

## **Government Procurement Integrity Platform: A Paradigm Shift for Implementing Public Projects**

### **Background:**

Government Procurement Integrity Platform is an innovative arrangement designated for deterring influence peddling, illegal lobbying, collusion in bidding process, and undue political interference in major public works or infrastructure projects. The platform is pioneered by the head of Water Resource Agency (WRA), Dr. Chien-Hsin Lai, when he was the head of Southern Region Water Resource Office and realized that young engineers and project staff were reluctant to take on water projects for fear of undue interference by politicians, contractors and even gangsters. He then solicited the help of district attorney office, Agency Against Corruption (AAC), district investigative bureau, CSOs such as Transparency International Chinese Taipei (TICT), and Public Construction Commission (PCC), and become a standing platform overseeing water projects' compliance with Government Procurement Law and quality standards on one hand, and fending off interference arising from possible political or grant corruption on the other hand. Later, this platform was advocated by Agency Against Corruption and became a paradigm shift for implementing major public projects.

From the lessons learned in projects implementing the platform, the AAC concludes that the platform contributes to cross-boundary cooperation, administrative transparency, public-private collaboration, citizen participation and ombudsman, and more importantly, it breeds a service culture that facilitate public servants to proactively take on public projects without undue meddling. The cross-boundary cooperation and public-private collaboration refer to the cross- sector communication channels and forums among the Prosecutor's Office, Ethics Office, Investigation Bureau, National Audit Office, Public Construction Commission (PCC), etc., established to address the concerns and problems of the public, to protect the interests of contractors, and to create a working environment in which public officials can work courageously and achieve the purpose of public-private partnership.

Administrative transparency and public oversight refers to the strengthening the supervision mechanism of government through external publicity, information disclosure, transparency in procurement process, and solicit

civic participation via regular meeting with and notice and comments from citizen groups, NGOs, and local citizens. The transparency requirements instituted in both procurement process and citizen engagement are geared to safeguard the quality of infrastructure projects on one hand, and to secure the public trust from all stakeholders on the other hand. As a result, the Government Procurement Integrity Platform has thusly flourished as public agencies scramble to institute such platform, and, as of July 11, 2022, there are 50 Government Procurement Integrity Platform erected, with 44 in progress, 5 completed and 1 dissolved.

### **Purpose:**

The success stories of Government Procurement Integrity Platform have attracted wide media coverages and benchmark learning among public agencies. It is concurred that the Government Procurement Integrity Platform can indeed help project organizers establish an open and transparent procurement system, bring in external oversight forces and facilitate citizen participation. Besides, it can assist properly handling of complaints and petitions through cross-boundary collaboration to avoid project delays. Furthermore, the platform facilitates the agency's own internal control mechanism to fulfill its auditing duties. However, the aforementioned essences that are claimed to contribute to the successful operation of the platform have already independently existed within each and every agency. For example, administrative transparency is mandated by FOIA and Open Government Act as well as other stipulations. So, inquiry into the reasons why the existing mechanisms do not work as well as the platform is the main motive for this study.

In order to reveal the real essences underlining the platform at work, a comparative study is necessary for examining the variations between projects with and without platform under the same agency. In this study, the comparisons between the " Wu River Niazueitan Artificial Lake Project " and the "Hushan Reservoir Project" , both administered by the Central Region Water Resources Office, Water Resources Agency, MOEA, are investigated to highlight the difference between similar public projects with and without the establishment of the Government Procurement Integrity Platform.

### **Methods:**

The focus group method is employed to examine the variations between the Wu River Niazueitan Artificial Lake Project (with the Government Procurement Integrity Platform) and the Hushan Reservoir Project (without the Government Procurement Integrity Platform) in terms of durations, protests, and challenges with which each project has confronted, and to inquiry into the way in which the Government Procurement Integrity Platform has in placed to ameliorate these challenges. A focus group thusly designed here brings together two small groups of people to answer questions in a moderated setting. The group is chosen due to predefined professional backgrounds, namely the case officers, on site engineers, ethics officers and staff members from the contractors. Questions are designed to shed light on the topic of interest, which are the major challenges each project faced and the key success factors that can be attributed to the operation of Government Procurement Integrity Platform. Observations of the group's dynamic, their answers to focus group questions, and even their body language become useful qualitative data to throw light on the questions at hand.

Two focus groups were held on May 23<sup>rd</sup> and 25<sup>rd</sup>, 2022, respectively. The first group comprised of 8 participants mainly from two projects' case officers, engineers, and ethics officers, and second group included 8 participants as well from project contractors in addition to case officers and ethics officers. Both focus groups were conducted through a webinar using Webex as a platform.

### **Main Findings:**

Both the Wu River Niazueitan Artificial Lake Project and the Hushan Reservoir Project exhibit sharp contrasts in terms of project duration, protests, land appropriation, and workers' commitments. The project duration of Hushan Reservoir was 7 years, and yet, due to constant protests by residents, the project was finalized after 15 years, whereas the Wu River Niazueitan Artificial Lake Project is scheduled to complete ahead of time. There were more than 10 times major protests during the project period of Hushan Reservoir, mainly owing to residents' dissatisfaction with the amount of disbursement in land appropriation, while the land used for the Wu River Niazueitan Artificial Lake Project was acquired using the negotiated price evaluated by a third party, which resulted in

93% of land owners tendering their land for the negotiated price, and only one major protest was observed.

The Wu River Niaozueitan Artificial Lake Project fully utilized the mechanism of the platform to quickly handle the issues that it faced, potential risk factors, and disputes, and effectively eliminated improper interference from external forces, such as lobbying, false accusations, and violent threats. Drawn from the qualitative data obtained through two focus group, the Government Procurement Integrity Platform has either accommodated or facilitated the following issues:

1. Successfully securing land for the project:

Land issue is the most treacherous and thorny problem confronting public construction projects. The Wu River Niaozueitan Artificial Lake Project encountered issues with land expropriation when it was implemented. Residents believed that land next to river areas were long undervalued and were furious when their land was expropriated. Yet, the case officer was worried that raising the price of land would be a plausible cause for suspicion of enrichment. In order to resolve this quandary, an ad hoc meeting was convened on the Government Procurement Integrity Platform to come up with a reasonable land expropriation price, so as to protect citizens' property right without being questioned by the public. After thorough deliberation among all parties involved and with the assistance of impartial third party appraisal of the land, the project successfully obtained land and significantly reduced protests.

2. Effectively blocking, with the aid of latest technology, improper interference in soil digestion and auction:

There is tremendous amount of dirt, rock and soil needed to be excavated on the construction site of the project. The residual soil was valuable and needed to be transported out so the project can get started as scheduled. As such soil digestion is a key factor to whether or not the project can be successfully carried out. On top of that, the auction of the large amount of soil from the project not only affected supply and demand in Central Taiwan, but also become the prime target for undue interference. The Government Procurement Integrity Platform was invoked to assist in soil auction and digestion. In addition to contractors interested in soil auction, representatives from Office of District Prosecutor, AAC,

Investigation Bureau, Police Department, WRA, and Nantou County Government were invited to a soil auction forum and they signed a "Convention on Integrity, Transparency, and Corporate Ethical Management." The list of contractors was submitted to prosecutors, police, and investigators to assist in supervision and investigation to prevent any illegal conduct. The Government Procurement Integrity Platform also utilized the latest technology, the "smart soil management system" mounting on Eup vehicle, to monitor truck load, soil transport, and track remote vehicle movement and management so as mitigate risk associated with soil transport.

### 3. Facilitating communications among stakeholders:

The platform provides citizens, contractors, civil servants, NGOs and government agencies with multiple ways to communicate effectively, and make information openly accessible, readable and understandable. Moreover, the platform is also the venue for gathering the opinions of different parties regarding issues with water resources management, guidelines for transparency and public participation in supervision, and measures to prevent potential corruption when contracting out and implementing major public projects. The open and transparent environment also breed public trust on civil servants and afford them the leeway to use discretionary power more proactively in pursuit of public interest.

### 4. Fostering amicable working environment:

One salient feature of the platform is to ensure that the case officer does not encounter any undue interference, thereby creating an excellent environment where civil servants can feel at ease, concentrate, feel confident, and be innovative. Such environment is indeed able to attract excellent contractors actively participating in the tender, thereby meeting the highest quality standard of public works.

## **Conclusion:**

This study set out to examine the real essence in operation of the Government Procurement Integrity Platform, and to verify if the platform can accomplish what it intended to, namely, cross-boundary cooperation,

administrative transparency, public-private collaboration, citizen participation and ombudsman. By comparing two water projects administered by the Central Region Water Resources Office, one with platform in place and other without any platform, this study can indeed attest to the real essence of platform at work and the synergy that the platform has brought to bear on the conflict resolution, regaining public trust and fostering amicable working environment. Above and beyond, the overall success of the platform also hinges on the leadership commitment in civic engagement, mobilizing technology for radical transparency, and the perseverance of the problem solving in every meeting. A one-day visitor to any one of the projects can easily miss the underlying principles without diminishing the enjoyment of the friendly ecosystem.