# Procurement in Action: From Contracts to Societal Impact

How procurement serves as a strategic tool and policy driver in achieving critical social mandates including SMEs, Jobs and Gender

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# Public Procurement: An Imperative to National Development

20% of GDP in Asia

18% of GDP in MENA region

12% of GDP in OECD countries

15% of GDP in Africa

of GDP in Latin America and the Caribbean

15% of GDP in the European Union

**Source:** 2023 Methodology for Assessing Procurement Systems Initiative

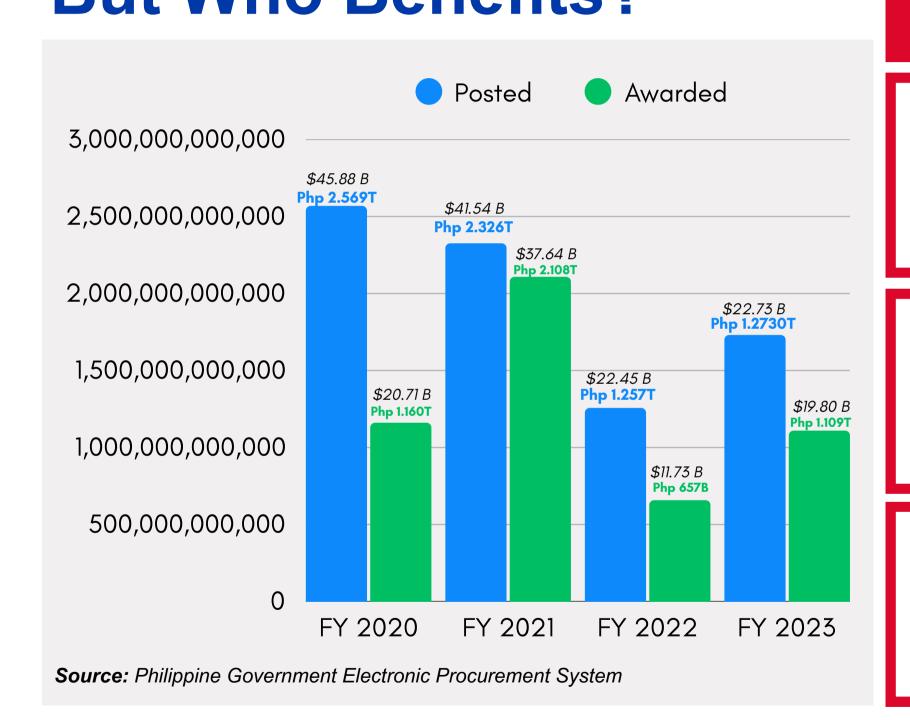








# Bilions (\$) Transferred and Posted, But Who Benefits?



#### **GAPS IN EQUITY, ACCESS, AND IMPACT**



Complex procurement process; burdensome documentation and lengthy processing times hinder SME participation in public procurement (NEDA, 2023)



While women own a significant portion of SMEs, there is no formal tracking of contracts awarded to women-owned businesses, and no gender-specific targets under current regulations (WB, 2022)



Procurement projects rarely include job generation as an evaluation metrics, despite unemployment challenges, particularly among youth and women (PSA Labor Force Survey, 2023)















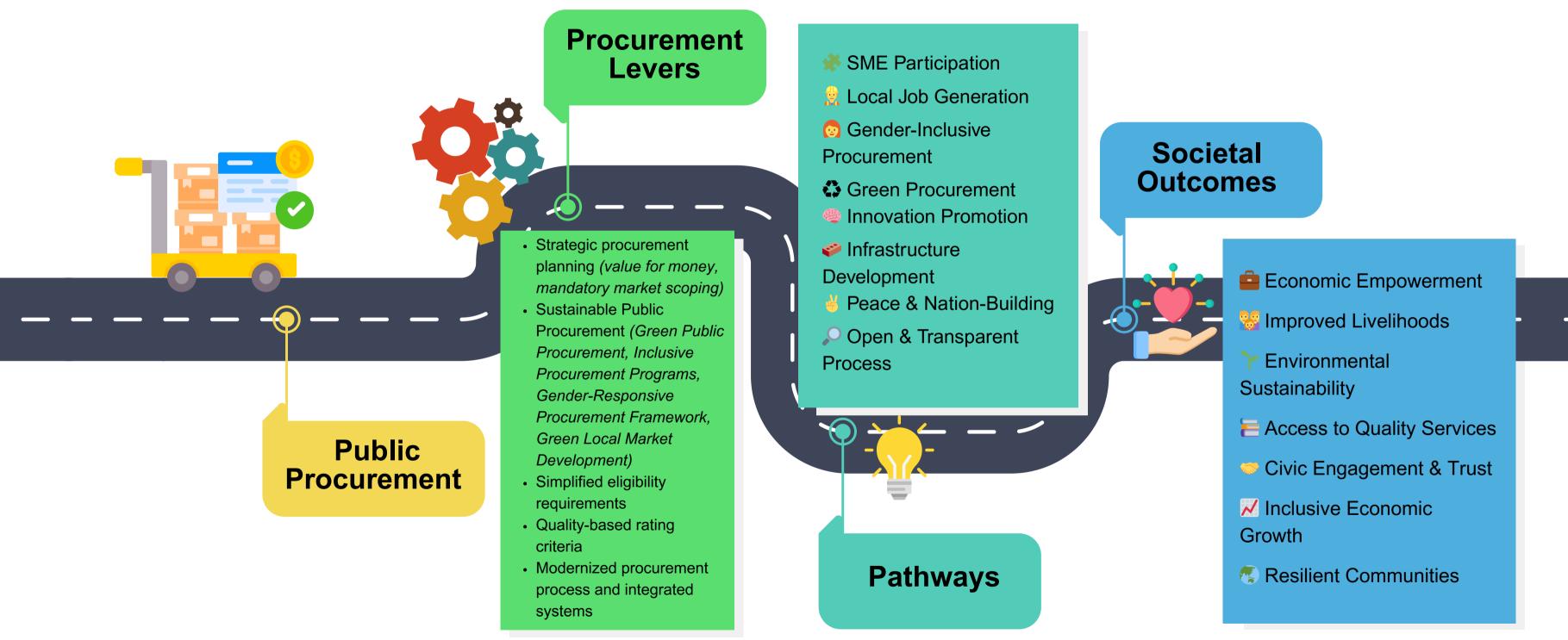








# Strategic Spending as a Procurement Roadmap















# How We've Made it Happen in the Philippines







Launched in the early 2000s, **Textbook Count** was a collaborative effort between the **Department of Education**, **Civil Society Organizations**, and **private sector partners**. Supported by **World Bank**, the initiative aimed to address issues such as ghost deliveries, under-deliveries, and corruption in textbook procurement. Notably, the **Ateneo School of Government's Government Watch** served as the national coordinator for civil society participation in the program.

#### **Pathway**



Strengthened textbook delivery system through community monitoring



Engaged local
SMEs for printing
& logistics

#### **Key Outputs**



More children receiving quality textbooks on time; Enhanced literacy and numeracy



Textbook prices dropped >50%; improved printing quality





Improved Livelihoods



Inclusive economic growth through SME participation "CSO engagement supported reformist officials by providing evidence to constrain corrupt officials and collaborating to solve distribution problems"

Joy Aceron, Convenor-Director of G-Watch









# Other Key Initiatives in the Philippines

# Job Creation-Oriented Procurement Projects

#### Livelihood and Employment Assistance Program (Pasig City)

City-funded livelihood kits (e.g., carts, sewing machines) sourced from or given to local beneficiaries tied to microprojects

Source: PESO Pasig Official Facebook Page

## Labor-Intensive Infrastructure Maintenance (DPWH & LGU)

Uses local labor (including unskilled) through smallscale contracts awarded via community procurement methods

Source: DPWH

## Green Jobs Procurement Program (DENR, DOLE & LGU)

Projects like solar installations or waste recovery centers require hiring youth and women from the community

Source: Republic Act 10771

#### **Manipulative Toys (DepEd)**

Toys manufactured from kiln-dried solid wood such as Gmelina, Pine, Bass, Juniper, Bamboo, and/or other wood materials that are not listed in the DENR endagered trees

Source: DepEd Procurement Reports

#### **Pathway**

Supporting Small
Businesses/ Creating
Local Employment

Building Public
Infrastructure / Creating
Local Employment

Advancing Sustainability / Promoting Social Inclusion

Supporting Sustainable
Procurement / Promoting
Inclusive Education

## **Key Outputs**

Distribution of city-funded livelihood kits (e.g., carts, sewing machines) to local microproject beneficiaries

Employment of local (including unskilled) workers through small-scale contracts awarded via community procurement methods

Hiring of youth and women for solar installation and waste recovery projects

Toys made from kilndried, non-endangered wood for use in education

#### **Societal Outcomes**

- Improved Livelihoods
- EconomicEmpowerment
- Inclusive Economic Growth
- Resilient Communities
- Environmental
   Sustainability
- Access to Quality
   Services
- Access to Quality
   Services
- Environmental
   Sustainability







# Other Key Initiatives in the Philippines

# SME-Focused Procurement Projects

## **Pathway**

#### **Key Outputs**

#### **Societal Outcomes**

#### **KAPATID Mentor ME (DTI)**

Enables SMEs contract-ready and increase their ability to bid for government procurement

Source: DTI

Building SME Capacity /
Increasing Access to
Public Contracts

Trained SMEs that are contract-ready and capable of participating in government procurement

- Inclusive Economic Growth
- Improved Livelihoods

# Reserved Lots for Local SMEs (DTI & LGU)

Packaging large projects into SMEmanageable components (e.g., uniforms, hygiene kits)

Source: DTI

Improving SME Access / Unbundling Contracts

Large projects broken into SME-manageable lots (e.g., uniforms, hygiene kits)

- EconomicEmpowerment
- Strengthened Local Enterprises

## "Buy Local, Serve Local" Procurement Fairs

Directly sourced from SME exhibitors

Promoting Local
Sourcing / Direct SME
Engagement

Direct procurement from SMEs through local trade fairs

- Strengthened Local Enterprises
- Resilient Communities

Source: DTI Regional Reports





# Other Key Initiatives in the Philippines

#### Women-Led Business-Inclusive Procurement

## **Pathway**

#### **Key Outputs**

#### **Societal Outcomes**

## GAD Fund (Cebu)

Women's cooperatives prepped and given priority to supply school uniforms, food packs, etc

Source: Cebu City GAD Plan and Budget Reports (2023)

Gender-Responsive
Procurement /
Preferential Sourcing

Women's cooperatives given contracts for goods like school uniforms and food packs

- Women's Economic Empowerment
- Inclusive Development

#### Women Helping Women: Innovating Social Enterprises (DOST)

Tech/social solutions developed by women-led enterprises are procured for public use (e.g., apps, services)

Source: DOST-PCIEERD

# Innovation-Based Procurement / GenderResponsive Procurement

Tech/social enterprise solutions (e.g., apps, services) by women-led teams procured for public services

- Gender-Inclusive Innovation
- Digital Inclusion

# Women's Associations (Marikina, Iloilo)

Maintenance and janitorial services in public markets awarded directly to women cooperatives

Source: LGU Annual Reports, City BAC Reports, and Regional DTI-Negosyo Center documents

Direct Award to Women's Groups / Targeted Contracting

Market maintenance and janitorial service contracts awarded to women's cooperatives

- Improved Livelihoods for Women
- Stronger Local Economies



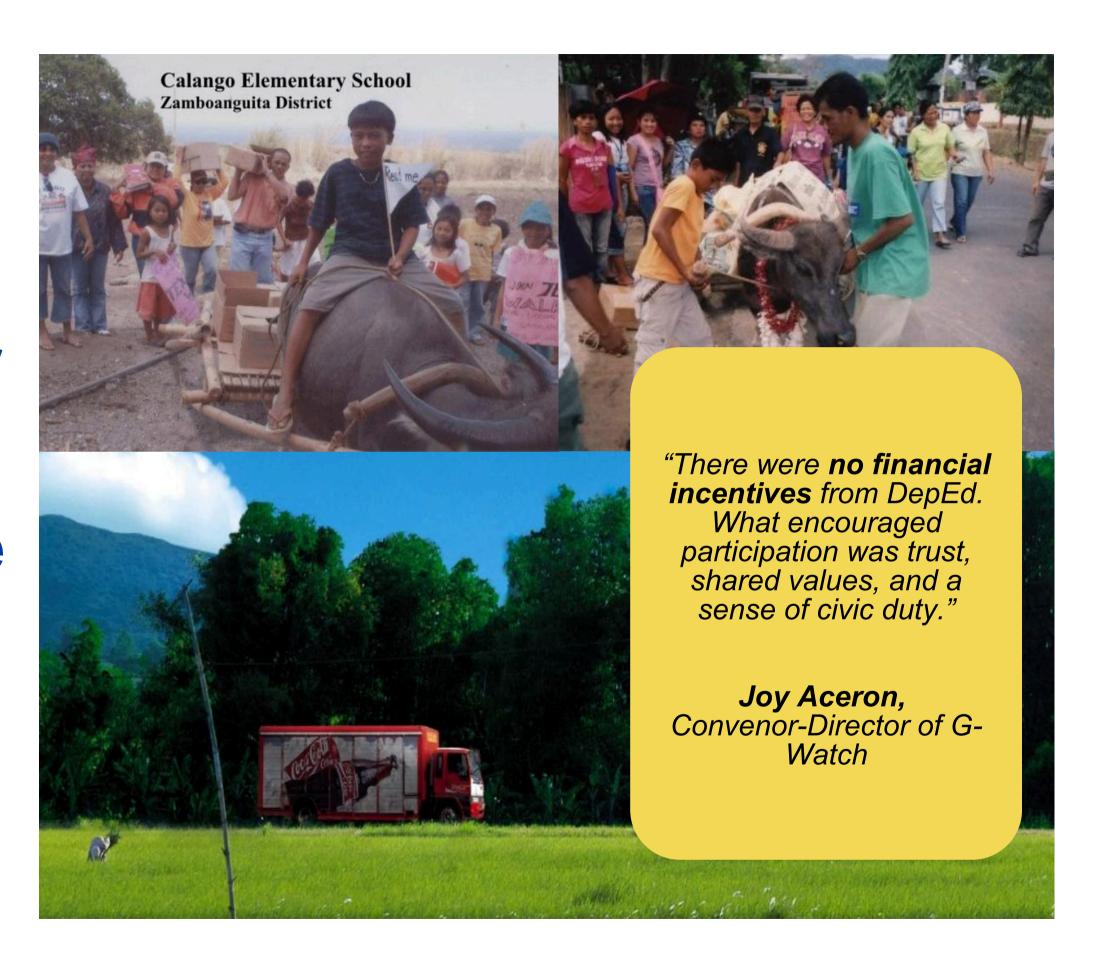




If procurement aims to deliver our societal goals, who's accountable when it doesn't?









# Professionalization Towards Institutionalizing Accountability

## **Accountability Mechanisms**



Use of Beneficial Ownership



Participation of Third Party
Observers



Professionalization of Public Procurement









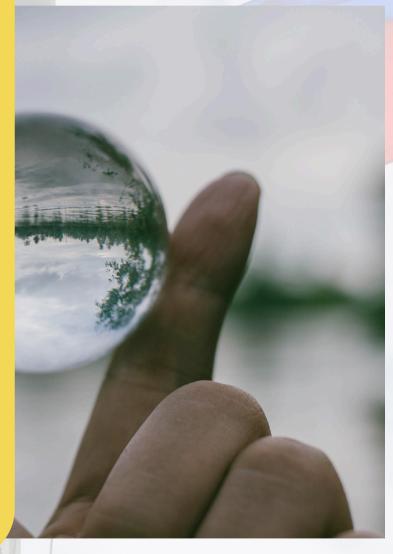




# Professionalization Towards Institutionalizing Accountability: Use of Beneficial Ownership

"The inclusion of beneficial ownership declaration in the New Government Procurement Law through Republic Act No. 12009 represents a significant step towards enhancing transparency and accountability in public procurement. By identifying the true owners of companies participating in government contracts, we are not only promoting integrity within the procurement process but also strengthening safeguards against corruption, ensuring that public resources are managed responsibly and effectively for the benefit of all Filipinos."

Atty. Rowena Candice M. Ruiz, LLM, CESO I



- Use of Beneficial Ownership Information in Public Procurement
- Establishment of a Beneficial Ownership
   Transparency Portal
- Strengthens Procurement Integrity
- Learning from Global Experiences











# Professionalization Towards Institutionalizing Accountability: Participation of Third Party Observers



- Recognizing Civil Society Organization participation in monitoring the procurement process (legal framework)
- Digitalizing Access to Procurement Monitoring
- Using Video Recording for Transparency
- Building on Proven Models of Civic Engagement













# Professionalization Towards Institutionalizing

# **Accountability: Professionalization of Public**

## Procurement



- Creation of Dedicated Procurement
   Positions
- Competency Framework for Public Procurement Practitioners
- Certification and Licensing of Procurement
   Officials
- Code of Ethics and Continuing Education
- Support Systems for Procurement Officers (Access to portals, updated guides, digital monitoring tools, and capacity-building programs)













It's [2025 EAP IPPC] not about bureaucracy or box-ticking. It's about using procurement to respond to real needs.. creating jobs, supporting small businesses, empowering women, and building public trust. It's about making sure that in the EAP, and especially here in the Philippines, procurement truly works for the people.

Atty. Rowena Candice M. Ruiz, LLM, CESO I







# Let's Connect!



# Thank You