Governance for growth: Good practice from the UN Public Service Awards

Background
The United Nations Public Service Awards (UNPSA) reward the creative achievements and contributions of public service institutions towards a more effective and responsive public administration in countries worldwide. UNPSA categories for 2013 were: 1) preventing and combating corruption in the public service; 2) improving delivery of public services; 3) fostering participation in public policy-making decisions through innovative mechanisms; 4) promoting whole-of-government approaches in the information age; and 5) promoting gender-responsive delivery of public services.

Through an annual competition, the United Nations Public Service Awards programme promotes the role, professionalism and visibility of public service. It encourages exemplary public service and recognises that democracy and successful governance are built on a competent civil service.

Forty-seven public organisations from 28 countries were awarded with the most prestigious recognition of excellence in public service on 27 June 2013, in commemoration of the United Nations Public Service Day, celebrated every year on 23 June. Eleven of the winners are from Commonwealth countries.

Singapore

Initiative: Promoting accountability for procurement of public projects

Institution: Building and Construction Authority

Description
Improving transparency, efficiency and accountability in the construction industry in Singapore through centralised profiling and registration of contractors for public procurement

Problem statement
Procurement of public sector infrastructures and building projects is the key driver for construction demand in Singapore, constituting about US$10–15 billion (40 to 60 per cent of total construction demand) yearly of the government budget. Prior to 1985, contractors wishing to undertake public sector projects had to register separately with each of the major government agencies covering projects on public housing, schools, hospitals and industrial infrastructure (roads, drainage, waterworks and port facilities). Each agency had its own construction project procurement criteria for pre-qualifying contractors for inclusion in its register.

With each agency having its own registration body and requirements, it was a costly exercise for the contractors who wanted to provide construction services for different government agencies. More resources in terms of time and money were needed for the contractors to adapt the project contract documentation and implementation to fulfil the different agencies’ procurement criteria. Various fees had to be paid by the contractors to register with the agencies and there was also limited transparency and uniformity due to the differing procurement requirements.

Public agencies involved in the procurement of public infrastructures and building projects had to devote manpower and resources to maintain their own register of contractors. There was no formalised way to share information amongst the public agencies on contractors with unsatisfactory performance or malpractices.

Solution and impact
In 1985 the Government of Singapore established the Contractors Registration System (CRS) through which all contractors executing public works had to be registered. The CRS is a one-stop registration for contractors seeking to provide construction services to the public sector. The Building Construction Authority of Singapore (BCA) was designated as the entity to manage the system.

All government agencies that intended to procure construction or construction-related services are required to only hire contractors registered on the system. Since its official inception, the number of registered contractors has risen from 2,000 to more than 9,500 today.

The main objectives of establishing the system and results realised are:

(a) Improved transparency
CRS provides a uniform set of standardised criteria for the registration of contractors that helps to improve transparency for contractors who want to tender for government projects. The lists of pre-qualified contractors as well the procurement criteria for various types of works are also made available to the public online.

To support the CRS, an online depository (named the e-C41 Report) of information on the pre-qualified contractors listed in the CRS was developed. The depository contains the performance of contractors’ past projects and enables the Standing Committee on Debarment to debar contractors with poor performance or malpractices from tendering of government projects, as information on registered contractors is continuously updated.
The depository helps agencies to eliminate the need to second-guess the performance of contractors prior to involving them in the tendering of their projects. The system enhances transparency to both government agencies and contractors.

(b) Improved accountability

The requirement of all public agencies to procure contractor services through the CRS sought to minimise opportunities for contractors to give kickbacks and conspire with public officers to attain favours to win tenders for public projects. Involvement of the BCA as a neutral body administering the CRS has resulted in greater accountability on the procurement process of public infrastructure and building projects.

(c) Cost, manpower and time savings

The costs incurred by government agencies through maintaining individual registration processes have been significantly reduced, with a centralised registration which eliminated duplication of functions and expenditures. With this solution, contractors now register once and pay one, instead of multiple, registration fees. Expenditures incurred on human resources to maintain the various registers were saved. The processing time for registration with the centralised CRS is now reduced to 14 days instead of more than three months that was required with multiple agencies.

(d) Build capabilities and raise professionalism

CRS provides recognition to contractors who have demonstrated high quality work and a high degree of professional and technical expertise. It also facilitates more capable contractors to tender for higher value public projects through promotion to higher tiers. Capability building registration criteria such as ISO 9000 and ISO 14000 were introduced for the higher tier registered contractors.

Public procurement has been used to raise capacities of contractors by linking the CRS with procurement policies and incentives. Two such examples are the Price Quality Method (PQM) framework and the Bonus Scheme for Construction Quality (BSCQ). The PQM framework places weightage on both quality and price for the evaluation of construction tenders and optimises value by awarding to the tenderer with the highest combined price–quality score for the project. The BSCQ promotes continuous improvement and consistency in the quality of workmanship in the construction industry. Through this incentive, contractors are paid a bonus by the government if their quality of workmanship exceeds a stipulated standard for the relevant building category and they get penalised if their quality of workmanship is poor.

Spin-offs and benefits

As the system was found to be very useful and reliable, most private developers are also using the CRS to screen for suitable contractors to carry out their projects.

Sustainability and transferability

One factor for the CRS’s success is the mandatory requirement for all government agencies to adhere to CRS requirements for the procurement of construction related services for public building projects. Keeping the CRS requirement transparent by making it readily available online and in public publications also helps to create an open and fair competitive environment for procurement purposes. The sustainability of the system is enhanced by the demand from the private sector for their construction work and it has proven crucial to the successful regulation of the construction industry in Singapore.

The success of CRS has caught the attention of other countries in Asia and the rest of the world. A number of foreign counterparts have visited the BCA to gain information on the management and maintenance of the system and possible replication. The BCA has conducted briefings on the CRS with counterparts in a number of countries in the region and in the Middle East.

The system has been successfully adapted in South Africa following initial discussion and interest from the South Africa Construction Industry Development Board (CIDB) in 1999. The BCA provided technical assistance to South Africa’s CIDB for the establishment of its own Construction Registers Service and successfully helped the institution to set up the CRS in 2003. The BCA has subsequently conducted a peer review of the South African CRS in February 2004.

Lessons learned

Initially, the stakeholders, including government agencies and contractors, were sceptical about the introduction of the CRS. The government agencies feared that the change would limit their ability to execute the procurement works as their needs might not be catered for. Continuous interactive consultations with the stakeholders are thus important to get the buy-in of stakeholders. Realisation of the benefits of not maintaining individual registries on the part of government agencies and the saving of money and time for the contractors was crucial in getting stakeholders’ buy-in.

Merging the contractors’ registries of the various government agencies into one centralised registry has been a major challenge. The different registration systems of the agencies exhibited significant differences both in terms of the system structure and criteria for assessing the suitability of a candidate for registration. The fusion of the various registrations had to be effected through a gradual process of assimilation. While centralising the system is cost effective and saves time for all actors, diverse needs of different government agencies still had to be taken into account and discussions were necessary to ascertain their individual requirements.

Trinidad and Tobago

Initiative: TTBIZLink²
Institution: Ministry of Trade, Industry and Investment (MTI)

Description

Creation of e-services for trade and business-related services to improve the ease of doing business

The problem

The provision of trade and business-related services in Trinidad and Tobago was time-consuming and cumbersome, impacting on the competitiveness of the country. In 2009, the World Bank’s annual Ease of Doing Business Survey had ranked Trinidad and Tobago 80th out of 181 countries (as compared to 67th in 2007 and 71st in 2008). Trinidad and Tobago’s declining global competitiveness position was in part due to the inefficiencies in delivering key business services to the citizens and the private sector.
The inefficiencies resulted primarily from lack of co-ordination among the agencies involved in trade and business facilitation, resulting in unnecessary delays, excessive costs and low levels of transparency and accountability. For example, firms could only apply for various trade and business-related services using a manual/paper process. This required the submission of multiple copies of essentially the same information to multiple government agencies in different locations. Citizens spent undue amounts of time on paperwork, commuting and waiting for in-person services. Obtaining updates on the status of applications was not easy and incomplete applications took time to rectify. Frequently, documents were misplaced and applicants had to start all over again.

The ‘discretionary’ interpretation and implementation of laws, tariffs and regulations by government officials (due to their discretionary powers owing to the lack of automation on a single monitored system) caused uncertainty and facilitated an environment for corruption. While there were ‘islands’ of IT systems in several government agencies performing specific tasks related to trade facilitation, a holistic and unified platform for trade and business facilitation did not exist.

These inefficiencies were an impediment to Trinidad and Tobago’s economic growth since they negatively impacted the country’s international competitiveness and thereby its attractiveness as a destination for business, trade and investment.

The solution

The TTBizLink system is a secure, neutral and user-friendly online platform created to provide a solution to the inefficiencies in trade promotion processes. TTBizLink is managed by the Ministry of Trade, Industry and Investment (MTII) in collaboration with CrimsonLogic of Singapore, a multinational company with over 25 years of experience in e-government implementation. The system serves as a comprehensive single electronic window where national e-services for trade and business are provided and it enables applicants to fulfil all import, export and transit-related regulatory requirements. It provides a one-stop shop where private stakeholders collaborate with government agencies to process the necessary permits and approvals online in a seamless and efficient manner. Firms can now access services anytime from anywhere in the world instead of collecting and completing the required forms during working hours in person.

Clearly defined service standards were established with the relevant stakeholders and monthly reports are generated to ascertain the efficiency of the system and its individual e-services (i.e. the percentage of applications processed in accordance with the set standards). Constant feedback from end-users of the system is also actively sought by the MTII in an attempt to ascertain customer feedback.

Between 1 January and 15 December 2012, the number of electronic applications processed through the TT BizLink website grew from one to 10,000.

Impact

The project has resulted in considerable reductions in the costs and time required to process applications for business services. Citizens and firms no longer have to visit an agency in person but can log on to the system to complete and submit e-applications as needed.

Specific time savings achieved through the solution are:

1) e-Company Registration (Ministry of Legal Affairs Registrar General-Company Registry): processing time was reduced from seven to three days

2) e-Work Permit Module (Ministry of National Security): processing time was reduced from six to 2.5 weeks

3) e-Fiscal Incentives Module (Ministry of Trade, Industry and Investment: Investment Directorate): time was reduced from six weeks to 11 days

4) Import/export permits and licenses are now issued in two days compared to four weeks previously

5) Certificate of Origin now processed in 5–30 minutes compared to one day prior to implementation of the system

The implementation of TT BizLink has also accelerated the National Legislative Reforms required to ensure a safe e-commerce and e-government environment in Trinidad and Tobago. In this regard, the Data Protection Bill of 2011 (now Act No. 13 of 2011) and the Electronic Transaction Bill of 2011 (now Act No. 6 of 2011) were enacted into legislation. This legislative framework now allows any public administration body to offer its services electronically.

Given the absence of a national framework on e-government, the MTII had to develop, in collaboration with international and local stakeholders, the following policies in keeping with international standards: electronic authentication; electronic data storage and records management; and electronic data security. This has been a significant policy reform for the country.

Sustainability and transferability

The MTII has invested significantly in the ongoing training of government employees to administer TT BizLink’s e-services as well as ‘train the trainer’ sessions within the private sector to train members of the business community. This will ensure that sufficient persons are trained within the public sector to administer the system and that the normal attrition and movement of staff doesn’t negatively affect the operations and sustainability of the system.

The MTII has also put in place a system of convening focus groups of external stakeholders (industry representatives, academics, citizens, etc.) to review the usability and accessibility of the platform so that constant enhancements can be made and a user and demand driven platform maintained. Additionally, the Operations and Knowledge Management Office has documented all of the procedures and policies associated with the various modules through manuals, and is ensuring that the knowledge and experiences gained through implementation of TT BizLink is institutionalised and showcased within the public sector.

Given the e-government revolution created from the success of Phase I of TT BizLink, several other ministries have approached the MTII to discuss automation of their services using the TT BizLink platform. Completion of Phase II of the project, which is expected in January 2014, will thus see the Maritime Division of the Ministry of Transport offering e-services for vessel arrivals and departures and registration of contractors for the Ministry of Finance and Economy to lay the foundation for e-procurement in the country.
Trinidad and Tobago has also had the opportunity to present TTBizLink at various regional and international forums such as the World Trade Organization, International Finance Corporation of the World Bank, and the Latin American and Caribbean Economic System (SELA). The governments of Suriname and Jamaica have requested technical assistance from the team in implementing similar projects in those countries.

Lessons learned
Implementing TTBizLink brought with it many challenges, most of which were related to the change of management within the various approving agencies. During the early stages of the project implementation, many of the public sector agencies were unwilling to ‘outsource’ some aspects of their IT operations to another ministry and share their client data due to concerns related to confidentiality and data security.

Continuous stakeholder engagement and consultations were thus essential to building trust in the system and were a key catalyst in consolidating efforts of the initiative. The concerns of each agency were recorded and technical teams were formulated to examine each issue and arrive at solutions that were satisfactory to all parties. A great deal of flexibility was required for major transformation of the methods through which government agencies usually carry out their functions.

Benchmarking and learning from best practices and lessons learned in other countries was instrumental during the conceptualisation stage of the project. Limited technical resources within the MTII as the project leader to implement all aspects of the project were a major challenge and ensuring that a competent team was put in place for implementation was vital for the successful execution of project activities. Management of the infrastructure component was therefore outsourced to ensure that MTII focused on its core business.

In effecting transformation within the public service it is important that the necessary policy and legislative frameworks are in place. A thorough and critical investigation of existing business processes to determine existing gaps and the exact human resources as well as the technical and infrastructural needs of each agency relative to its mission proved important in the planning and implementation of the project. The internal adoption of any new system of process required that appropriate change management methodologies also be introduced by the leadership of each agency.

The success of TTBizLink has proven that even small island economies are capable of being leaders in the implementation of transformative public sector projects utilising ICT if clearly defined project management methodologies are adhered to and careful attention is paid to inclusion of all stakeholders.

ENDNOTES
1 Category 1 Winner 2012: Preventing and Combating Corruption in the Public Service
2 Category 4 Winner 2013: Promoting Whole-of-Government Approaches in the Information Age