

“Public Procurement”



Let's learn public procurement!

Technical term of Bidding is “Procurement”



Commission of Compilation

Steering and edition team

Mrs. Thida C.Khus
Mrs. Hong Sovanny
Mr. Im Phanim

Prepared by

Mr. Chhay Pitou

Book Format Design

Mr. Khiev Vuthoun

Painter

Mr. Chan Bunthoeun

Translation from Khmer to English

Mr. Am Reaksmei

Mr. Seun Sam

References

1. Cambodian Constitutional Law
2. Public Procurement Law
3. Commune/Sangkat Fund Project Implementation Manual
4. SILAKA'TcCemedcleekc“GeeicSedeofy”
5. Democracy at Local Level MS Uganda
6. Law on Administrative Management of the Capital, Province, municipalities, Districts and Khans
7. Affiliated Network for Social Accountability in East Asia and the Pacific (ANSA-EAP)

First publication 2013 1000 books

Copyright ©SILAKA, Phnom Penh

Funded by Center for International Private Enterprise (CIPE)

Preface

Dear Reader,

According to Cambodia's constitution article 35 stated that "Khmer citizens of either sex shall have the right to participate actively in the political, economic, social and cultural life of the nation. Any suggestions from the people shall be given full consideration by the grant of the State". And article 41 stated that "Khmer citizens shall have freedom of expression, press, publication and assembly. No one shall exercise this right to infringe upon the rights of others, to affect the good traditions of the society, to violate public law and order and national security. The regime of the media shall be determined by law".

Furthermore, the Royal Government of Cambodia (RGC) prepared the rectangular strategy, which good governance is as fundamentals of other strategies of RGC. Good governance is needed to be taking part by people in all classes and phases of the state's management. RGC also prepared and practiced public administration reform plan which is assigned to implement decentralization with Commune/Sangkat Council Election and Capital Provinces Municipalities Districts and Khans Council Election to allow sub-national level administration more familiar with people in the purpose of making people participate in works that affect their living life.

Public Procurement Comic Book is a booklet for public education with pictures. It will contribute to RGC to educate and share knowledge to people on understanding development and taking part of people in the process of public procurement as it is a mechanism for effective development. Also, it is supplementary to the implementation of public servants and others who are in charge of governing public resources cooperated with private sector in practicing works in professionalism, transparency, and focus on public benefits.

Main ideas in this booklet aim to explain concept and process of public procurement in development, and identify spaces for citizen's participation with the government as it is essentials to develop Cambodia to become good society.

In context of the globalization and development, being a good society need democratic development which good governance is core component of all development's strategies. Simultaneously, main element to have good governance is accountability which is achieved through social accountability. Social accountability refers to participatory mechanisms by citizen to hold public servants practicing their duties and responsibility with respond, transparency and follow the rule of law. Public procurement is a mechanism of social accountability, so we can sum up that successful public procurement will bring us a good society where citizen get basic services, justice and respect for human rights and prevailing spirit of helping each other, so it will helpful for citizen to increase their livelihood and living standard.

Contents

- 1. Understanding of Development**
- 2. Obstacles to Development**
- 3. Public Procurement**
- 4. Citizen's Participation**



Main actors



1. Rabbit is the representative of intelligence and high-brow.

2. People are demanders and get public services from the state.



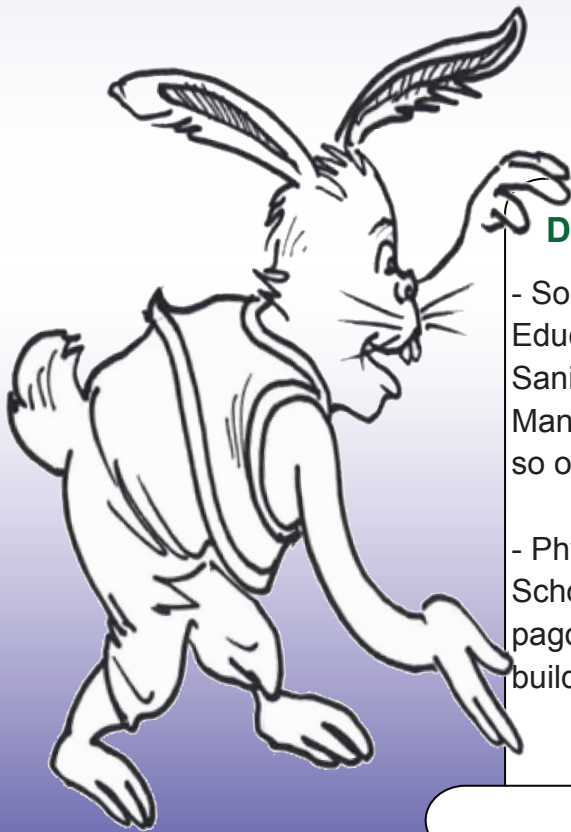
3. Authorities are public service providers to people

4. Contracting Agency/ Private Sector is person who implements development project in a contract with government.



Part 1

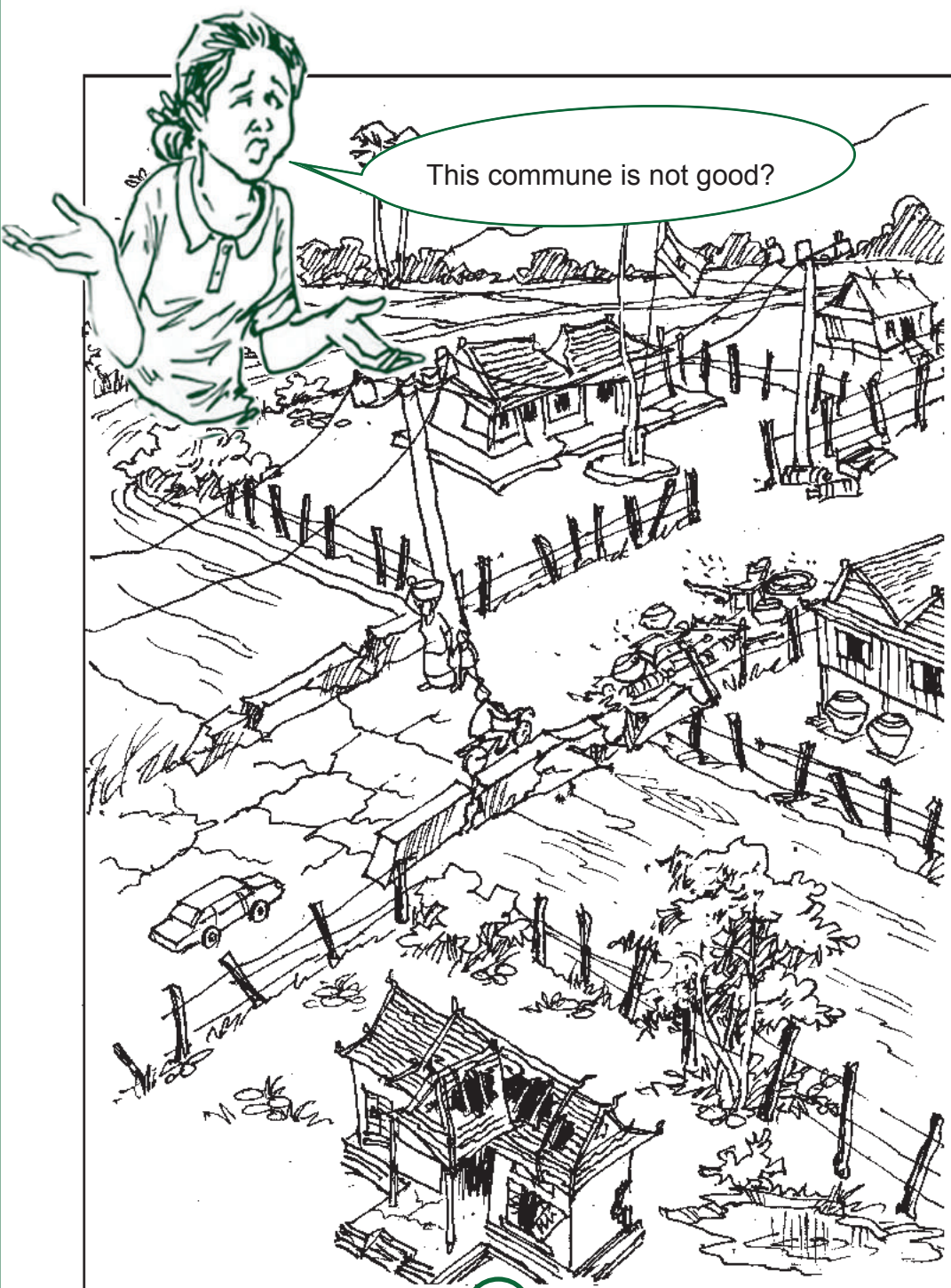
Understanding of



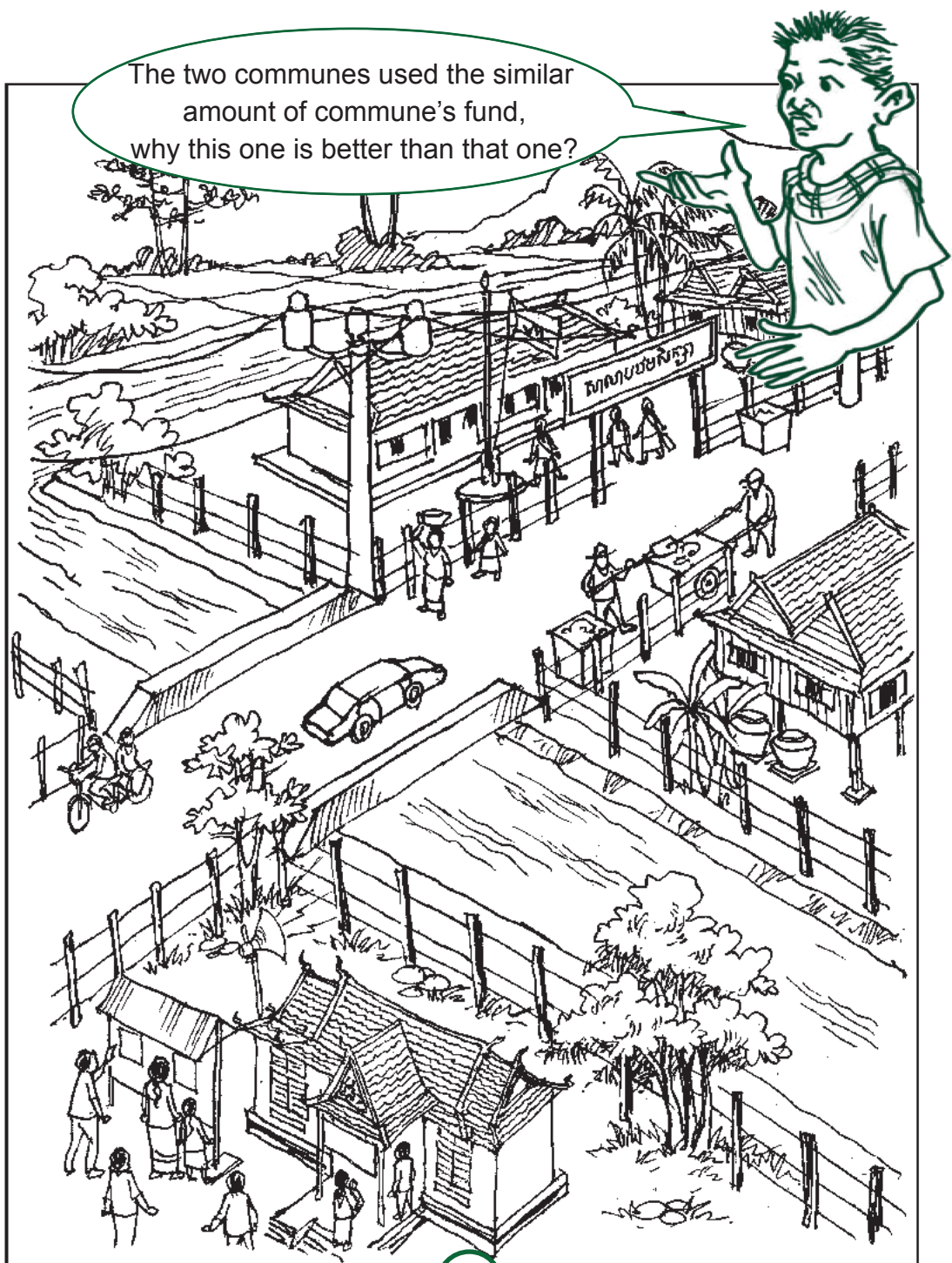
Development focuses on:

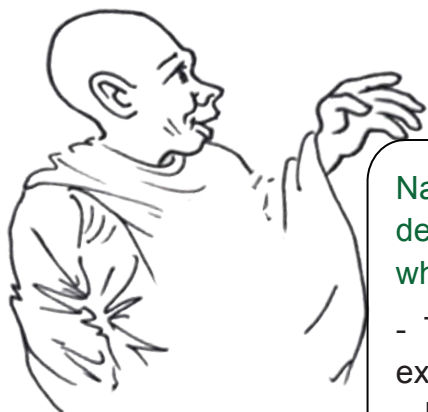
- Social infrastructure such as: Education, Health Service, Sanitation, Administration Management System and so on...
- Physical infrastructure such as: Schools, hospitals, roads, bridge, pagoda, temple, governmental building etc.





The two communes used the similar amount of commune's fund, why this one is better than that one?





National Budget as resource for development belongs to all citizens which received from:

- Taxation (tax on importation and exportation).
- Donation from donor countries
- International loan that we all have to compensate.
- Fund-raising from people
- income from tourism, natural resources and so on.

So, we must use it effectively.

Effective means getting good result and saving resource.

Good development means that all development projects and public services delivery are saving resources, high quality, right destination, and for public benefits.

“Good development” must include participation from citizen and follow the state of laws.



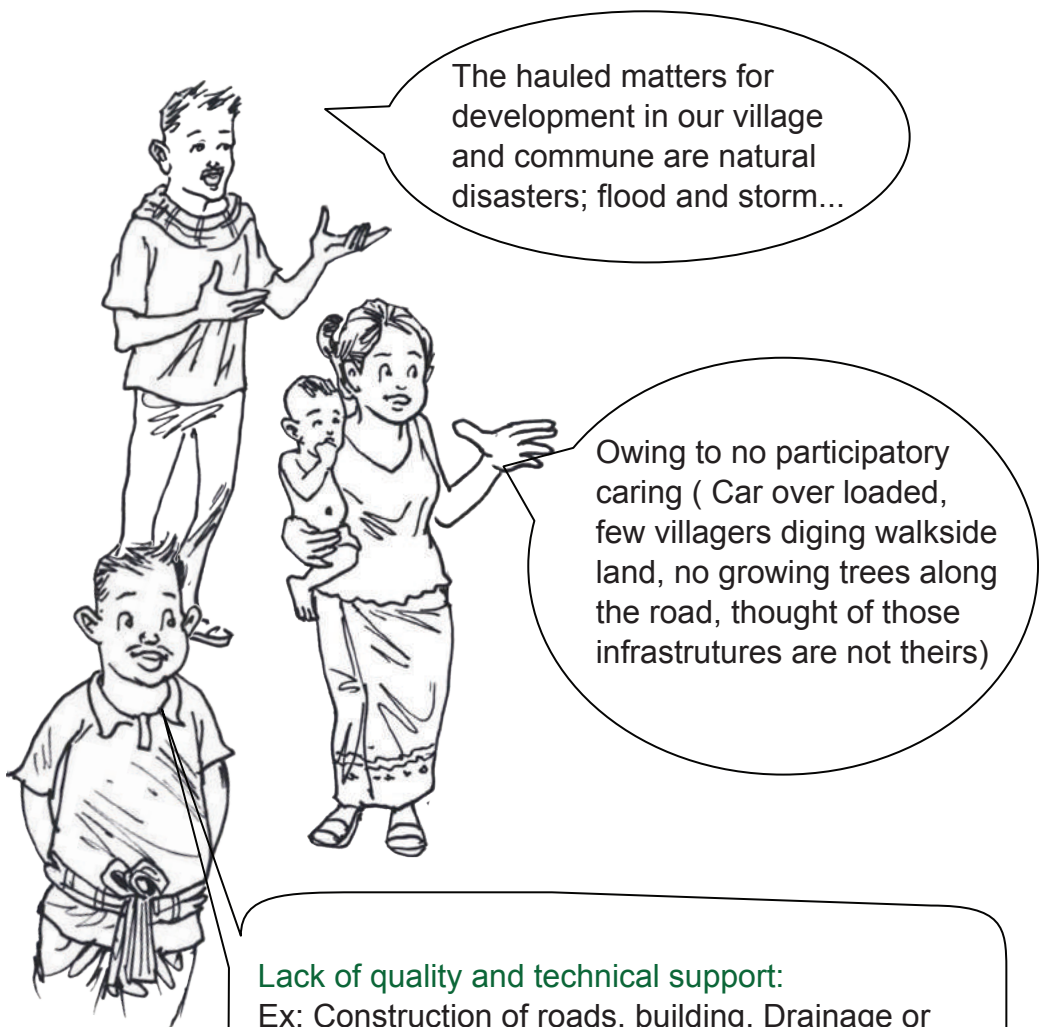
Part 2

Obstacles to Development



What are the factors hauling the process of development in our community?





Lack of quality and technical support:

Ex: Construction of roads, building, Drainage or Sewerage which are:

- Lack of quality
- Under implementation of the project planning
- Lack of citizens' participation in monitoring
- stealing construction materials,
- and putting off so long etc.

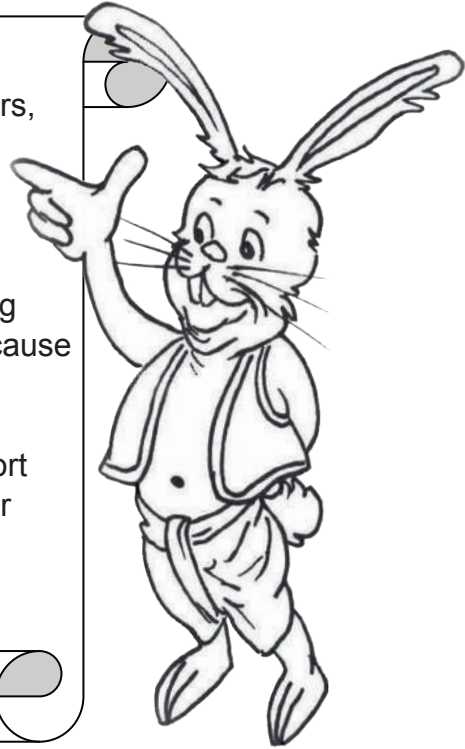
How can we solve those matters?



1. We cannot avoid natural disasters, but we can prepare in advance to prevent serious affect.

2. Lack of caring can be solved by everyone in participatory monitoring and taking care those property because they are belong to us.

3. Poor quality and technical support in building matters is to form proper public procurement.



What is Public Procurement???

Inefficiency of Using Commune/Sangkat's Fund



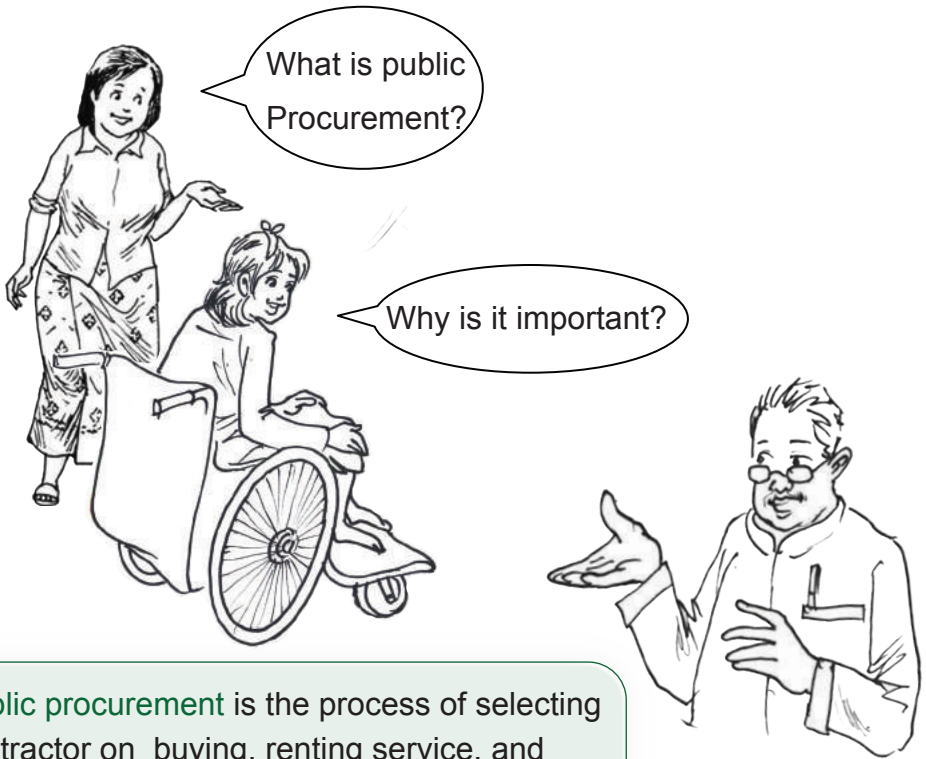
"It's not matter how much resources you hold on hand, it'd never be enough if you do not know how to manage and use it properly and effectively"

We need to oversea and use our commune's fund precisely.

Part 3

Public Procurement





Public procurement is the process of selecting contractor on buying, renting service, and building public projects that has lowest price but with high quality, big amount, on time and being with enough building materials.

We conduct public procurement to assure that choosing the contracting agency to implement public projects have ability to implement our public projects effectively with high quality and saving resources. That is all about sustainable development in our community.

There are 3 main phases of public bidding procurement:

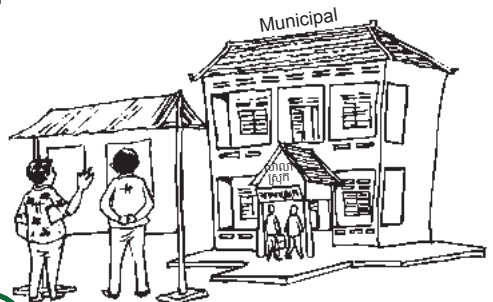
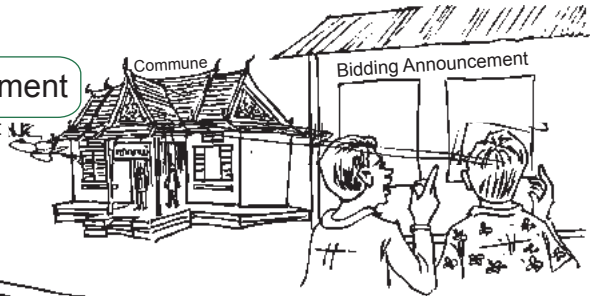
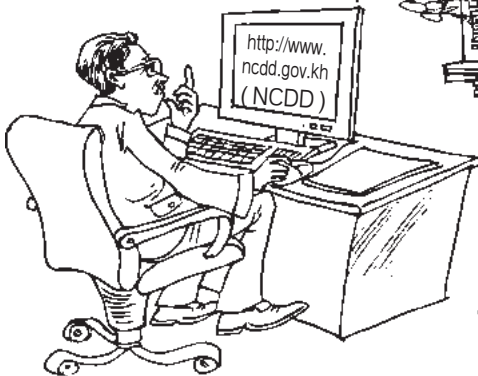
1. Before bidding

Group of technical experts come to conduct survey in the project's site, evaluate impact and compensate for people with citizen's participation.

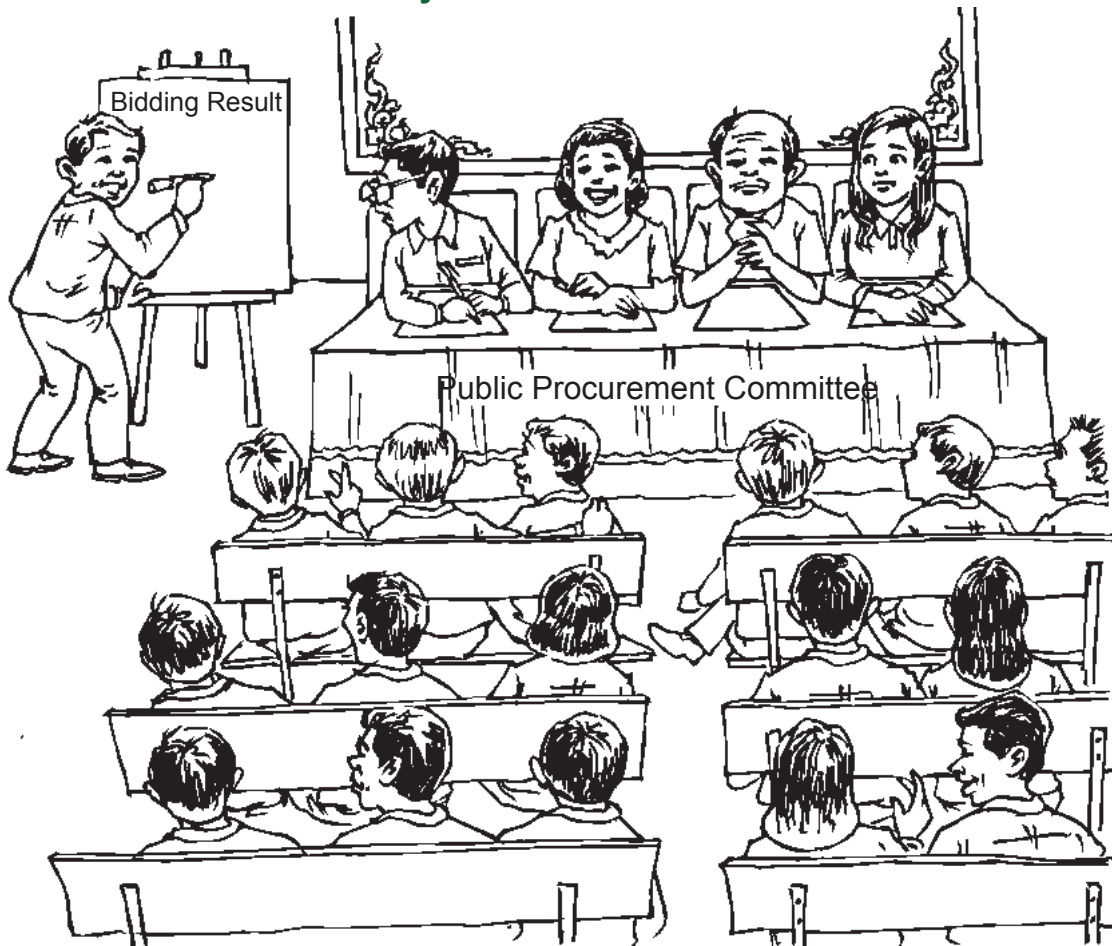


Announcing of public procurement

<http://www.ncdd.gov.kh/km/media-center/jobs-procurement>



2. Procurement Day



One project for bidding consists of at least three contracting agencies quoting prize from different companies in fairly bidding process. If one contracting agency provides the lowest price, they will get the project to implement in contract with the state.

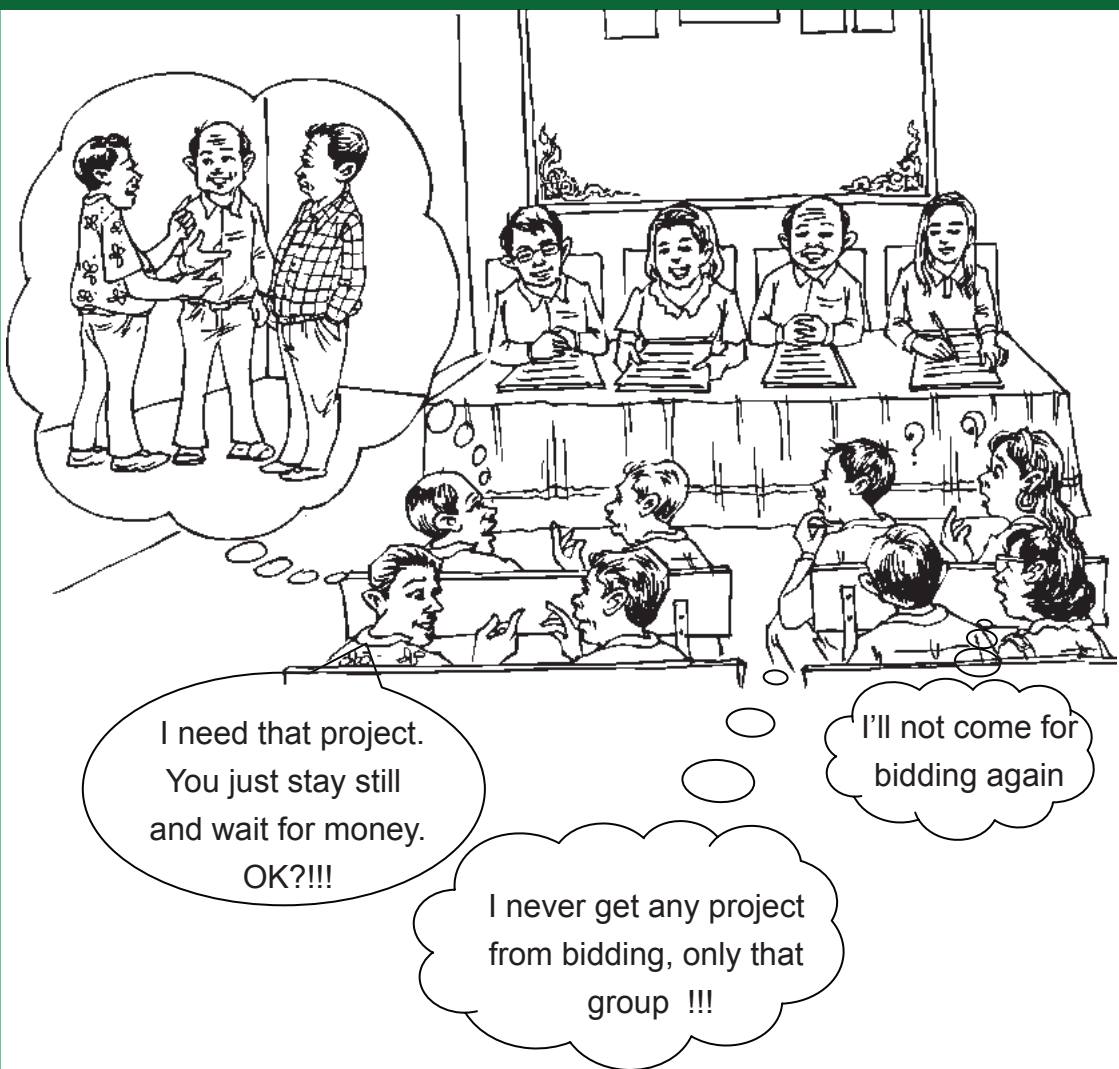
To be able to participate in bidding, contracting agency must be enlisted first in order to get Official recognition from state for bidding.

3. Practicing The contract

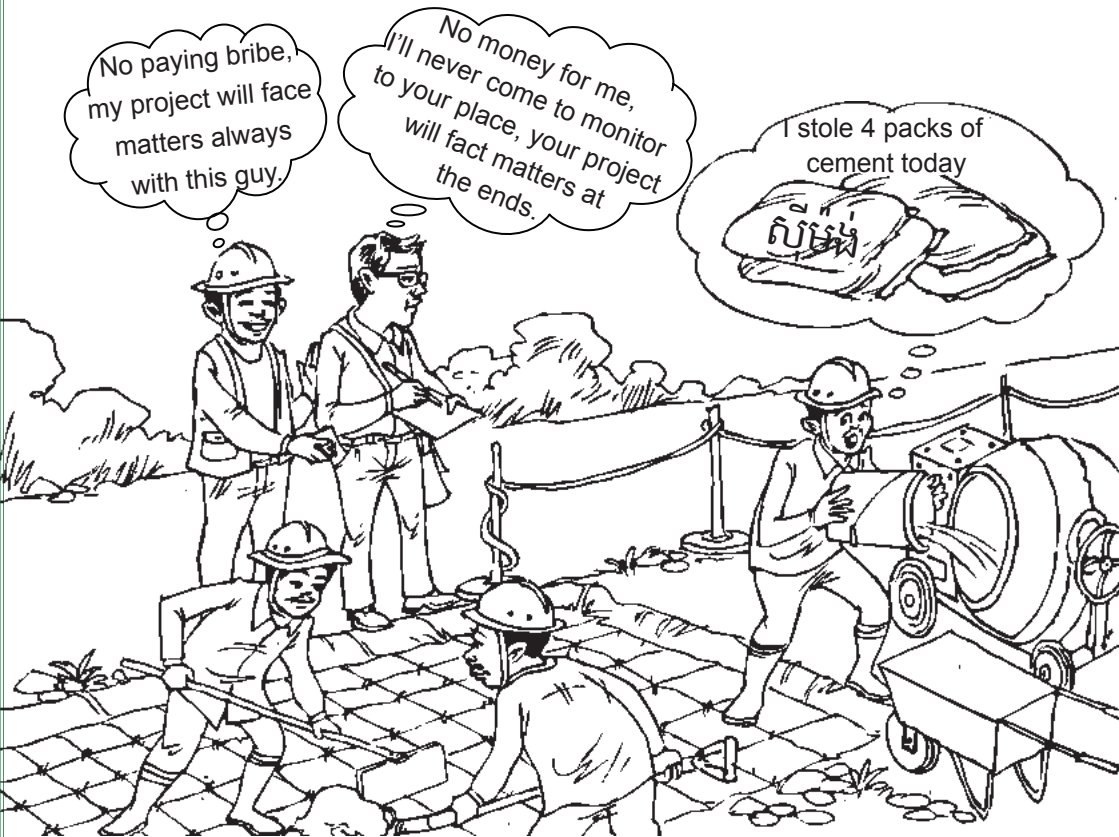


- The contracting agency must follow the contract and guarantee for quality of building and make sure that it is on time.
- Project monitoring committees check and oversee on practicing project of contracting agency.
- People can participate to oversee on project practicing by contracting agency and report to the committees in charge of bidding from district, town and province.

Irregularity in Public Procurement Process



Project Malpracticing



You see, that project spent money only 60 or 80 per cent. Money for 20 to 40 percent spent on bride or corruption, tips, and collusion.
(Source: Village-monitoring volunteers).



Ethics in Public Bidding Procurement

The ethics for members of the procurement committee are

- An individual shall take no benefit, including cash or materials, from outsiders, abider, or consultant, part of his or her salary,
- Must report immediately any fraud, corruption, conspiracy or any threats,
- Shall not have any conflict of interests in making decision of agreement.

The ethics for bidders and consultant who participates the bidding are:

- Shall not have relationship with any ones who can have conflict of interests,
- Shall declare any personal interest that can be the conflict of interests to the implementing agent of procurement immediately,
- Shall not commit any corrupted acts, forgery, conspiracy and threats relating to the bidding,
- Shall open to the government agency or development partner to inspect any documents relating to bidding, whether the bidding can be success or not, and
- Shall not compensate to any one for any purpose who is participating the procurement including their relatives or friends.

The ethics of all systems are included in forms with the title “Declaration of Ethics”.

- This Declaration form includes mentioned ethics to give to the concerned people to read and sign before they have started working or applying for bidding.

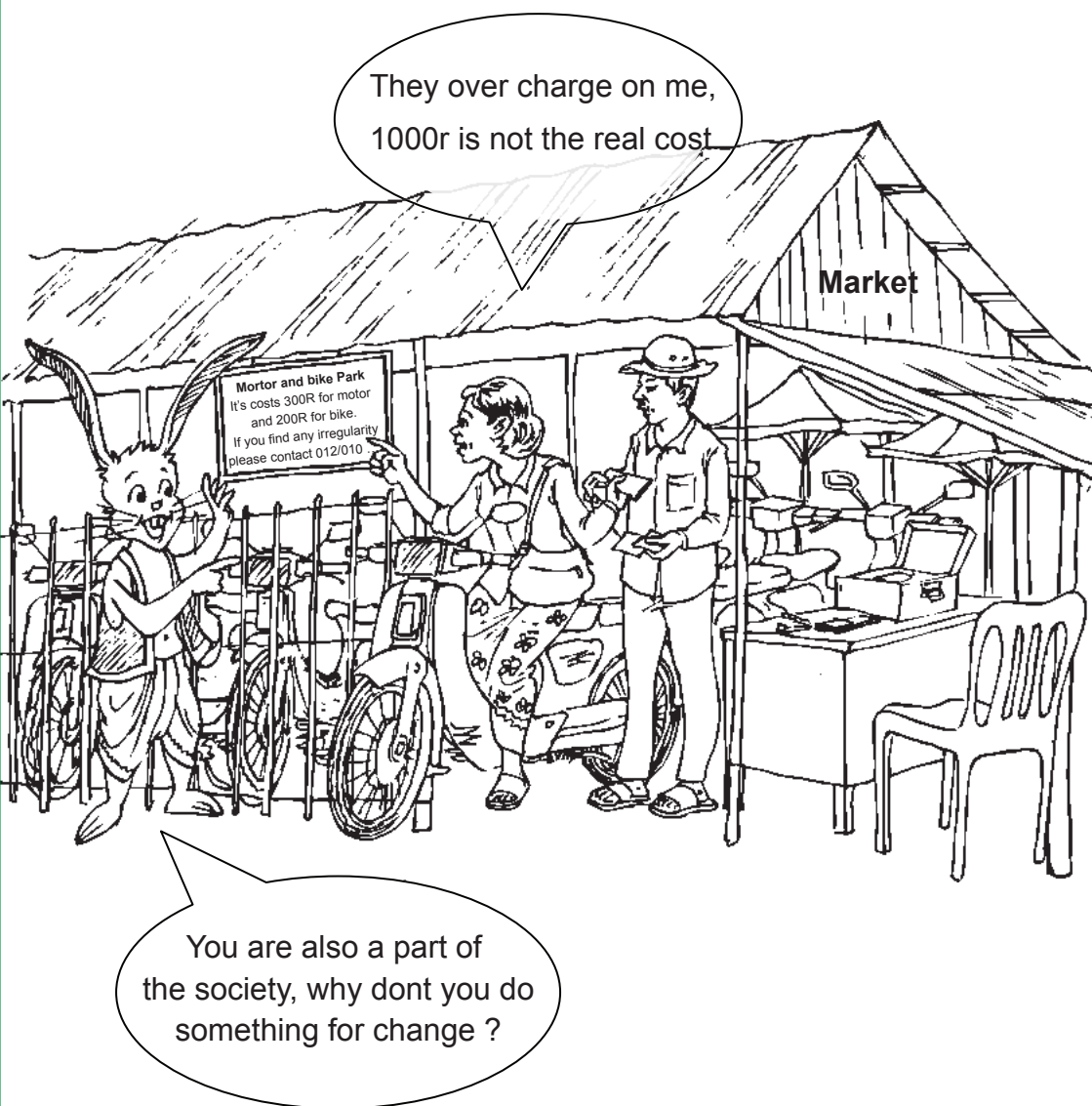
Part 4

People's participation

In social accountability principle and democratic development, both authorities and people must cooperate and participate actively in country's development especially at local development, and accountable for impact.



Citizen's participation role in developing society



Different Parts of Society

1. Civil Society (citizen, local NGO, Association, and so on.
2. State Agency (Public council, board of governance)
3. Private sector (seller, contracting agency, businesspeople)

According to Cambodia's constitution article 35 stated that "Khmer citizens of either sex shall have the right to participate actively in the political, economic, social and cultural life of the nation. Any suggestions from the people shall be given full consideration by the grant of the State".

And article 41 stated that "Khmer citizens shall have freedom of expression, press, publication and assembly. No one shall exercise this right to infringe upon the rights of others, to affect the good traditions of the society, to violate public law and order and national security.

The regime of the media shall be determined by law".



Space for People's Participation

Existing Mechanisms

Authorities or service providers responsible for creating space for people's participation.

- Council monthly meeting
- Village consult meeting on development planning of commune.
- Public commune / sangkat consultation forum with municipality/district (By plan)
- Annually investment planning integration of commune/ Songkat.
- Commune development meeting.

Mechanism created by citizen/civil society like people gathering to demand needs from state.

- Campaign
- Peaceful demonstration
- Media/ Advertisement.

Space for Citizen Participating in Public Procurement

- As committee members to oversee project to help consult commune chief and help in project planning for commune and PIM. (PIM p 27)
- Community helps to give information when technical experts come to survey commune/Sangkat's project.
- Local citizens join to consult when responsible provincial officer conducts survey about effect on environment and nearby. (PIM page 30)
- A meeting of project management committee to review project plan shall be held in public at the project base. (PIM page 34).
- Participating to review on bidding.
- Participating to oversee on project implementation.
- Have rights to consult and give constructive feedback in public meeting

People's participation causes social accountability, social accountability and participation cause good governance. Good governance is a basis of strategic development and rectangular strategies of the Royal Government of Cambodia.

Our village developed due to good public procurement on account of our participation.



CIPE



Supported by CIPE

House #55B-55C, Street 390, Sangkat BKK3, Chamkarmon, PP
Tel: (855)23 217 872 / (855)23 210 902, Mobile:(855)12 79 23 79
E-mails: silaka@silaka.org / website:www.silaka.org

