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# REGIONAL GOVERNANCE ACTIVITY

SUPPORT PROVIDED TO IMPROVE PROCUREMENT  
PROCESSES IN RGA MUNICIPALITIES

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# REGIONAL GOVERNANCE ACTIVITY



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Colombia Regional Governance Activity

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## ABBREVIATIONS AND ACRONYMS

AESGPRI	Asignación Especial del Sistema General de Participaciones para Resguardos Indígenas (Special Allocation from the System of National Transfers)
CCE	Agencia Nacional de Contratación Pública – Colombia Compra Eficiente (Colombia Buys Efficiently)
CTP	Consejo Territorial de Planeación (Territorial Planning Council)
DNP	Departamento Nacional de Planeación (National Planning Department)
GOC	Government of Colombia
HICD	Human and Institutional Capacity Development
JAC	Junta de Acción Comunal (Community Action Board)
MSI	Management Systems International
OCA	Organizational Capacity Assessment
OCAD	Órgano Colegiado de Administración y Decisión (Decision-Making and Administrative Collegial Body)
PAA	Plan Anual de Adquisiciones (Annual Procurement Plan)
PDCA	Plan, Do, Check, Act
PFM	Public Financial Management
PIC	Plan de Intervenciones Colectivas (Collective Interventions Plan)
POAI	Plan Operativo Anual de Inversiones (Annual Operational and Investment Plan)
RGA	Regional Governance Activity
SECOP	Sistema Electrónico de Contratación Pública (Public Procurement Electronic System)
SGP	Sistema General de Participaciones (System of National Transfers)
SGR	Sistema General de Regalías (General System of Royalties)
SNG	Subnational Governments
TVEC	Tienda Virtual del Estado Colombiano (Colombian State’s Virtual Shop)
USAID	United States Agency for International Development

## GLOSSARY

**Capacity:** The competence required to perform activities that meet goals in a sustainable manner.

**Institutional capacity:** An institution's abilities to perform its functions, solve problems, set goals and meet them.

**Planning:** A decision-making process through which one aims for a desired future. This takes into account the current dynamics, internal and external factors that can potentially influence meeting the set goals.

**Public Financial Management (PFM) cycle:** A cycle formed by a set of interconnected processes that include planning, execution, monitoring, evaluation and accountability. Local and regional administrations must carry out these processes to account for their commitments to the population.

**Public procurement:** The process by which the State acquires goods and services. This process must comply with regulations that guarantee efficiency and transparency.

**Results-oriented management:** An approach that uses comprehensive information to formulate policies. It involves practical tools to plan, manage risks, monitor and evaluate. In development terms, results-oriented management implies changing from focusing on inputs and immediate results to focusing on development and achieving specific long-term results.

**Single source procurement:** Where a single supplier is purposefully chosen to provide a specific good or service, despite there being other suppliers available. There is no competition or access to information about the process.

**Sole source procurement:** Where a single supplier is chosen to provide a specific good or service due to it being the only one available. There is no competition or access to information about the process.

**System:** Set of elements that are interrelated and interact with each other.

# I. EXECUTIVE SUMMARY

In compliance with Task Order No. AID-514-TO-15-00015, USAID's Regional Governance Activity (RGA) submits this report on its activities to strengthen municipal planning capacities: "Support Provided to Improve Procurement Processes in RGA Municipalities." This report covers activities included in the work plans for years 1, 2 and 3, executed between June 2015 and January 2018 that build or strengthen municipalities' capacities to fully execute all stages of the procurement processes to provide goods and services for their communities.

RGA developed and strengthened local planning capacities by applying its technical implementation approach. This includes: (1) adapting the Plan-Do-Check-Act (PDCA) cycle to apply it to procurement processes; (2) developing an Organizational Capacity Assessment (OCA) to understand each municipality's shortcomings and be able to provide a solution that responds to their needs and realities; (3) on the ground, providing permanent and personalized assistance and training to help municipalities understand all stages of the procurement process, thus improving municipal capacities to acquire goods and services; (4) scaling up best practices through the training-of-trainers strategy; (5) improving multi-level coordination; and (6) including a results-oriented approach into procurement processes, as part of the grand Public Financial Management (PFM) cycle. These activities helped municipal governments build or strengthen their capacities to acquire goods and services, resulting in better service delivery for citizens in RGA's target territories.

RGA's assistance helped municipalities:

- Carry out procurement processes that follow all Government of Colombia (GOC) requirements, promoting transparency and access to information.
- Complete 533 procurement processes for projects to improve tertiary roads (116 processes); education (112 processes); health care (16 processes); and water and basic sanitation (25 processes), among others. These projects have a combined value of USD \$41.2 million, and will benefit more than 1.8 million people in 39 municipalities.
- Use of the Colombian State's Virtual Shop (TVEC) to guarantee the availability of better-quality products in a more efficient manner, which resulted in 22 municipalities registered on the website, with 16 making purchases worth USD \$95,833.
- Adopt open bidding, simplified bidding and merit-based bidding procedures, instead of sole or single procurement.
- Train 1,300 public officials and 760 citizens, along with Colombia Buys Efficiently (CCE), on the stages of procurement processes so they can better perform their roles and responsibilities; as well as audit the process to ensure the prompt delivery of goods and services, as established in the municipal development plan.
- Use contract templates, developed jointly with CCE, to make it easier for local and regional governments to standardize criteria and reduce the administrative burden that procurement processes can carry with them when municipalities do not have standardized procedures. This is particularly relevant in procurement processes related to GOC's Plan 50x51.

These accomplishments support RGA's Component 2 objectives and the program overall. Through the strengthening and building of capacities in local governments, RGA is helping administrations adjust their goals and expectations according to the municipal reality, while complying with all of the GOC-established regulations. RGA's assistance has been significant and will remain relevant, as it increased municipal administrative capabilities by providing training in issues of transparency, publicity and effectiveness. It also gave them the knowledge and tools to pressure or sanction contractors who breach the contract. Ultimately, RGA's tools became essential for mayors and their teams, as they allow them to access the goods and services they need to deliver to their community and show short- and medium-term results.

## 2. METHODOLOGICAL APPROACH FOR CAPACITY BUILDING

RGA's technical assistance in territories<sup>1</sup> to strengthen capacities for public procurement is based on the Plan-Do-Check-Act model.<sup>2</sup> This model was adapted to the Public Financial Management (PFM) cycle and has a results-oriented approach to guarantee that when municipal administrations engage in their planning, budgeting and acquiring processes to provide public goods and services to their citizens, they also meet the requirements of Colombia's legal framework, and do so in a transparent and effective manner.

RGA also drew elements from Human and Institutional Capacity Development (HICD) to strengthen public officials' capacities. This meant that the program worked alongside relevant public officials and other interested parties to identify the problems and establish potential solutions and alternative strengthening capacities. This exercise used interviews with key actors to develop a diagnostic document that, in turn, became the basis of the improvement plans developed within the framework of the Organizational Capacity Assessment (OCA).<sup>3</sup>

Another major element in RGA's methodology is permanent and tailored technical assistance and on-the-ground trainings for municipal administrations. This is implemented through the learning-by-doing approach and aims to scale up best practices through the training-of-trainers methodology. The latter is vital to guarantee sustainability and RGA has emphasized strengthening departmental offices'<sup>4</sup> capacities so they can replicate the models and actions in a wider range of territories, even if they are not RGA target municipalities.

RGA applied both top-down and bottom-up strategies to implement the regulations of the Government of Colombia (GOC). As part of this, RGA promoted and guaranteed that local and regional governments followed directives established by the Colombia Buys Efficiently (CCE) Agency. The program also helped CCE strengthen its presence in regions through departmental workshops where the agency trained public officials on regulations, procurement tools, methodological guidelines and the importance of transparency and competitiveness in procurement processes. This aimed to improve efficiency and effectiveness in the use of public resources. By implementing bottom-up exercises, RGA managed to bring national regulations to local contexts and realities so that procurement processes are carried out according to each municipality's fiscal capacities and priorities. For instance, RGA implemented actions to train average citizens and public officials who did not have knowledge on procurement processes (basically, anyone who is not a lawyer). This has helped the administration as a whole have a better grasp of the topic; understand how and when to apply different procurement methods; and promote transparent and competitive processes.

RGA's first action to provide its technical assistance and build procurement capacities in local and regional public officials was training its own team of regional expert advisors with a workshop with CCE. In it, advisors updated their knowledge on regulations, learned about new forms of public procurement and accessed the GOC's methodologies and tools like the Public Procurement Electronic System (SECOP II).<sup>5</sup> Advisors then transferred this knowledge to 1,300 local public officials in charge of public acquisitions through a series of practical workshops where officials accessed the SECOP II platform and followed

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1 RGA has provided technical assistance to 39 municipal administrations and four departmental administrations (Arauca, Caquetá, Cauca and Tolima). RGA initially provided technical assistance to all 40 target municipalities on public procurement, but the administration of Tierralta sent a letter (number 100/381) signed by the mayor on November 16, 2016, stating that they did not wish to receive assistance on this topic.

2 Other technical deliverables produced by the program that include the same methodological approach are Technical Assistance to Strengthen Municipal Planning, Budgeting and Spending (June 2016), Organizational Capacity Assessment (October 2016) and Support Provided to Develop Local Planning Capacity in RGA Municipalities (February 2017).

3 RGA conducted the Organizational Capacity Assessment in 2016. It evaluated policies and procedures, the use of contracting tools, transparency in contracting processes, accessibility of information and the monitoring of procurement management, among other topics.

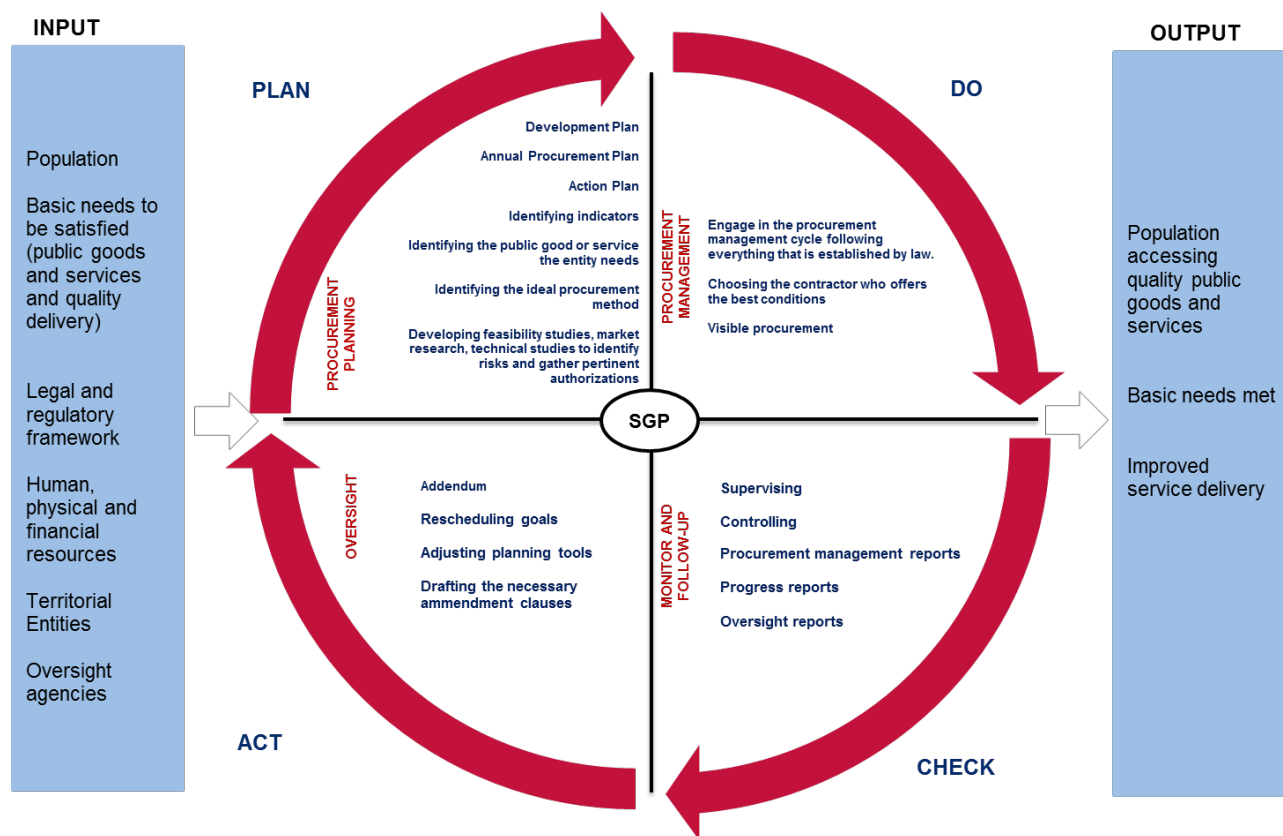
4 Arauca, Caquetá, Meta and Cauca.

5 The Sistema Electrónico de Contratación Pública (Public Procurement Electronic System), or SECOP, is a platform used for transactions in public procurement processes. Material uploaded to it is available to all citizens. Territorial entities can create and award contracts within a framework of transparency and oversight.

exercises on different contracting methods. This also helped reinforce public procurement concepts, such as multiple competitors, publicity, transparency and accessibility of information.

With this methodological approach, RGA sought to: (1) improve coordination between the three levels of government; (2) establish better vertical and horizontal interaction; (3) strengthen local capacities; (4) reinforce the results-oriented PFM cycle; and (5) make citizens' needs the focus of the State's actions. By combining the PCDA model with the PFM cycle, procurement management is bound to be transparent, quick and effective. This is because it involves civil society and the entire process is overseen and monitored to constantly improve it and overcome any flaws. Repeating this cycle strengthens public officials' understanding and continuous use of public procurement processes and procedures.

**FIGURE I. PROCUREMENT MANAGEMENT WITHIN THE PDCA MODEL**



## 2.1. Organizational Capacity Assessment (OCA): Municipal Procurement Management

RGA worked with local public officials to produce an assessment that helped identify the most common drawbacks municipal administrations face when trying to carry out their procurement processes. During the OCA diagnostics, RGA reviewed and evaluated: (1) policies and procedures, (2) the use of contracting tools, (3) transparency in contracting processes, (4) accessibility of information and (5) the monitoring of procurement management. This process sought to find solutions that increase local government's effective delivery of public goods and services.

The results revealed that some of the most frequent issues in procurement processes are:

- a) Lack of integration between GOC-required financial planning tools, including the Annual Operational and Investment Plan (POAI), the budget and the Annual Procurement Plan<sup>6</sup> (PAA);

<sup>6</sup> A platform where territorial entities can upload, program and disseminate the type of goods and services it is looking for.



- b) Public officials lacking up-to-date technical and legal knowledge for procurement procedures;
- c) The prevalent use of sole-source or single-source procurement;
- d) Little knowledge about new technological tools that promote online procurement; and
- e) Lack of procedures or processes to oversee and close public contracts.

After identifying these problems, RGA focused its efforts on strengthening the capabilities that each municipality lacked. This included working with local officials to formulate improvement plans that helped each municipality overcome its specific PFM cycle shortcomings, including those related to procurement.

## 3. STRENGTHENING PUBLIC PROCUREMENT CAPACITIES

This section details how the program reinforced procurement management cycle capacities in local and regional administrations.

### 3.1. Regulatory Context and Structure of the Public Procurement Process

Public procurement in Colombia is a complex topic due to its intricate regulation. This results in public officials constantly having to comply with a number of seemingly unconnected laws and regulations, all of which both influence the type of contract used and impact procurement methods and contract execution.<sup>7</sup> Moreover, it creates confusion among officials because of the potential for different interpretations of said laws and regulations. This is made worse when local officials do not have enough information about these laws, lack expertise in the process or act based on personal interests.

According to the Colombian Procurement Code,<sup>8</sup> those who intervene in public procurement must act on the principles of transparency, responsibility and cost efficiency. To ensure all three conditions are met, it is important to provide technical assistance that strengthens procurement capacities. This not only complies with the required elements, but helps reduce costs, enables public officials to incorporate efficient procedures, and promotes a culture of transparency and information within the entity.

The Procurement Code also speaks of the different types of contracts. These are:

- a) Public works, including physical aspects of public goods or services like construction, maintenance and installation;
- b) Consulting, including technical assistance, studies, diagnostics and supervision;
- c) Delivery of goods or services;
- d) Concession agreements, awarding a private company or individual the delivery, management or exploitation of a service; and
- e) Public trusts, used when government entities hand public resources to a financial institution, like a bank, and the latter handles the financial aspects of, say, a particular public work.

There are also different procurement methods:

- a) Open bidding, when a number of suppliers are invited to bid. This is an open, public process and information is readily accessible.

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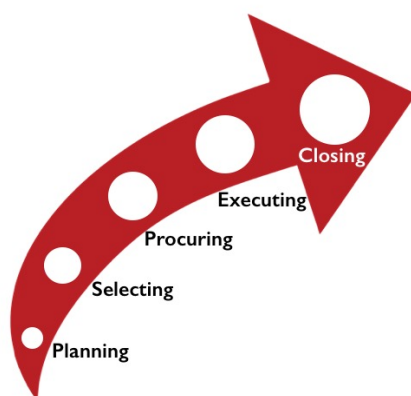
<sup>7</sup> Several laws and decrees need to be taken into account when engaging in procurement processes. These include Colombia's Political Constitution; Law 80/1993, which contains the General Procurement Code; Law 1150 /2007, which introduces measures for transparency and efficiency in public procurement; and Law 1474/2011, which includes prevention and sanctioning mechanisms for corruption. Other decrees include 1082/2005, which regulates the buying and contracting system through a process-oriented approach.

<sup>8</sup> Law 80/1993, Article 23.

- b) Simplified bidding, a process using previously vetted suppliers, due to the amount of resources involved or the objective of the public good or service;
- c) Merit-based procurement, where the supplier is chosen because of its technical capacity (used for consultancy contracts);
- d) Single-source or sole-source bidding, when a contract is awarded without a competitive process, based on a justification that only the single, selected supplier is able to fulfill the requirements; and
- e) Minimum amount, when the total amount of the contract does not surpass 10 percent of the lowest item in an entity's budget. Given the low cost of the good or service that will be procured, this process is quick and simple.

The code also specifies the five stages of procurement: planning, selecting, procuring, executing and closing. Each of these stages, particularly planning and selecting, have necessary steps to guarantee an optimal and transparent procurement.

**FIGURE 2: STRUCTURE OF PROCUREMENT PROCESSES**

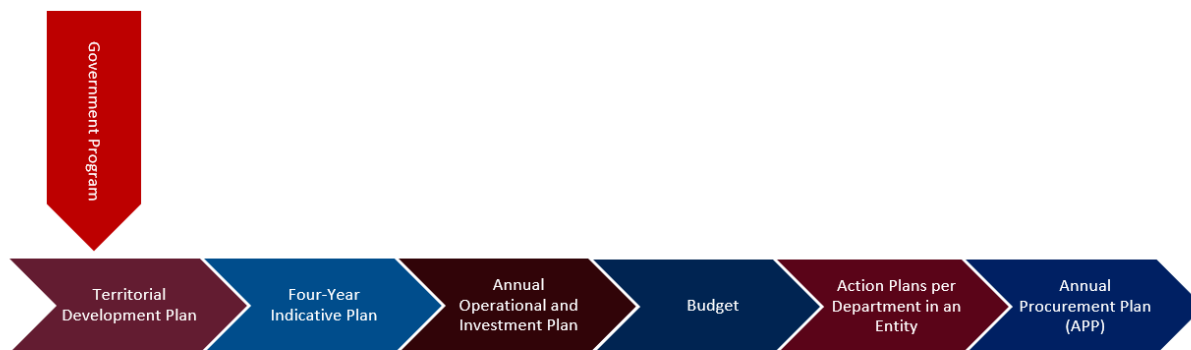


### 3.2. Planning, Selecting and Procuring

**Planning** is the stage where the entity identifies its need and defines the way in which it will meet that need. To do this, the entity studies the sector from which it will contract the good or service in an effort to understand who can supply what they need and under what conditions. This is an important stage, as the rest of the process is based on it and transparency, competitiveness and risk reduction stem from it. Although one might think planning starts when public officials begin a procurement process, it actually begins when a citizen votes for a specific candidate and validates a government plan and a development plan. This is why it is so important to align procurement with the PFM cycle and take it into account when preparing State-funded plans.

RGA's approach to technical assistance is based on the PDCA model and is intrinsically linked to institutional planning, PFM, budgeting and project formulation. This allows public officials to gather information from other tools and deters them from clashing with existing processes and regulations when carrying out the stages of procurement. This then ensures the prompt delivery of goods and services. Figure 3 shows how the different financial and planning tools come together in territories.

**FIGURE 3. COORDINATION OF DIFFERENT PLANNING INSTRUMENTS WITH PROCUREMENT PROCESSES**



### BUILDING CAPACITIES THROUGH JOINT WORK

In December 2017 and January 2018, RGA supported the participatory development of PAAs and included all relevant public officials in the construction of the tool. This ensured that the PAA actually responds to the municipality’s needs and realities and that it answers local objectives and goals, as established in the Municipal Development Plan. It also empowered public officials with fresh knowledge and strengthened skills that they can use when building or adjusting the tool in the future.

The PAA, the end result of planning instruments in the procurement process, is the tool that arranges procurement planning. With this document, municipal administrations establish: (1) what they are going to procure and what resources are available, (2) when they want to procure the good or service and (3) what method will be used to procure it. The PAA must be updated at least once a year and in special occasions such as: (1) when procuring resources, methods or schedules are adjusted or when the source of funding changes; (2) when new public works, goods or services need to be included; (3) when initially planned public works, goods or services need to be excluded; or (4) when the PAA budget needs to be modified.

As detailed in previous sections, RGA adapted the PDCA cycle for its technical assistance to strengthen procurement capacities. This approach integrates existing regulations, territorial needs, annual investment priorities, the structure of procurement processes and local contexts. As a result, the approach looks at procurement as a comprehensive process, rather than an isolated activity. Evidence of how RGA has incorporated this idea when providing technical assistance to strengthen procurement capacities in local governments can be seen in: (1) proposed integration of new GOC regulations, (2) coordination of relevant areas within municipal administrations and (3) processes for drafting contracts.

RGA prepared its team of advisors in a workshop offered along with CCE. In it, the team updated knowledge and learned in detail about the GOC tools and methodologies required for local governments’ procurement processes. In turn, advisors have used that knowledge to provide on-the-ground technical assistance aimed at improving public officials’ procurement capacities, particularly in the following aspects:

1. **Identifying strengths and weaknesses** through a self-diagnostics document on institutional organizational capacities regarding procurement. This process evaluated shortcomings in administrative procedures and in acquisition processes that involve open bidding.
2. **Formulating or updating the PAA** which involved coordinating different departments within the local government, as well as reviewing planning tools like the action plan or the indicative plan, and PFM tools like the budget and the POAI. This coordination allowed the PAA to: (1) align itself with municipal needs, (2) be in tune with goals and schedules regarding the delivery of public goods and services, (3) be sensible to resource flow in local administrations and (4) take into account the appropriate procurement method in each purchase.

3. **Improving administrative processes** through RGA's training and knowledge transfer. The program accompanies public officials and offers them technical expertise in the processes of formulating or updating procurement manuals, implementing GOC forms and tools to encourage transparency and publicity, and uploading procurement processes on the SECOP II website. RGA also supported the GOC's new procurement methods being made available in the Colombian State's Virtual Shop (TVEC).<sup>9</sup> Some RGA municipalities have already procured goods and services through this method, resulting in less costly acquisitions, a smaller administrative burden and more transparent and publicized procurement management.
4. **Planning and procuring high-priority projects**, usually financed with resources from the General System of Royalties (SGR). RGA supports municipal administrations in project formulation and the approval process with the Decision-Making and Administrative Collegial Body (OCAD). By strengthening these capacities at the beginning of the procurement process, RGA helps guarantee a better project execution and a better service delivery for citizens. This training involves technical and legal assistance to:
  - a) Develop feasibility studies that analyze the local context in which the procurement process will be set, identify potential risks and establish the way to evaluate proposals;
  - b) Define the legal, organizational, financial and technical requirements that suppliers must meet to partake in the procurement process;
  - c) Establish the financial and operational capacity standards that suppliers must meet to partake in the procurement process;
  - d) Make a public announcement to guarantee competitiveness and access to information; and
  - e) Draft the terms of reference, through which local administrations set ground rules and procedures to pick the best supplier to meet the territory's need.
5. **Improving procurement capacities for road management**. RGA has also been working with municipal administrations to foster their capacities to improve processes related to contracting for rural road projects (see Figure 4). RGA's objective is to help municipalities make these processes more competitive, thus speeding up realization of road projects and their benefits for citizens. Through RGA assistance, local governments have assisted the procurement of 116 projects aimed at improving rural roads.

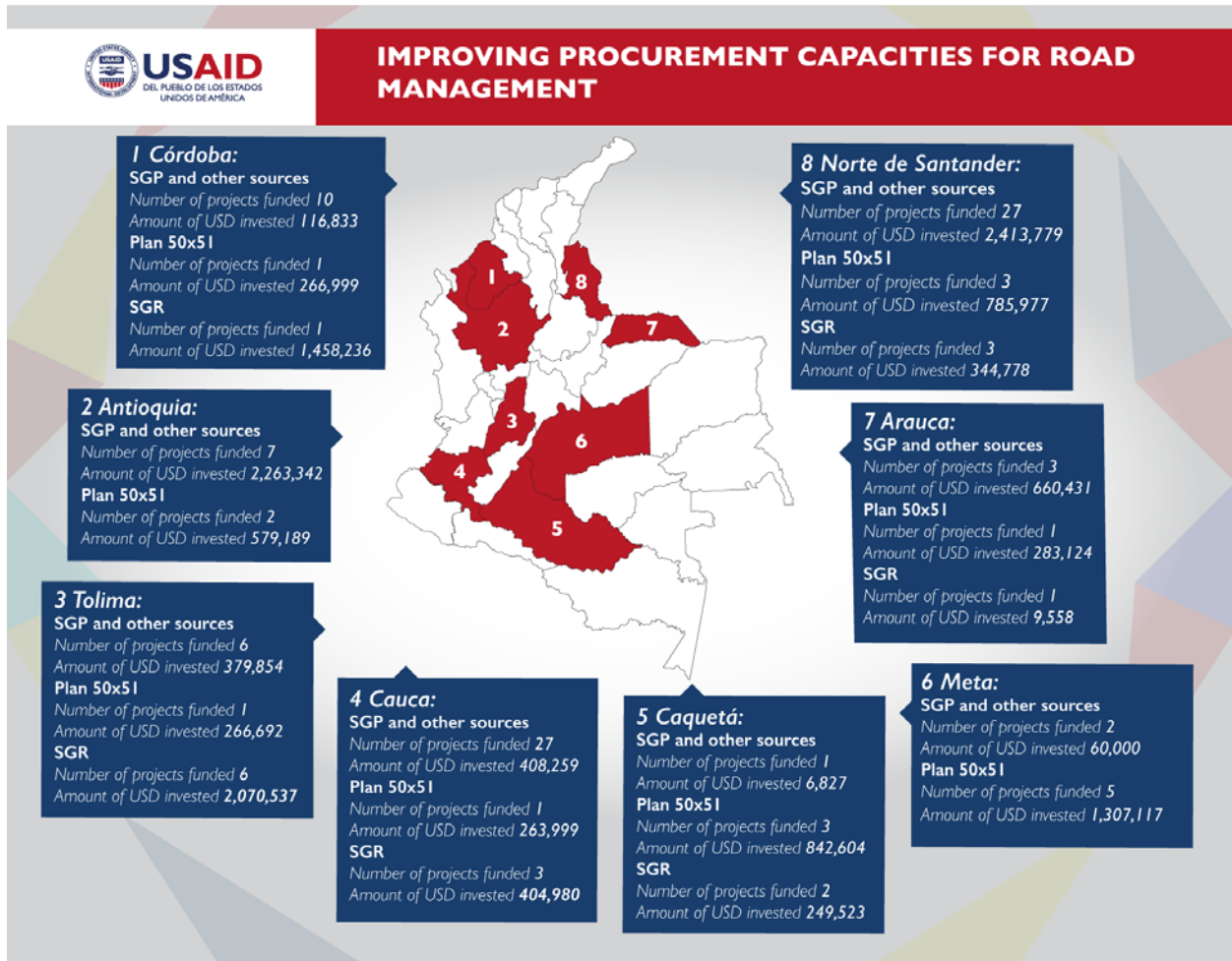
### A FIRST TIME FOR EVERYTHING

With RGA's assistance, the municipality of Segovia (Antioquia) published its PAA for the first time in October 2016. This tool has become a vital instrument of the municipal procurement management and a major part of the PFM cycle.

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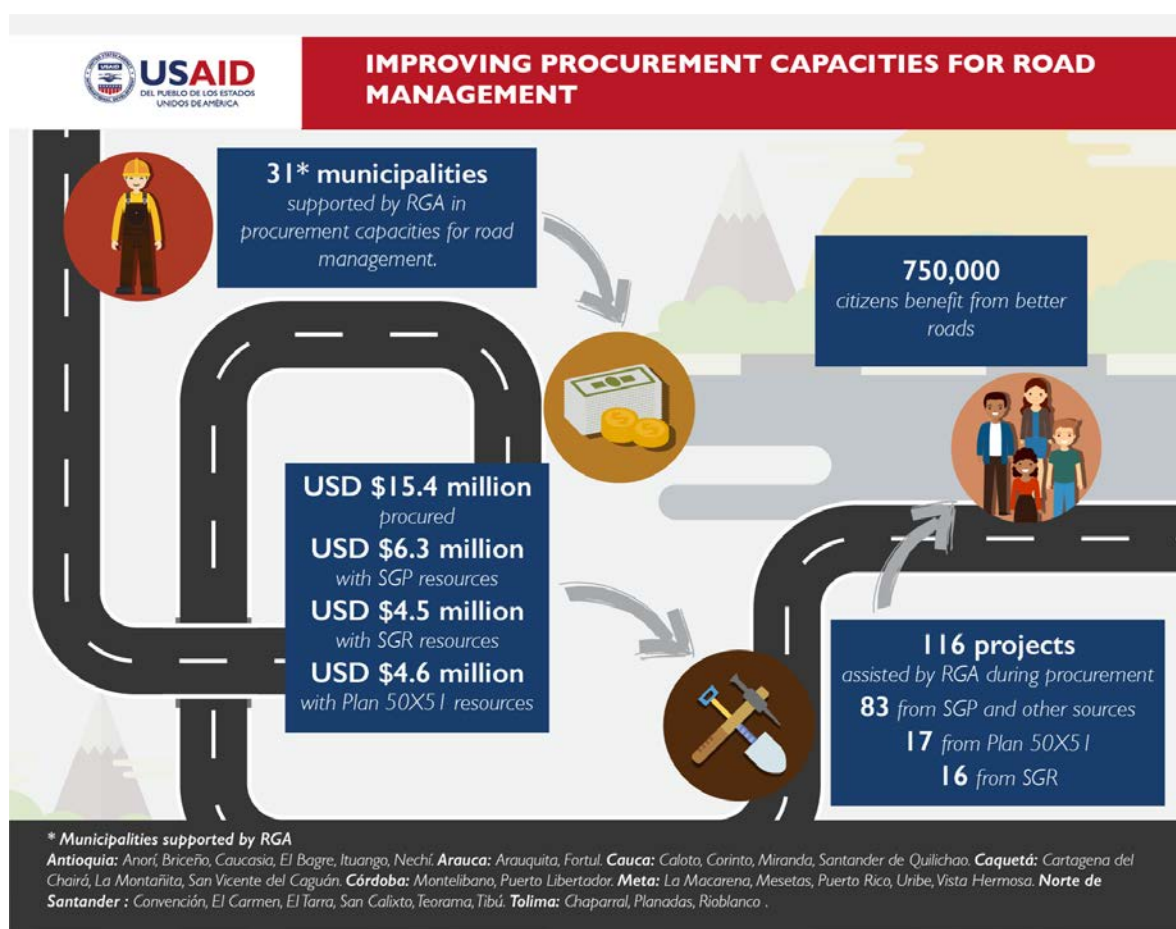
<sup>9</sup> TVEC offers a catalog of goods and services that territories can access. These are uploaded on the site after being vetted by CCE to guarantee transparency, the best suppliers and cost-efficiency for subnational governments.

**FIGURE 4: RGA-SUPPORTED PROCUREMENT IN TARGET TERRITORIES**



Furthermore, as Figure 5 shows, RGA-supported tertiary road projects received the equivalent of USD \$10.8 million (excluding Plan 50x51 funds) from the General Royalty System (SGR) and the National System of Transfers (SGP), among other sources. This assistance was provided to the municipal governments with the goal of improving and expanding the network of tertiary roads in Colombia. These roads are essential to the process of rural development as they improve citizens' quality of life and facilitate market access and access to public goods and services. Additionally, support to tertiary road projects bolsters post-conflict peace-building by working toward the goal of rural development.

**FIGURE 5: ROAD MANAGEMENT CYCLE**



Regarding **selection**, RGA provided administrations with tools to help them evaluate proposals according to established requirements, such as checklists and eligibility analysis. The program accompanied public officials during this stage and guided them step by step so that they fully understood how to evaluate the criteria and requirements, and so they could later apply the same methods in other procurement processes. Among the results of this RGA assistance are:

- 1) Twenty four municipal administrations<sup>10</sup> developed or updated their procurement manuals, in accordance with the regulations and standards issued by CCE. This enabled administrations to: (1) establish and standardize procurement management procedures; (2) formulate their PAAs; (3) define roles and responsibilities for each step of the procurement process; and (4) institute practices that promote transparency, prevent corruption and encourage citizen participation in oversight activities during the procurement process.
- 2) By strengthening public officials' capacities, officials in 39 municipalities understood the importance of the PAA and were able to align it with different planning tools. This resulted in 36 municipalities<sup>11</sup> developing and publishing their PAAs in January 2018 in accordance with GOC requirements and responding to established goals and the annual budget.

<sup>10</sup> San Vicente del Caguán, Tame, Arauquita, Fortul, Caloto, Corinto, Miranda, Santander de Quilichao, Valdivia, Ituango, Briceño, Nechí, Cáceres, Tarazá, Segovia, El Carmen, Teorama, Conveción, El Tarra, Rioblanco, Planadas, La Uribe, La Macarena and Puerto Rico.

<sup>11</sup> San Vicente del Caguán, Cartagena del Chairá, La Montañita, Valdivia, Anorí, Segovia, Ituango, Briceño, Tarazá, Zaragoza, Nechí, Caucasía, El Bagre, Cáceres, Mesetas, Vista Hermosa, Puerto Rico, Uribe, La Macarena, Teorama, El Tarra, Conveción, El Carmen, Tibú, San Calixto, Montelíbano, Puerto Libertador, Chaparral, Ataco, Planadas, Rioblanco, Caloto, Corinto, Miranda, Santander de Quilichao and Tumaco. Although RGA started its technical assistance activities in its target municipalities in Arauca, security issues impeded assistance and it was not possible to evaluate the PAA in those territories.

- 3) Public officials see the importance of, and now promote, best practices such as transparency in public procurement. This can be seen in concrete results like:
- a) RGA supported **44 procurement processes** for high-priority projects to be funded with SGR resources worth **USD \$10.2 million**. These projects will improve sectors like tertiary roads (see Table I), basic sanitation, housing and electricity.
  - b) RGA supported **472 procurement processes** worth **USD \$26.3 million** to be funded with resources from the SGP. These processes implemented different procurement methods, as to meet transparency standards. Some of the most significant achievements for SGP-funded procurement processes were in tertiary roads (see Table I).

**TABLE I. ASSISTANCE FOR PROCUREMENT PROCESSES FOR TERTIARY ROADS PROJECTS**

Source of Resources	Number of Assisted Processes	Amount of Assisted Projects (USD)
SGP	83	\$6.3 million
SGR	16	\$4.5 million

### PROCURING A BETTER LIFE FOR RURAL INHABITANTS

One of RGA's distinguished cases in public procurement was its support for and assistance to the local administration in La Montaña, Caquetá, which built and strengthened the capacities of public officials in charge of procurement so they ensured that processes met legal requirements and were compliant with transparency, competitiveness and publicity standards. This resulted in the approval and execution of a project to build an electrical network that provides electricity to 35 rural families in remote areas who had never accessed the service before.

### 3.2.1 Capacities for Everyone

To increase public awareness of public procurement procedures and contracting procedures and citizen pressure for public accountability, RGA is supporting improved reporting, enhanced transparency and accountability and better-informed and engaged citizens. Through the application of the “Communication for the improvement of public management and the promotion of mechanisms for transparency and the fight against corruption” framework, RGA trained 265 journalists in 2017. This framework was developed through RGA's Citizen Participation component, and it seeks to improve local reporting on the progress of state contracts. As a result of this training, journalists from seven departments acquired knowledge about the stages and requirements related to state contracting, which allowed them to report more effectively on these processes.

**TABLE 2. TRAINING WORKSHOPS FOR JOURNALISTS**

Municipality	Date	Men	Women	Total
Ocaña – Norte de Santander	March 25, 2017	23	27	50
Tumaco – Nariño	May 20, 2017	19	11	30
Arauca – Arauca	June 24, 2017	22	24	46
Caucasia – Antioquia	August 4, 2017	30	14	44
Montería – Córdoba	October 20, 2017	24	9	33
Santander de Quilichao – Cauca	November 18, 2017	29	14	43
Florencia – Caquetá	November 18, 2017	11	8	19
<b>Total</b>		<b>158</b>	<b>107</b>	<b>265</b>

In addition, and given RGA's interest in making citizens part of public management and involved them in public affairs, the program also used a methodology called *Contratación para Todos* ("Procurement for Everyone") to train 760 citizens, including 206 from community action boards (JACs), territorial planning councils (CTPs) and indigenous reservations on procurement criteria. This methodology seeks to level the playing field between citizens and officials regarding public procurement so that citizens can oversee the process that interests them.

RGA is also providing technical assistance to public procurement issues on five indigenous reservations.<sup>12</sup> The program provided technical knowledge to help these communities review and formalize the management of resources from the Special Allocation from the System of National Transfers (AESGPRI),<sup>13</sup> along with local administrations. This technical assistance enabled indigenous communities to speed up the process through which they access resources. RGA also held workshops for indigenous communities regarding public procurement, to help them understand the process and the way resources must be spent.

Furthermore, RGA provided technical assistance to indigenous councils in the municipalities of Caloto, Cauca, Planadas, Tolima and El Bagre, Antioquia, to strengthen their procurement capacities. This resulted in the Huellas indigenous reservation in Caloto being able to design 11 procurement processes worth USD \$456,483, including a project to build a health center in the village of El Credo. The health center directly benefits 1,226 people in five neighboring villages, and indirectly benefits another 1,255 from villages farther away. In Planadas, RGA supported seven procurement processes that mobilized USD \$79,870. These projects will improve indigenous communities' food program for children and youth, improve tertiary roads and build infrastructure for the local school. Finally, in El Bagre RGA supported road infrastructure and school infrastructure processes worth USD \$61,005 that will benefit 170 people in remote areas.

### **3.2.1 Procurement Management to Support the Peace Accords Section on Tertiary Road Development: Plan 50x51**

One of RGA's strategies in support of the GOC's efforts to implement the peace accords is improving multi-level coordination. As part of this, RGA has supported Plan 50x51, a GOC strategy within the framework of the peace accords that funds the maintenance and improvement of 50 km of tertiary roads in 51 municipalities. To support municipal efforts to implement road projects, RGA and CCE designed a model contract to use in procurement processes that involve JACs. The model, which was presented in six subregional events,<sup>14</sup> provides clear guidelines and legal guarantees for municipal administrations to hire JACs, instead of private companies, for road maintenance in Plan 50x51 initiatives. This not only lowers costs, but also allows communities to take part in their own development.

At the local level, RGA assisted 17 municipalities<sup>15</sup> to design Plan 50x51 procurement processes. To date, RGA has supported 17 processes for public works aimed at improving 801 km of tertiary roads worth USD \$4.6 million and helped sign 80 solidarity agreements between JACs and local administrations, worth USD \$402,038, where JACs improve those 801 km of roads. RGA will continue providing technical assistance to local governments and JACs during the monitoring and closing stated of contracts and agreements.

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<sup>12</sup> Two in Antioquia and one each in Arauca, Tolima and Norte de Santander.

<sup>13</sup> The central government transfers resources for indigenous communities into the municipal administration where the reservation is located. The percentage of resources allocated by the central government to indigenous reservations depends on the ratio of the number of inhabitants in the reservation compared to total inhabitants in the municipality. If the reservation is not certified to manage resources for its own projects, then the administration takes on that responsibility. Agreements by which indigenous reservations or local administrations administer AESGPRI resources hold all projects the reservation will invest the resources on. Based on that information, the local administration procures the required goods and services and pays for them.

<sup>14</sup> Meta, Tolima, Caquetá, Córdoba, Cauca and Antioquia.

<sup>15</sup> Ituango, Briceño, Arauquita, La Montañita, Cartagena de Chairá, San Vicente del Caguán, Miranda, Montelíbano, Vistahermosa, La Macarena, Mesetas, Uribe, Puerto Rico, Tibú, El Tarra, Teorama and Planadas.



### 3.3. Supervising and Closing

Procurement **supervision** and monitoring seek to oversee contract execution and prevent corruption. Supervision includes technical, financial, accounting and legal aspects of project execution, and a public official from the entity responsible for that particular procurement process must perform it. On the other hand, closing the contract includes checking whether every aspect of the contract was fulfilled or if some responsibilities still need to be met.

CCE guidelines for adequate procurement include developing procurement, supervision and oversight manuals, while the Office of the Comptroller General demands auditing reports. RGA provided technical assistance to municipal administrations so they can properly supervise, monitor and close procurement processes, in accordance with these regulations. Procurement manuals developed with RGA's assistance establish roles and responsibilities on procurement for public officials in local governments. After determining who would be in charge of supervision, RGA helped set: (1) the scope and reach of their work; (2) their faculties if a problem arises; (3) the ways they can pressure the contractor into delivering on the terms of the contract; and (4) the ways they can sanction a contractor who fails to deliver.

#### OVERCOMING BOTTLENECKS

In San Vicente del Caguán, Caquetá, many stagnated procurement processes resulted when the municipality had no procedure in place for appointing a contract supervisor. As a result, only the mayor was able to approve any aspect of a contract. Additionally, the administration did not have a clear procedure regarding how to receive or guard files. With RGA's assistance, the administration set clear procedures regarding contracting processes and standardized criteria regarding how to act in a number of cases.

The program also helped subnational governments (SNGs) standardize **closing** procedures in the procurement process and comply with all legal GOC requirements and regulations. This not only enabled local administrations to evaluate whether the contractor had fulfilled all of its responsibilities, but to know whether any financial issues are pending.

As part of its learning-by-doing approach, RGA adapted the necessary methodologies and formats to individual municipal contexts. This enabled municipalities to unify criteria about common situations that occur during contract execution and access information that facilitates monitoring and closing the contract. RGA's specific assistance was aimed at public officials being able to:

- 1) Know and understand terms and conditions of their contracts, to make sure they have the tools to monitor it;
- 2) Identify and analyze risks that can affect the contract and find ways to mitigate them;
- 3) Compare the terms of reference and the municipal needs with the actual execution;
- 4) Evaluate the contract's financial aspects;
- 5) Approve documentation for imbursements;
- 6) Submit reports to terminate the contract; and
- 7) Come to agreements or settlements to issue a certificate of good standing and close the contract.

Through RGA's assistance, contract supervisors and officials in charge of legal and procuring offices are passing their knowledge to more officials in different departments of the administration. The implication of this is that the administration as a whole is building and strengthening capacities on how to close or terminate a contract. For instance, in Fortul, Arauca, RGA helped the administration develop a manual for closing and terminating contracts. This was institutionalized in the administration via decree in May 2017, and now the entire administration follows the procedures in the manual.

## MORE EFFICIENT SHOPPING: CAQUETÁ

TVEC is a platform meant to facilitate and standardize procurement processes. It offers a catalog of goods and services that territories can access. These are uploaded on the site after being vetted by CCE to guarantee transparency, the best suppliers and cost-efficiency for subnational governments.

The department of Caquetá and all of RGA's target municipalities located in it are some of the territories that have improved the most in procurement processes.

Twenty-two RGA target municipalities have registered to TVEC and eight have already purchased goods or services worth USD \$95,833 through the platform. One example is San Vicente del Caguán, which used TVEC to purchase a vehicle to tend to elderly citizens. The process lasted just 10 days and the vehicle was operational in less than 30 days. The procurement process usually lasts around 45 working days.

In La Montañita, RGA issued an alert due to the stagnation of SGP resources for food programs in schools. The resources were unused because of issues including a lack of technical capacity and the fact that the initial process had reached the limitation period. The program prioritized its technical assistance in the municipality to design a competitive project online through the SECOP II platform. With the program's help, La Montañita hired a supplier within 15 days, benefitting 1,435 students in rural and urban areas.

Traditionally, the municipality of Cartagena del Chairá procured certain goods through an archaic system that greatly delayed their arrival. This was the case with school kits, which often came in as late as May — a severe delay considering the school calendar starts in late January. In fact, delays caused children to drop out of school because they did not have books or supplies for class. This changed after RGA's assistance to navigate the TVEC platform. The municipality used the system to buy 200 school kits for underprivileged children and the procurement process was completed in a record 10 days. Within another 10 days, the kits were delivered to the school. In this case, the use of TVEC resulted in an 18 percent decrease in price and allowed for timely delivery and helped ensure that children would not drop out of school.

### SAN VICENTE DEL CAGUÁN

- 11 percent decrease in the number of direct hiring processes.
- 50 percent increase in the number of open bidding processes.
- 57 percent increase in contract value compared to 2016 (a difference of USD \$2.2 million).
- 57 percent of all procurement processes used either open bidding or simplified bidding, an 11 percent increase compared to 2016.

### LA MONTAÑITA

- 40 percent increase in competitive processes.
- 20 percent increase in contract value compared to 2016 (a difference of USD \$289,154).

### CARTAGENA DEL CHAIRÁ

- 48 percent increase in competitive processes.
- 100 percent increase in open-bidding processes.
- 88 percent increase in contract value compared to 2016 (a difference of USD \$4.1 million).
- 80 percent of all procurement processes used either open bidding or simplified bidding, a 31 percent increase compared to 2016.

## 3.4. Encouraging Transparency and Access to Information in Procurement

Transparency and accountability are at the heart of procurement processes and in the PFM cycle, as conceived by RGA. They are also essential to build trust among citizens and improve governance. For RGA, it is important to implement and use mechanisms that encourage competitiveness and access to information as a strategy to promote transparency and prevent corruption. To this end, RGA and CCE

trained local administrations in the Public Procurement System,<sup>16</sup> particularly SECOP II and the TVEC, both of which promote competitiveness, access to information and oversight of the process in real time. Moreover, use of these tools decreases administrative processing times and demands on resources.

The first of RGA's actions in this area was to co-host workshops and trainings on SECOP II with CCE. Once SNGs were familiar with the platform, RGA's advisors provided in-situ assistance to an actual process that an administration was carrying out. This enabled public officials to understand the platform and its procedures with real-life practical examples. This assistance resulted in 16 municipalities<sup>17</sup> publishing at least one procurement process on this platform.

Another important mechanism used for public procurement is TVEC. RGA trained local administrations on how to use this platform, demonstrating the advantages it had over other procurement procedures. As a result, eight municipalities<sup>18</sup> made 16 purchases worth USD \$95,833 through this platform, ensuring more cost-effective purchasing.

Finally, another complementary strategy that RGA employed to encourage transparency and prevent corruption was to assist municipalities in formulating their anti-corruption and citizen services plans, including accountability mechanisms, as required by the Secretary of Transparency and the National Planning Department (DNP). This assistance enabled officials to sharpen their abilities to detect risks in procurement processes and to come up with ways to mitigate them, as well as making administrative procedures easier and less burdensome for citizens. Thanks to RGA's assistance, 15 administrations<sup>19</sup> formulated these plans in 2017 and allocated responsibilities to be able to implement them. In 2018, RGA has assisted 34 municipalities<sup>20</sup> that developed and published the plans. The program also assisted public officials in drafting and disseminating accountability reports to promote access to information.

### 3.5. Departmental Offices

In accordance with the training-of-trainers strategy, RGA has provided technical assistance to departmental officials. This not only improves the process of efficiency and transparency, but also builds capacities at a level of government that can help sustain RGA's model in the future and transfer knowledge to territories outside RGA's purview. It also creates synergies and coordinates public efforts in municipalities with less resources and smaller staffs. To this end, RGA assisted the departments of Arauca,<sup>21</sup> Cauca, Caquetá and Tolima, based on the following criteria:

- Commitment and responsiveness from the Office of the Governor during RGA's initial technical assistance;
- Interest and political will to scale up the assistance to other municipalities in the department and other areas within the departmental office; and
- Context analysis, important for peace-building efforts, credibility, leadership and good governance (no links to corruption within the administration).<sup>22</sup>

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16 The system includes three platforms: SECOP I, SECOP II and TVEC. SNGs are obliged to use SECOP I, the platform where territorial entities must publish procurement documents from every stage of the process. Although this a functional tool, it is not dynamic or user-friendly for those who upload information to it or those who access it. Because of the platforms rigidity, SNGs upload information in an untimely manner, and those who want to access the information must find it in physical files. SECOP II is a newer version of SECOP I that allows buyers and suppliers to execute the entire procurement process online. Its use is not yet mandatory.

17 Cartagena del Chairá, San Vicente del Caguán, Nechí, Tarazá, El Bagre, Segovia, Zaragoza, Chaparral, Rioblanco, Ataco, Planadas, Uribe, La Macarena, Convención, El Tarra and Teorama.

18 Cartagena del Chairá, Convención, El Tarra, La Macarena, San Vicente del Caguán, Segovia, Teorama and Zaragoza.

19 Cartagena del Chairá, La Montañita, Tame, Arauquita, Caloto, Corinto, Miranda, Santander de Quilichao, Cauca, Nechí, Cáceres, El Carmen, Convención, San Calixto and El Tarra.

20 All of RGA's target municipalities with the exception of Arauquita, Tame Fortul, Tieraalta, Tibú and Mesetas.

21 RGA's technical assistance in Arauca ended in December 2017, given the Departmental Office's lack of interest and unwillingness to scale up the knowledge to other municipalities. Additionally, political differences between the governor and many public officials made decision-making slow and inconclusive.

22 For instance, Córdoba's Departmental Office was dismissed because of ongoing investigations regarding mismanagement of SGR resources and the Office of the Governor's links to corruption scandals in procurement processes.

RGA's work in the chosen departments sought to streamline procurement processes and make them more transparent in the Office of the Governor so that the department could assist all of its municipalities. To this end, RGA catered its assistance to each department it supported, thus providing each with different mechanisms that responded to that region's priorities and resource availability. RGA's assistance to departmental offices is in constant construction, modification and adaptation. As such, RGA's main challenge during Year 3 is to make its model sustainable, in the sense that departments replicate the model in its other municipalities. So far, RGA achievements are as follows:

- 1. Tolima:** Using the training-of-trainers strategy, RGA trained 16 departmental officials in procurement supervision, basic aspects of the SGR and legal restrictions to public procurement. In a joint effort with CCE, RGA updated officials' knowledge of public procurement in a session attended by 232 public officials from all 32 departments and officials from agencies like the Departmental Comptroller's Office, the Colombian Institute for Family Welfare and the National School of Public Administration.

RGA also supported Tolima's Departmental Office in the procurement management of two projects (currently under implementation): one to build a bridge to cross the Gualí River and another to build State housing in the municipality of San Luis. Both of these projects were financed with SGR resources and were procured and managed by municipalities outside of RGA's purview. However, given that RGA had transferred knowledge to the department, the Office of the Governor was able to effectively assist the local administrations in delivering these goods and services.

Tolima went a step further in its assistance to its municipalities and, on its own initiative, created a newsletter on procurement issues. RGA has been supporting the technical and legal content of this document, and the departmental office has been sending information to all of its municipalities on common procurement issues and how to solve them.

- 2. Cauca:** RGA supported the procurement phase of one of Cauca's flagship projects: the municipal road plans for all 25 municipalities in the department. This USD \$833,333 project, under implementation, seeks to develop inventories for road improvement. RGA's assistance to the regional administration has helped it replicate knowledge in all of its municipalities, regardless of RGA target territory status. Additionally, in a joint effort with CCE, the program held a training session to update officials' knowledge of public procurement, with 147 public officials participating and acquiring knowledge on current regulation, new technologies for procurement, SECOP II and TVEC.

RGA also supported Cauca's Departmental Secretary of Women in designing the contractual processes for three projects (also formulated with RGA's assistance). The first project, worth USD \$493,333, aims to empower more than 38,500 women through economic initiatives; the second, worth USD \$375,000, will encourage 2,950 women to participate in government policies and activities that address women's needs; and the third, for USD \$741,333, will benefit 4,210 women by implementing best practices to prevent gender-based violence.

While implementing the training-of-trainers strategy, RGA developed a form of assistance called "Transparency Code," which offers online training on public procurement and transparency processes. This includes a WhatsApp group for all 42 municipal legal advisors and the Office of the Governor's YouTube channel to share a bulletin that features alternative methods to scale up capacity-building processes in their areas of expertise and promote transparency in public procurement. Its two online sessions included one supported by RGA that informed 52 public officials on procurement restrictions and hiring JACs. These initiatives give public officials agency to develop solutions to problems and share knowledge so they can continue improving public management when RGA is not present.

- 3. Caquetá:** RGA's assistance in this department has focused on strengthening the planning and management capacities of public officials in procurement processes. This includes regulations established by CCE and the use of SECOP II for public procurement. The program also supported the selection stage of six open-bidding processes for road improvement projects that RGA also helped formulate and design. They are worth USD \$57.8 million, to be funded with SGR resources.

Additionally, RGA assisted the implementation of best practices to prevent legal risks and liabilities in procurement processes. Finally, the program held a working group to help officials resolve any doubts about procurement management and transparent processes for projects funded with SGR resources.

## 4. RESULTS

### RGa BUILT SPECIFIC CAPACITIES IN MUNICIPAL ADMINISTRATIONS

- **Aligning** planning tools with procurement management tools.
- **Integrating** the stages of procurement with the rest of the PFM cycle in one comprehensive process.
- **Coordinating** all relevant areas within the administration in charge of technical and financial aspects of procurement processes.
- **Developing** planning instruments in a participatory way to involve all relevant areas in the administration.
- **Adapting and applying** models that help administrations meet GOC requirements, make processes quicker and promote transparency.
- **Disseminating** information and promoting competitiveness by publishing contractual processes and reporting on the selection, execution and oversight stages.
- **Innovating** by using new procurement methods like those available on the TVEC website.

- RGA supported **44 procurement processes** for high-priority projects to be funded with SGR resources worth **USD \$10.2 million**. These processes occurred through open bidding and their projects will improve sectors like tertiary roads, basic sanitation, housing and electricity.
- RGA supported **472 procurement** processes in 39 municipalities to acquire goods and services worth **USD \$26.2 million** from SGP and other resources. These funds will finance projects in the following sectors:
  - **Roads:** Supported **99 procurement processes** worth **USD \$10.8 million**. These projects will improve roads for some **594,086 rural inhabitants in 25 municipalities**, helping them access services like health care and education, and allowing farmers to transport their products to market places. These 99 projects do not include 17 processes that received assistance for projects related to Plan 50x51, which will benefit more than 155,000 citizens.
  - **Education:** Supported **112 procurement processes** worth **USD \$7.5 million**, mostly to improve **school infrastructure, school dining programs and school transport in 31 municipalities**.<sup>23</sup> This will benefit more than **149,000 children** and deter them from dropping out of school.
  - **Health care:** Supported **16 procurement processes** worth **USD \$2.2 million**, mostly to improve **hospital infrastructure**, implement Collective Interventions Plans (PICs), hire more staff and buy medical equipment. This will benefit more than **10,700 citizens in eight municipalities**.<sup>24</sup>
  - **Water & basic sanitation:** Supported **25 procurement processes** totaling **USD \$1.5 million**, mostly to build **sanitary facilities in rural areas** and improve and build **aqueducts** in small, isolated villages. This will benefit more than **114,000 citizens in 12 municipalities**.<sup>25</sup>

<sup>23</sup> Zaragoza, Vista Hermosa, Valdivia, Uribe, Tibú, Teorama, Tame, Santander de Quilichao, San Vicente del Caguán, San Calixto, Rioblanco, Puerto Rico, Puerto Libertador, Planadas, Nechí, Montelíbano, Miranda, Mesetas, La Montañita, Fortul, El Tarra, El Carmen, El Bagre, Convención, Chaparral, Cauca, Cartagena del Chairá, Cáceres, Arauquita and Anorí.

<sup>24</sup> Caloto, Fortul, Miranda, Nechí, Puerto Libertador, Santander de Quilichao, Tibú and Zaragoza.

<sup>25</sup> Convención, El Bagre, El Carmen, El Tarra, La Montañita, Planadas, Rioblanco, San Calixto, San Vicente del Caguán, Tame, Teorama and Tibú.

In addition to these specific projects, RGA's assistance has alleviated the administrative burden that many low-income municipalities carry to go through a procurement process. Often the overwhelming bureaucracy results in local governments choosing whatever supplier seems easiest to work with, instead of the one that offers the best cost-benefit ratio or highest-quality product. To change this, RGA's assistance started from the early stages of the procurement process and, from formulation onward, helped municipalities develop proposals for procurement processes that promoted competitiveness. This means that 71 percent of all procurement processes supported were for those using open bidding, simplified bidding, merit-based procurement and TVEC. These methods avoid the risk of allocating public resources in incomplete or faulty procurement processes, which carries the additional risk of not meeting the project's objectives and not providing needed goods or services to the population.

For municipalities to be able to follow through with all regulations for RGA-promoted procurement methods, and not have it be a disproportionate administrative burden, RGA strengthened capacities of 1,300 public officials in the following aspects of procurement: planning, feasibility studies, new technologies, selecting methods, supervision, oversight and limitations. This empowered local officials and allowed them to go through procedures swiftly and efficiently.

## 5. LESSONS LEARNED

During its work to strengthen public procurement capacities, RGA identified the importance of working simultaneously with both municipal and departmental administrations. After implementing the OCA, the program realized that the gravest shortcomings for regional and local administrations regarding procurement are outdated knowledge (due to the constant modifications in the GOC's procurement code), technical limitations, staff shortages and limited capacities to implement GOC tools and methodologies that promote competitive and transparent procurement. This results in public officials not really knowing their role or responsibility within the procurement process.

RGA designed strategies and implemented methodologies to help administrations overcome their setbacks, thus enabling them to make better and swifter decisions that help them procure goods and services and then deliver them to citizens. Through its learning-by-doing approach, RGA is helping municipalities and departments navigate the stages of procurement processes and incorporate financial planning tools into the PFM cycle. Understanding these aspects has unclogged bottlenecks in the administrations and has eased access and spending of resources, thus increasing the number of competitive and transparent procurement processes.

This assistance has encountered the following challenges:

1. Little cooperation between different departments within an administration. This coordination is necessary to draft the PAA and harmonize procurement processes with financial planning tools. Overcoming this challenge was essential to make sure that administrations would follow plans that responded to their necessities, priorities and realities.
2. Lack of coordination within the administration because of limited and overworked staff. To overcome this, RGA is promoting the development of PAAs during government councils, when the mayor and his Cabinet are together and can evaluate service delivery priorities and goals.
3. Resistance to change, adapt and comply with CCE regulations regarding transparent and competitive procurement. RGA has doubled efforts to highlight the importance and advantages of competitiveness and transparency in municipalities that are lagging behind with procurement.
4. Outdated knowledge about procurement, which results in poor and slow procurement processes. RGA has emphasized providing constant and in-situ training so public officials always have the freshest information and thus can use GOC tools and methodologies accordingly.

5. Procurement stages were seen as isolated processes with no relation to the PFM cycle. RGA aligned project planning and formulation with spending and procurement so administrations understood that everything is part of a comprehensive process. This included assistance in access to resources and OCAD approval for SGR-funded projects.
6. High staff turnover, which results in interrupted capacity building. This challenge is twofold, as it poses difficulties in capacity building and sustainability. To overcome this, RGA must find alternative mechanisms to strengthen interaction and communication between departmental and municipal offices. Online courses and tutorials such as the RGA-led “Transparency Code” in Cauca or newsletters like the one in Tolima are steps in the right direction to ensure that officials, even if they rotate constantly, always have up-to-date knowledge on how to proceed when doing procurement-related activities.
7. Little knowledge of new technologies for procurement. RGA has promoted the use of platforms like TVEC to acquire goods and services. Administrations that have used it know it guarantees transparent and competitive processes and the best pool of suppliers and cost-efficiency ratio.
8. Lack of coordination between the three levels of government, particularly when dealing with large-scale initiatives like the Plan 50x51. RGA has engaged with all three levels of government to facilitate decision-making and speed up project execution so communities can enjoy public goods like roads sooner.

## 6. FUTURE ACTIVITIES

In 2018, Colombia will hold congressional and presidential elections. The country has entered a period, known as *Ley de Garantías*,<sup>26</sup> in which all government entities are forbidden from acquiring goods or services through direct contracting. To help municipalities procure what they need for service delivery, RGA will continue to help them adjust their processes with other procurement methods that promote transparency and competitiveness.

Another contextual reality is the implementation of OCADs for Peace, a body that will make decisions regarding peace-building projects. RGA target municipalities have been allocated a total of USD \$153 million for such projects and the program has supported municipalities in formulating high-priority projects that can help them access these resources. RGA will continue to support administrations in procurement processes that come as a result of projects approved by OCADs for Peace.

RGA will also continue to hold training sessions with CCE to update public knowledge. This will enable municipalities to properly use online platforms and mechanisms that enable access to information. The program will continue to encourage all members of society to attend training sessions that strengthen everyone’s capacities, whether they are public officials in charge of procurements or local citizens who can audit any given process. The program’s goal for Year 3 is to train 500 citizens from JAC, CTPs, social audit groups and community members.

Finally, to guarantee sustainability, RGA will continue supporting the departments of Caquetá, Cauca and Tolima to adapt and scale up the model in even more municipalities.

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<sup>26</sup> This law promotes equality and transparency during electoral periods by restricting public agencies before congressional and presidential elections. As of January 27, 2018, congressional and presidential candidates cannot attend inaugurations of public works or use government-related images in political campaigns; government advertisements cannot be used as political propaganda for campaigns; and starting four months prior to the elections, the executive branch cannot hire new staff. These restrictions do not cover defense, emergency relief and health care or sanitation-related contracts.

## 7. ANNEXES

### Annex I: Contractual Processes of High-Priority Projects Funded with SGR Resources

CATEGORY	SECTOR	NUMBER OF PROCESSES SUPPORTED	VALUE OF SUPPORTED PROCESSES (USD \$)
Merit-Based Procurement	Community development	1	20,577
	Equipment	1	52,281
	Recreation and Sports	2	19,280
	Roads	5	437,222
Direct Contracts	Public Services	1	47,599
Public Bidding	Agriculture	1	97,000
	Potable water and Basic sanitation	1	232,271
	Community development	1	205,770
	Education	1	210,207
	Equipment	3	2,037,888
	Strengthening	2	300,178
	Infrastructure	1	517,660
	Recreation and Sports	4	741,918
	Transport	3	494,415
	Roads	9	4,018,326
	Housing	2	297,824
	Housing, City and Territory	1	310,861
Simplified Bidding	Investment	1	26,538
	Venerable Population	2	68,109
	Roads	2	82,065
<b>Total</b>		<b>44</b>	<b>10,217,989</b>



## Annex 2. Contractual Processes of Projects Funded with SGP Resources

SECTOR	CATEGORY	NUMBER OF PROCESSES SUPPORTED	VALUE OF SUPPORTED PROCESSES (USD \$)
Agriculture	Merit-based procurement	1	60,497
	Direct Contracting	2	13,584
	Minimum Amount	1	6,867
	Simplified Bidding	7	239,050
Environmental	Merit-based procurement	3	61,742
	Direct Contracting	3	20,544
	Minimum Amount	2	13,219
	Simplified Bidding	4	108,383
Water and Basic Sanitation	Merit-based procurement	1	11,145
	Public Bidding	5	537,993
	Minimum Amount	1	6,667
	Simplified Bidding	17	754,523
Common	Simplified Bidding	1	29,673
Culture	Direct Contracting	3	117,333
	Minimum Amount	6	35,853
	Simplified Bidding	8	107,883
Defense	TVEC	1	16,683
Community Development	Merit-based procurement	1	26,662
	Public Bidding	2	130,379
	Simplified Bidding	3	29,409
Education	Merit-based procurement	5	79,453
	Direct Contracting	5	375,044
	Public Bidding	24	4,078,100
	Minimum Amount	17	97,939
	Simplified Bidding	58	2,685,318
	TVEC	2	10,442
Equipment	Merit-based procurement	5	225,423
	Public Bidding	6	1,779,794
	Minimum Amount	4	20,303
	Simplified Bidding	12	659,300
	TVEC	3	12,075
Strengthening	Merit-based procurement	7	177,115
	Direct Contracting	7	341,384
	Public Bidding	1	93,326
	Minimum Amount	4	18,373
	Simplified Bidding	19	567,326
	TVEC	7	52,298
Operations	TVEC	1	202
Infrastructure	Simplified Bidding	1	19,373

SECTOR	CATEGORY	NUMBER OF PROCESSES SUPPORTED	VALUE OF SUPPORTED PROCESSES (USD \$)
Justice and Security	Public Bidding	2	8,000
	Minimum Amount	2	5,333
	Simplified Bidding	9	231,783
Vulnerable Population	Merit-based procurement	1	15,000
	Direct Contracting	3	70,862
	Public Bidding	3	262,819
	Minimum Amount	7	30,482
	Simplified Bidding	18	608,862
Sports and Recreation	Direct Contracting	2	22,333
	Public Bidding	3	265,439
	Minimum Amount	3	20,122
	Simplified Bidding	3	52,555
Risk Management	Direct Contracting	1	30,800
	Minimum Amount	2	13,533
	Simplified Bidding	5	116,587
Healthcare	Merit-based procurement	2	39,733
	Direct Contracting	6	219,344
	Public Bidding	2	1,807,219
	Minimum Amount	4	19,192
	Simplified Bidding	2	111,098
Public Services	Simplified Bidding	3	88,679
Transport	Merit-based procurement	2	72,667
	Direct Contracting	1	2,803
	Public Bidding	2	607,651
	Minimum Amount	3	18,121
	Simplified Bidding	17	547,362
Roads	Merit-based procurement	5	93,281
	Direct Contracting	35	261,666
	Public Bidding	16	5,393,074
	Minimum Amount	12	69,165
	Simplified Bidding	15	492,138
Housing	Direct Contracting	1	1,469
	Public Bidding	2	295,322
	Minimum Amount	2	13,740
	Simplified Bidding	8	298,260
Others	Merit-based procurement	1	6,833
	Public Bidding	1	88,580
	Simplified Bidding	4	348,961
	TVEC	2	4,133
<b>Total</b>		<b>472</b>	<b>26,275,682</b>