation of participatory public procurement must be carried out based on a mixed methodology to training and capacity building for project stakeholders so that they could contribute effectively to every phase of the project implementation.

A. Topics that to be covered in the training:

Topic	Purpose
• Democratic governance and social accountability	To increase the understanding on democratic governance and social accountability for all project stakeholders.
• Utilizing accountability tools	Relevant stakeholders use the accountability tools in Cambodian context.
• Facilitation skills	For JPMC to be able to facilitate in every meeting.
• Developing strategic plan and implementing it by Joint Procurement Monitoring Committee at the Sub-National Level (JPMC)	To strengthen the capacity of JPMC at the Sub-National Level in order to participate in the process of good governance of the procurement at the sub-national level through the development of the strategic plan and operational plan.
• Public Procurement taught by the Office of Planning and Investment	All relevant stakeholders understand and together implementing the Law on Public Procurement effectively.
• Procurement Law	All relevant stakeholders understand and implement the Law on Public Procurement effectively
• Forms of bidding	For the bidders to understand clearly about the forms of bidding
• Report writing	For the JPMC to be able to write standard report.
• Conflict Resolution Mechanism	JPMC and relevant stakeholders to understand and find solution and ways to resolve the conflict within its own institution in a non-violent way.
• Organising a meeting or consultative dialogue	For the JPMC and relevant stakeholders to find out any point for improvement/lacking points and irregularity in bidding process, to consult and find better solution.

B. Training Methods

Based on the practical examples of the project implemented in Kampong Thom province in 2013, SILAKA utilized specific methodology to strengthen the capacity of the institution and relevant stakeholders through:

- (1) **Direct training:** is the training provided by the institutions that have technical trainers experienced in implementation the work relevant to the topic; they were requested to train

the participants. For instance, SILAKA which is an expert NGO in providing capacity building on democratic governance and social accountability topics is responsible for training development partners, including local implementing partners, government authority and citizen representatives. Similarly, Kampong Thom Provincial Office of Planning and Investment was requested to train these relevant stakeholders on the topic of Participatory Monitoring of Public Procurement.

- (2) **Training of trainers:** is the training of focal persons, institutions, or local CBOs who are potential persons so that they could continue providing training to other relevant stakeholders in the local areas. This method provides the opportunity to focal persons or institution to further train and improves on the lessons or theories that they learned from the previous trainings. For instance, SILAKA trained them about Participatory public procurement to MODE which is the direct implementer in the local area. Then, this NGO provided the training on the same topic to the citizen representative and local authorities.
- (3) **Follow-up and coaching:** is the method to strengthen capacity of participants after the training is completed. It is done with the belief that after complete the training; participants could not entirely apply all the theories into practices in their local area for 100%. Therefore, the follow-up and coaching method while they are practicing will further provide support to strengthen their capacities to be effective. In order to apply this method effectively, the trainers must develop plan with the participants at the end of the training and then the trainers conduct field visit to follow-up and improve the capacities of the participants as per their respective plan. (See the sample of the next activity plan below).

Activity Plan

(To continue implementation Activity)

1. Province 2. Name 3. Sex.....
4. Institution 5. Role

Continue Implementing Activity	Objective	Time Start – Complete	Responsible person	Participants/ Others

Prepared Date

SILAKA Organization

Signature of representative

Name of trainer

5. The process to monitor public procurement and consultation

The process to monitor JPMC's public procurement has to comply with the guiding principles stated in the by-law of establishing the Joint Procurement Monitoring Committee at the Sub-National Level, to ensure that this work is a part of supporting the process of state public procurement which ensures accountability, transparency and equality in public procurement work. Building trust from the government institution is also important to ensure the success of this implementation; therefore, all processes to monitor the procurement work have to be organized properly. It shall have JPMC's regular members meeting, observe the bidding process, and organize consultation meeting to improve negative points identified during the observation on procurement work.

5.1 JPMC member meeting

JPMC member meeting is conducted regularly. It could be once or twice per month to exchange information and discuss about their respective monthly work.

For the meeting to prepare and organize the bidding and observing the process or procurement monitoring, discussion could be about the role and clear function to monitor each project's bidding process. The role should be divided as follow:

- Minute taker on the bidding process
- Photographer during bidding activity
- Interviewer with participated authority
- Interviewer with bidding company
- Interviewer with citizens
- Report on bidding process' observation

5.2 Bidding Observation

Generally, public procurement work has many phases starting from project's study on impact assessment on project implementation, conflict resolution on the impact and compensate to citizens, the bidding announcement, the actual bidding, contract execution or bidding project implementation, monitoring on project implementation and so on. However, this manual primarily focuses on project bidding stage only because it is easy for citizens to participate in monitoring effectively as they believe in selecting appropriate contractor will bring proper project implementation.

In the process to observe bidding, it is divided into three key stages: before the bidding, during the bidding, and after the bidding:

A) Before the bidding

What we should observe and monitor	Monitoring Method and Process
1. Annoucement on bidding process <ul style="list-style-type: none">• On Commune/Sangkat information board• On District/Municipality information board• On NCDD websites	- To monitor bidding announcement and find information about bidding at published location which normally lasts for 15 days before the actual bidding.
2. Inviting people to participate	- Ask question to people who live in bidding

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<ul style="list-style-type: none"> • Verbal invitation • Through mobile phone • Invitation letter • Radio announcement 	location whether the Commune/Sangkat authority has informed citizens to participate in bidding process?
3. Establishing procurement committee <ul style="list-style-type: none"> • According to the principle, the procurement committee includes Commune/Sangkat Chief, 2 council members, and 1 clerk 	<ul style="list-style-type: none"> - Ask information about the establishment of the procurement committee and observe the committee membership and by-laws - collect information and relevant documents (list of legal companies or contractors, bidding documents issued by Provincial Office of Planning and Investment.

B) During the bidding

What we should observe and monitor	Monitoring Method and Process
1. Regarding participants: <ul style="list-style-type: none"> • Number of participants • Sex (focus on number of women and youth) • Speaker • Number of citizen • Civil society organization 	<ul style="list-style-type: none"> - Monitor participant composition (speaker, number of people, civil society organization, and women)
2. Bribery (bribery bidding, which is corruption could happen amongst the bidding companies and between the authorities and the bidders)	<ul style="list-style-type: none"> - Monitor general environment and irregular activity that could happen such as bribe before, during and after the bidding
3. Orientation on bidding principles to participants (Commune/Sangkat committee reads the bidding instruction to participating companies) <ul style="list-style-type: none"> - Procurement committee monitors irregularity of company's bidding proposal format both internally and externally. - Show proposal boxes - There are at least three different bidding proposals from different bidding companies - Properly filling in the proposal form - Properly sealed envelop - Announce the time to open and deadline for bidding proposal application. 	<ul style="list-style-type: none"> - Observe whether the committee provided orientation on the bidding instruction to all companies or contractors - To develop checklist according to the instruction and monitor whether the implementation is compliance with instruction during the bidding process.
4. Announcement on the time to open the bidding	<ul style="list-style-type: none"> - Open each proposal application and

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application and record on white board or flipchart.	record set cost on the flipchart - Confirm with the bidding company representatives
5. Evaluate the result of the bidding	- Procurement committee evaluates the result of the bidding in a separated room
6. Announcement the winner of the bidding and closing (MC announces closing of the bidding)	- Announce the cost won during the bidding, the result of the assessment (Lowest cost during bidding) - The winner of the bidding makes commitment on the project implementation in front of the participants

C) After bidding meeting

What we should observe and monitor	Monitoring Method and Process
1. Public announcement about the company that won the bidding.	- Post on the information board about the winner of the bidding - The period of commencing and completing the construction.

5.3 Organizing consultation meeting

A. Consultation meeting

After JPMC observes and monitors on the bidding, JPMC starts to organize the consultation meeting on the bidding irregularities with relevant stakeholders in project implementation. This includes Municipality/District authority, Commune/Sangkat procurement committee, contractor, Provincial Office of Planning and Investment official. Consultation meeting is not a win-lose advocacy, or blaming but it is a meeting to find solution and correction for better in the next bidding process and effective procurement process at the sub-national level. Consultation meeting mainly focuses on:

- Local needs of citizens
- Requirement from local authority
- Providing public service (such as infrastructure, education, health, clean water)
- Irregularity that is found in bidding process
- Time in implementing the bidding
- Delay of participants joining in the bidding
- No citizen representatives participate in bidding process.
- Absence of civil society organizations' participation
- Why are there not enough number of companies in the bidding?
- Why is there no transparent in opening bidding boxes?
- Why some companies who won the bidding projects but did not implement the project?
- Why is the bidding delayed?
- Why the sub-national authority does not participate?
- Suggestion from private sector etc...

B. Recommendations:

Recommendation could be done based on the consultative meeting and the perspective on the result of the implementation. It should be noted that effective recommendations demonstrates the

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truth, provides constructive feedback without attacking or accusing. Some examples of recommendations in Kampong Thom project includes:

- Understand the need of citizens , local authorities, and private sectors
- Organize a better process of bidding from one to another
- Eliminate the lateness of participants in bidding
- Every bidding project shall allow free citizen 's participation.
- Require authority representatives to join and should find appropriate time that is convenient for their participation.
- Prepare clear principle and contract when a company wins the bidding project

6. How to make JPMC sustainable?

The term sustainability is to sustain and last long; It could be defined as the ability to make every effort stabilize and a long-lasting process.

A question raised as to “how to make JPMC sustainable?” From experiences and actual practices in participatory public procurement implementation: firstly, organize a strong Joint Procurement Monitoring Committee on Strengthening Procurement System at the Sub-National Level (JPMC); secondly, strengthen JPMC through knowledge and skill training; thirdly, seek support from private sector and charity; and fourth, institutional integration for it to be a part of the government when project is completed.

- **Organizing a strong Joint Procurement Monitoring Committee on Strengthening Procurement System at the Sub-National Level (JPMC)**
 - Organize JPMC's by-law which states about the overall framework of membership, sphere of authority, how to recruit members of JPMC and principles of implementation etc...(Please see sample of JPMC's by laws in attached document)
 - Set up accounting and financial system for JPMC working group process.
 - Prepare and form identity of JPMC, such as name card, logo, vision and mission, with participation from relevant stakeholders ,especially authority
 - Prepare a location or office for JPMC to operate where JPMC has an official location implementing their activities. Based on experience of JPMC in Kampong Thom where collaboration with provincial authority, the public hall committee provided an office space, located in the public hall (JPMC office) in Thnal Berk village “A”, Trapaing Russey commune, Kampong Svay district, Kampong Thom province, where is a public property, to JPMC for its operation.
- **Strengthen JPMC institution**

It is one of the strategies for sustainability of JPMC institution which to strengthen capacity to its members to be strong and take ownership to perform its duty in a transparent, accountable manner. It can be a role model as their implementation which enable active participation and effectiveness in helping the government institutions in the public procurement process.

At the JPMC's capacity strengthening stage, it is required to have support from donors and partner development in spiritual, technical, and budget support in order to make this institution able to expand its work from piloting in one district to implementing in the whole province.

- ***Seeking for support from private sector and charity***

Seeking support from private sector and charity on resources, participation, and technics could be an effective pushing factor for JPMC to be sustainable. The implementation of participatory monitoring procurement from JPMC could help the honest bidder to receive benefit from JPMC's bidding project. It should consider seeking for some contributions from this sector and public as well as to reduce the expenditure burden through benefit that some percentages of contractor could contribute to financial box for JPMC's operation.

- ***Making this institution sustainable***

One of the key factors to ensure sustainability of JPMC is to develop adequate capacity for this institution and gain recognition from the government institution as well as budget support for their operation by themselves. But, keep its independence in fulfill the function and duty and continue the operation after project completion in the future. To seek budget allocation in order to support to JPMC's operation in their five years strategic plan. JPMC can conduct any bidding, monitor procurement work of other projects to earn some incomes for their operation or fund from donors participating with bidding institution to prepare government's structure so that they could organise people groups effectively in implementing other tasks. It is an achievement of participatory procurement implementation, when JPMC is recognized from other institutions on their professionalism in fulfilling their duty in participation, monitoring and report regularly on result of public procurement works within their authorities.

Part 4: Important Documents

Important case studies

Case Study 1: Lacking companies for bidding in Sangkat Prey Tahu, Steng Sen Municipality, Kampong Thom Province

At 2:30 pm on 12 June 2014, there was a bidding meeting under the project “**Poverty Reduction and Enhancement of small scale agriculture in Tonle Sap region;**” this meeting happened in Sangkat Prey Tahu, Steng Sen Municipality in Kampong Thom province. There were two projects for bidding. The first project was to renovate a culvert with boulder rocks base, the length of the culvert is 650 meters, the surface of the culvert is 4 meters, 1 meter height, concrete culvert pipe 1 meter, 3 wooden sluice gates, 2 concrete culvert pipes of 0.80meter, and 1 project sign-board. The estimated cost of the renovation is 19,880.62 US dollars. The second project is to renovate a culvert with boulder rock base, the length of the culvert is 1,400 meters, with the surface of 4m, 1m height, and 1 project sign-board; the estimated cost of the renovation is 20,691.03 US dollars.

During the bidding meeting, there was only one company submitted the proposal for the first project and two companies submitted the proposal for the second project. This result made the Procurement Committee in Sangkat Prey Tahu decided not to open the proposals submitted by the companies because there was not enough company to compete on the bidding. According to the guideline on the implementation of the commune/Sangkat budget, it is stated that the bidding could take place unless there are at least three companies participating in bidding for one project.

This result made the people who came from Sangkat Rikreay very disappointed because they were hopeful that they would get a good company to renovate the two projects. This case study shows that because there was not broad public announcement and the solution based on the principle of the guideline is not yet happened, that was the reason why only one or two companies participated in the bidding.

There was only 1 or 2 company participated in the bidding in that Sangkat because the official in charge of the Office of Planning and Investment disseminated the information only on the website. In addition, the Sangkat Procurement Committee announced the information only on the Information Board.

As key lesson learnt, both the Provincial Office of Planning and Investment should be careful by providing information to JPMC and commune chief to further share the information. Whereas JPMC and MODE and SILAKA trained members of JPMC on how to use internet and provided smart phone and computer for them to search for information on time and further announce on the information board. As the result, the case as described above would not happen.

Case study 2: The Advancement of “Joint Procurement Monitoring Committee on Strengthening Procurement System at the Sub-National Level”

The Joint Procurement Monitoring Committee, called JPMC, is an independent working group that has the role to contribute to strengthening the procurement governance at the local level and to improve the procurement at the sub-national level. This working group was formed under the initiative of SILAKA and MODE with the funding support from CIPE. JPMC comprised of staff of NGOs, private company and the focal persons living in the community.

Indeed, the differences in age, knowledge, characteristics and the busy-ness in performing personal tasks is an important challenging factor preventing some members of JPMC to be reluctant and feel scared to conduct their tasks. At present, through spiritual and technical support from staff of SILAKA, MODE and the support from the staff of the Office of Planning and Investment in Kampong Thom, this working group has improved from phase to phase in implementing and taking their responsibilities, especially in observing the bidding process; the result is very positive and appreciative. What is more satisfying is that JPMC is newly formed, just since March 2014 following the decision in a workshop in Siem Reap province in October 2013; but JPMC has been playing an important role in reducing the negative aspect of the procurement process. This is because of the on-going encouragement from the project staff and the commitment to social work as a good citizen in society. The achievements of the observation in the procurement process have been shared to relevant stakeholders twice during the consultative meetings. During the meeting, JPMC shared the achievement with meeting participants such as the increased number of citizen 's participating in the current procurement process; changes in the practice on the proceeding of the procurement process to be more accurate than before such as the checking on the bidding proposal, register/record the bidding proposal with the agreement from the proposal owner. Some suggestion and comments were taken into consideration by the official from the Provincial Planning and Investment office and was shared during the national workshop for further consideration.

This action will serve as the model in Cambodia society and draw attention from people to recognize the ideal practice in societal works as people could exercise their rights to participate in village and commune development work. Local governance and the strengthening democracy at sub-national level will progress further and the achievement in the community will be obtained with good quality, and this thing will make citizens to be more trustful on the leadership of the local authority and make it easier to further expand the new targeted districts.

Case study 3: Achievement in organizing project launching: “Strengthening Procurement System at the Sub-National Level”

In the second phase of the implementation of the project, **“Strengthening Procurement System at the Sub-National Level,”** the project launching is an important part of awareness raising about procurement or bidding, the process in which not many people understand clearly yet.

The task is a new one for JPMC who have not had experience in implementing. Even though during the first year (2013), JPMC carried out this activity twice, but JPMC still not yet able to launch the project smoothly.

In this second year, the **“Strengthening Procurement System at the Sub-National Level”** project planned to implement the awareness raising at the beginning of the year. However, due to the delay in some project activities, this plan was postponed to April (on 10 and 11) which was close to Khmer New Year holiday. As we know that during Khmer New Year holiday, people are always busy to prepare for different tasks in the lead to the traditional celebrations such as cleaning the home, visit relatives living near or farther away, especially the parents, grandparents. Moreover, the art and music band group are busy and required advanced booking if we need to use these services.

With regard to the above factors, when MODE and SILAKA agreed to organize the promotion activities two days before Khmer New Year holiday, we knew clearly that there would be concerns on the following points:

1. Could JPMC mobilize citizens to join according to the plan?
2. Would the village chief, commune chief, district governor have sufficient time to join as distinguished guests?
3. Would the Performance group from the Provincial Department of Culture and Arts able to perform for the audiences?
4. If there will be rain, what would be the plan (because during this season, there could be rain fall)?
5. How could we hire the tent, chair, loud speaker and sound system as this is festival and wedding season which means that it is very difficult to rent or book in advance?

In fact, what we thought above did not post as challenge, meaning that “the promotion campaign” was almost 100% successful both in Stung Sen municipality as well as in Kampong Svay district. Citizens participated much more than expected plan. We had the tent, chair, and loud speaker prepared for the events and the artistic group could perform as plan where previously we received the information that they could not perform as they were booked to perform at Angkor Wat in Siem Reap province etc. This was because JPMC and the project staff were patients and had good and close collaboration with local authorities. Even the police authorities to keep order also intervened during this event.

Case study 4: Implementation of Procurement at local level was gradually improved

After nearly two years of implementation, JPMC played an active and important role in observing during the bidding meetings in the targeted Sangkat and communes in Stung Sen Municipality and in Kampong Svay district in Kampong Thom province. It is observed that the bidding meeting organized by the Municipality and district authority with support from the provincial technical working group improved significantly, both the procedures and program agenda, with involvement from relevant stakeholders.

To date, JPMC have participated nine times in the observation of the process of bidding which were organized at the areas outside the targeted district too. We know that JPMC had not implemented such important task before. In implementing this difficult task, JPMC has encountered some challenges such as not yet fully have good public relations, still reluctant to work closely with authority or company/private sector; these challenges cause JPMC not to fully realized the goal of the project to **“Strengthening Procurement System at The Sub-National Level”**.

Recently, Stung Sen Municipality of Kampong Thom province organized a bidding meeting for 3 Sangkat at Stung Sen Municipal Hall; the three Sangkats included Achaleak, O’Kanthor, and Prey Tahu. The event took place at Sangkat Prey Tahu. The project put out for bidding was supported by the Asian Development Bank (ADB), under the theme, **“Poverty Reduction and Development of Small Scale Agriculture around Tonle Sap Lake”**. Through the observation, JPMC noticed that the organizing of the bidding meetings has significantly improved. For instance, JPMC interviewed with people who participated in the bidding meetings; they said that they came here via the invitation of the village chief. They were happy to participate in the bidding meeting and it was the first time for them. They have heard that the project needed to bid in this Sangkat, aware about the process for bidding and especially the estimated cost of the project to be bided by the sub-contractor of the project etc.

Moreover, JPMC also observes on the procedures of bidding which gradually getting more transparent, such as the demonstration of the bidding envelop for participants to see. Even though some commune/Sangkat failed to show it, the checking of bidding proposal that the Commune/Sangkat Procurement Committee gained more attention both in term of project owner ‘s signatures, the calculation of the cash/budget, depositing the cash and the consideration of the winner based on the Procurement Law. In case there is something unclear, they always consult with the technical person to seek for ideas before making decision. The disclosure of the result is made in front of the participants, explaining the reason why this contractor was not valid? In addition, JPMC takes into account the difficulties of the contractors who always have to implement the project during the rainy season which often contributes to delaying the project completion. In this case, JPMC receives the request from the owner of the project (targeted Sangkat) who experienced this case many times but JPMC still hope that the Office of Planning and Investment will discuss and consider what action to take or at least this question will be shared among relevant stakeholders during the meetings or national workshops, through the dialogue space of JPMC.

Experience of SILAKA in implementing Participatory Public Procurement

SILAKA was awarded a pilot project on “Strengthening Procurement System at The Sub-National Level (SPSL) from the Center for International Private Enterprise (CIPE) in the United States of America. The project lasts for three years, starting from 1st July 2012 to 31st August 2015. SILAKA selected Kampong Thom province, Stung Sen Municipality and Kampong Svay district as the project targeted area. The following section draws on the experience of SILAKA in implementing the pilot project.

A. Identifying targeted location and the study of relevant laws related to Public Procurement

In implementing the pilot project on participatory procurement, SILAKA conducted a preliminary study on the context of administration and social aspects of the four provinces: Kampong Thom, Kandal, Prey Veng and Kampong Cham provinces. The study aimed to inform the selection of project targeted province. During the study, SILAKA made presentation about its SPSL project to relevant stakeholders in order to help them to understand as well as draw their attention and interests. In selecting the targeted areas to implement this participatory public procurement project, the study was commenced since 26 October till December 2011 in order to understand about the key actors, institutions, sectors relevant to procurement as well as observing on the trend and commitment of the implementing partners in collaboration with SILAKA. The result of the research helped SILAKA to make decision to select one of the four provinces to implement this pilot project.

According to the result of the preliminary research, Kampong Thom province was selected as the targeted province to implement the pilot project, “**Strengthening Procurement System at the Sub-National Level,**” by selecting Stung Sen municipality (three Sangkats: Acharleak, Srayov, O’Kuntor) and Kampong Svay district (three communes: Trappaing Russey, Kampong Svay and Sankor) are targeted areas.

After selecting the targeted province, SILAKA commenced the study about relevant laws on public procurement, especially the Commune/Sangkat fund Project Implementation Manual (PIM), published in 2009 and Public Procurement Law. SILAKA also studied about the procurement procedures and the way in which actual bidding practices took place in each province. In this pilot project, SILAKA focuses on public procurement of the Commune/Sangkat fund and implement up to the procurement phase only, not until the contract management phase (monitor on the implementation of the contract). For the type of public procurement, SILAKA focuses on construction procurement.

B. Seeking Collaboration from relevant stakeholders

1. NGOs implement project on governance and social accountability

As the SPSL project strategies, after the preliminary study, SILAKA partnered with Minority Organization for Development of Economy (MODE) to implement the project directly with local Reducing Corruption in Local Government known as *Strengthening Procurement System at the sub- national Level (SPSL) Project*

authorities and citizens in the targeted province, Kampong Thom, under the financial and technical support from SILAKA.

2. **National authority** (Ministry of Interior, Coordination Office for Good Governance, NCDD General Secretariat of Ministry of Interior).

With the support from Ministry of Interior, SILAKA obtained an agreement or Memorandum of Understanding between the government institution and development partners (SILAKA and MODE in Kampong Thom province). This is an important support in the partnership process between the government institutions and non-governmental institutions on the participatory public procurement project. This result is achieved because SILAKA has established good collaboration with the **Coordination Office for Good Governance of the Ministry of Interior** which is an effective coordination office to facilitate the relationship between the government and non-governmental institutions on the project related to strengthening good governance. SILAKA also has good collaboration with the **General Secretariat for NCDD** to provide information about public procurement. The secretariat has a website containing information on the Commune/Sangkat public procurement process which is to promote information available to the public, private sector and civil society to read, download documents to use for their purposes. NCDD is one unit to provide technical support on public procurement work at the sub-national level.

3. Sub-National Authority

SILAKA collaborates with MODE to work with Kampong Thom provincial Council to make presentation about the project and develops the agreement to collaborate as partner in this project. SILAKA met with Planning and Investment Office in Kampong Thom province in order to understand about the public procurement process such as the record of the contractors and construction companies in Kampong Thom province and NGOs (working on good governance and social accountability). Moreover, these institutions play role as monitor and provide information about the in-activeness of the public procurement process. After the agreement is made with the provincial hall, SILAKA organized a meeting with the provincial council and district council to present the SPSL project.

4. Private Sector (company/contractor) and civil society

SILAKA developed partnership with **Company/Contractor** in Kampong Thom province in order to share information and provide constructive comments to improve the public procurement situation in the targeted province. SILAKA also has activities to strengthen the capacity of the company/contractor operate in the province to understand the content of Good Governance and Social Accountability, the processes, the importance of participatory public procurement, and professional ethics in public procurement. The project delivers training on the same content to citizen representatives in the targeted district/municipality as well as staff of the civil society organizations in order to select volunteers and form Joint Procurement Monitoring Committee at the Sub-National Level.

C. Project Implementation Phase

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1. Forming Local Representatives

In order to maintain regular and active participation from citizens, the project has set up voluntary citizen representatives in the community, namely Joint Procurement Monitoring Committee to Strengthen Procurement System at the Sub-National Level (JPMC) which comprised nine permanent members (5 citizens/NGOs, 2 CSOs representatives, and 2 contractors); there are 9 reserved members who are the citizens in the first year (of the project). In the second year, two permanent members resigned from the roles and the project replaced them with two reserved members; the project also recruited three women volunteers who study at different institutions/university. JPMC performs their roles independently and regularly report on the public procurement; they also raise the in-activeness of the procurement process to discuss with the service providers. JPMC is temporarily sheltered in MODE office and is prepared to move to its own office in Public Hall (JPMC office) in Trapeang Russey commune, Kampong Svay district (this location is supported by the Public Hall Committee).

2. Capacity Building Strategy for Institutions and Local Representatives

The project capacity building strategy includes training to private sector, commune/Sangkat council, deputy governor of the district council, and municipality, and local representatives in order to increase the knowledge as well as practices in class. After the training, there is coaching session by the trainers during the practices of the participants. There is also the reflection to make further improvement.

The project invited the experts on public procurement, good governance, and social accountability to train the private sector, commune/Sangkat councilors, partner organizations and members of NCDD. The project has developed and published:

- Document public procurement, annual report by pictures. Make additional publication on the document “Good Society, Public Procurement Law and PIM etc.
- System of Conflict Resolution Manual, Information dissemination on procurement and the implementation of participatory public procurement.
- JPMC by-laws.

3. The Activity of Local Representatives implementing social accountability tools in the project

In the first year, members of JPMC participated in implementing social accountability tools in the project, such as:

- Organized consultation between service providers and service receivers
- Organized dissemination campaign to mobile people to participate in observing the procurement process.
- Conducted monitoring on the procurement process in targeted commune/Sangkat
- Organized project annual meeting
- Participated in the monthly meeting of JPMC

In the second year, JPMC built capacity on:

- Facilitating consultation meeting, annual meeting, monthly meeting of JPMC
- Report writing in Khmer
- Moderating the consultation meeting, and annual project meetings.

The project will increase further collaboration with provincial authority in finding strategies that will enable JPMC to take ownership and sustain itself by integrating JPMC into the formalized system in the targeted areas.

The positive process of this pilot project is achieved based on the following factors:

- There are legal supports, national policies.
- There are good information sharing on public procurement between service providers and receivers.
- Good relationship between private sector, government institutions, and non-governmental institutions, which further increased shared-understanding, good cooperation and broad support from national (Ministry of Interior) and sub-national level (Kampong Thom province).
- Clear understanding about the roles and responsibilities of relevant stakeholders in democratic governance.

Key challenges in the pilot project implementation are as follow:

- Local representative group who play roles to monitor the process of the procurement are mostly illiterate which makes it difficult for them to record the notes, and they read slowly. Local representatives are poor and working on a voluntary basis, without receiving any incentives. This makes them not able to perform their role regularly.

Term of Reference

Joint Procurement Monitoring Committee (JPMC)

1. Background

Starting from zero at the end of 1990s, the provincial authority has made roughly 20% improvement in many sectors in the province. The figure continues to grow as the provincial authorities have increased budget allocation for education sector, for the primary and secondary schools, sanitation and public health, local transportation infrastructure, and other major public administrations. Moreover, in order to reduce the risks of the widespread irregularity and corruption, it requires greater financial transparency at the provincial level, an increase in the citizen participation in the provincial procurement process and good governance in local advocacy and management. For these reasons, SILAKA has supported the project, Strengthening Procurement System at the Sub-National Level, to enhance the participation of relevant stakeholders in monitoring and observing the local procurement process in Kampong Thom province. On the other hand, before implementing this project, SILAKA conducted one study about the procurement system in three provinces, conducted orientation meeting about the project with public officials and gather the interests of private sector on the public procurement process.

Project Objectives

- To build the capacity of local institutions to effectively monitor provincial public procurement and to document irregularities for improvement.
- To increase awareness within the business community of provincial procurement rules, regulations and opportunities.
- To increase civic and private sector engagement in provincial public procurement processes.

2. Purpose and Project Cycle

JPMC is the local institution comprises of local authority, enterprise, private sector, and civil society organizations. JPMC will become the central component of the project, as it serves as platform which allows citizens and the private sectors to monitor the provincial public procurement. They play key roles as the corruption watchdog, support good governance and act as the information hub. The JPMC will be implemented from June 2013 to September 2013 and have clear following purposes:

- Facilitate the dissemination of provincial budget, the provincial procurement regulation, future procurement opportunity for local enterprise.
- Prepare documents about any type of abuses occurred in the procurement regulation.
- Inform about any irregular cases to local official and participate in the consultation with those local officials in order to find the ways to reduce corruption in public procurement.

3. Composition of the Committee

The committee comprises of 09 members who are selected by the project advisory group. They have the following roles:

1. President of the committee (1 person)
2. Deputy president of the committee (1 person)
3. Permanent member (1 person)
4. Members (6 members)

4. Key areas of responsibilities

- Collect and share information about the procurement process
 - Conduct meeting with committee member to develop plan and tools to collect data and share the information for each phase of the procurement.
 - Collect financial data, procedures for the provincial procurement and opportunity for next procurement.
 - Organize workshop on the procedures to register for the bidders for small and medium business/enterprise.
 - Prepare the minutes and write reports.
- Observing on the bidding process
 - Conduct meeting to improve the plan and check the list to monitor on the procurement process
 - Check on the bidding for each phases (bidding phases)
 - Conduct reflection meetings and collect constructive comments, as the following:
 - Is the approach used to monitor on the procurement appropriate? Is the method of offering using a special methods and the limit on the procurement openly requested and competition should be used? For instance, if one contract was awarded because “urgent circumstance” is the procedures of procurement is adjusted in order to respond to this action?
 - Do the participants access to information and get equal opportunity simultaneously to provide the goods and services? Does the public announcement is done out appropriately and on time?
 - Is the contract changed after being awarded?
 - JPMC will prepare irregularity document (or external form) and take all the issues to consult with provincial official under the topic private or public consultation.
 - Organize public or private consultation
 - Hold meeting to improve plan and tools
 - Provide case studies and constructive feedbacks
 - Contact and invite the participants
 - Organize consultative forum with local authority (commune, district, provincial level), private sectors, and communities in order to share information about any irregularity occurred during the bidding process and discuss to find doable solution in order to improve it.
 - Organize reflection workshop with key stakeholders to share what was found.
 - Prepare monitoring report on procurement procedures.
 - Meetings and Trainings

- Conduct monthly meeting with Procurement Monitoring Committee.
- Conduct quarterly meeting with local authority in the targeted project areas.
- Organize training provided by SILAKA.
- Conduct Provincial Learning Forum

5. Results that could be submitted

- Information report that could be disclosed and promoted (by phases)
- Observation report on the bidding process (by phases)
- Minute of the consultation forum with relevant stakeholders
- Case studies
- Minute of the bi-monthly and quarterly meetings
- Procurement monitoring report

6. Benefits

- Gain knowledge on social accountability, good governance, and tools for public procurements.
- Have networking relationship with key project implementers of public procurement.
- Have greater opportunities in getting public projects.
- Gain respect and support from local communities.
- Mobilize support, community participation both spiritually and physically.
- Get trusted entrepreneurs.

Glossary

	CIPE	Center for International Private Enterprise
	Civil Society	Civil Society
	Constitution	Constitution of the Kingdom of Cambodia
	CSO	Civil Society Organization
	D&D	Decentralization & Deconcentration
	JPMC	Joint Procurement Monitoring Committee
	LEC	Law on Election of Capital, Provincial, City, District and Khan Councils
	MODE	Minority Organization for Development of Economy
	NCDD	National Committee for Sub-National Democratic Development
	NEC	National Election Committee of Cambodia
	NPDD	National Program for Democratic Development at the Sub-National Level
	NSDP	National Strategic Development Plan
	SILAKA	SILAKA Organization
	SPSL	Strengthening Procurement at the Sub-National Level

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- 5) Manual on “Public Procurement”(2013)
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- 7) Good Society (2010)
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