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ANTI-CORRUPTION
CONFERENCE**

**MOBILISING PEOPLE:
CONNECTING AGENTS OF CHANGE**

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Short Session Report: Game Changers

Session Title: Open Contracting

Date & Time: 8.11. 2012 5:30-7:30pm

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Experts:

- Robert Hunja, Manager, World Bank Institute (WBI)
- Christiaan Poortman, Chair of the Board, Construction Sector Transparency Initiative (COST)
- Michael Roesch, Project Leader, Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ)
- Marcela Roza, Team Leader, World Bank Institute (WBI)
- Claire Schouten, Programme Director, Integrity Action
- Gabriele Zoeller, Desk Officer, German Federal Ministry for Economic Cooperation and Development (BMZ)

Moderated by: Marcela Roza, World Bank Institute

Session coordinated by: Marcela Roza, World Bank Institute

Main issues raised in kick off remarks. What's the focus of the session?

Failings in public contracting are undermining development. Public revenues are not being generated, allocated and spent as effectively as they could be, e.g. in terms of extractives or construction. Such factors as corruption, opaque contracting processes and poor oversight of contract implementation are undermining results of public contracting. Open Contracting (OC) can make a contribution to change this. OC begins with the disclosure of the relevant public procurement information from pre-award activities through contract award and implementation to allow for effective monitoring and accountability for results. It is an effort across sectors, regions, and stakeholders and stands for a collaborative innovation and collective action.

A few weeks ago the First Open Contracting Meeting took place in South Africa bringing together more than 100 participants to discuss OC. The

slot therefore, was an opportunity to give more actors the opportunity to learn about and engage in OC. The second focus was to connect people and thirdly to explore linkages with other on-going initiatives since OC is not about duplication but complementation.

What initiatives have been showcased? Briefly describe the Game Changing Strategies

During the discussion a good number of participants showcased their experiences related to various steps of the procurement cycle in terms of public contracting. Three examples are described below:

The *Africa Freedom of Information Center* in Uganda started a Contract Monitoring Coalition currently bringing together 15 stakeholders from different backgrounds to ensure wide buy-in and ownership. They decided to focus on procurement in crucial sectors like education and health. The pilot project was based on the monitoring of the construction of 3 schools each in a different stage of the construction phase.

Instituto Ethos from Brazil has started a project called 'Clean Games' focusing on the next World Cup in Soccer as well as the Olympic Games, both to take place in Brazil. The three key elements in that project are integrity, transparency, and social participation and control respectively. The organization is employing several approaches to contribute to 'clean procurement in clean games'. One is the design of transparency indicators, another one is about developing tools to strengthen social control.

Transparency International USA recently finalized the development of a tool for civil society procurement monitoring after testing it in Indonesia and the Philippines. It consists of different components like an online monitoring guide and a case-study-based online training.

Highlights: What are the main outcomes of this session? What's next?

During the discussions and a quick feedback round at the end involving the whole plenary it became obvious that numerous people confirmed the relevance of at least some parts of OC in terms of their work and the interest to continue that and strengthen their involvement respectively. There was wide consent that it is worthwhile to think along the entire contracting chain and that the OC approach adds value to existing initiatives.

What are the recommendations, follow-up Actions

The participants discussed various possibilities to continue the work on OC and stressed several important aspects in that regard. A good number of participants recommended to strengthen the demand-side of Open Contracting and assist in building the capacity of NGOs to e.g. judge the content of a contract and monitor its implementation. Another aspect that was brought forward often referred to ensuring an adequate legal framework that is conducive for that role of NGOs, for instance in the form of a freedom of information law or a legal mandate for civil society to engage in monitoring.

Furthermore, the technical side of OC was also discussed. The recommendation was made to assist that oversight function through ensuring machine-readable data about a procurement project for easier handling.

What should be done to create opportunities for scaling up the proven solutions discussed in the session? What and by whom?

During the workshop, one idea for scaling-up the work around OC was to include sub-contractors as well when designing activities for more transparency and participation related to public contracting. Additionally, for further impact, outreach to more governments and the private sector was mentioned as another idea. Here addressing some of the concerns of these actors in terms of OC is crucial like dealing with information around contracting that might be perceived as commercially sensitive or stressing the aspect of creating a level-playing field for companies through OC. In that regard, show-casing the specific impact and benefits for involved stakeholders will also be useful to broaden the work around OC.

In that regard, especially sectors that currently do not have a somewhat 'institutionalized transparency community' should be looked at as pointed out during the discussion.

Key Insights Recommended to be included in the IACC Declaration

Open Contracting is changing the rules of the game to the better for all involved stakeholder groups because due to corruption and other aspects in public contracting, all of them suffer: OC contributes to a

better generation and allocation of public assets while enabling citizens to play their role to ensure more accountable contract outcomes for the sake of society. And last but not least, OC helps to ensure a level-playing field for the private sector and a better business environment.

Nadine Stiller, Nov. 8th 2012
