

1. BACKGROUND

The Department of Education (DepEd) is the agency of the Philippine Government mandated to formulate, implement and coordinate policies, plans, programs and projects in the areas of formal and non-formal basic education, by virtue of the Republic Act 9155, otherwise known as the Governance of Basic Education Act of 2001. The DepEd also supervises all elementary and secondary institutions, including alternative learning systems, both public and private, and provides for the establishment and maintenance of a complete, adequate, and integrated system of basic education relevant to the goals of national development.

The K-12 Program

In 2010, the DepEd started implementing the K-12 Program. The K-12 Program, which covers Kindergarten and 12 years of basic education (six years of primary education, four years of Junior High School, and two years of Senior High School [SHS]) aims to provide sufficient time for mastery of concepts and skills, develop lifelong learners, and prepare graduates for tertiary education, middle-level skills development, employment, and entrepreneurship.

The salient features of the K-12 Program are the following: (a) strengthening early childhood education; (b) making curriculum relevant to learners; (c) ensuring integrated and seamless learning; (d) building proficiency through language; (e) gearing up for the future; and (f) nurturing the holistically developed Filipino.

2. UNDP'S SUPPORT TO THE DepEd

On 07 December 2015, in a formal communication to UNDP (Annex 1), DepEd officially requested UNDP's assistance through the provision of procurement and capacity building services to fully implement the K-12 Basic Education Program. The request from DepEd lists down the priority areas where UNDP support services is needed, namely: (a) ICT Equipment; (b) Math and Science Equipment; (c) Technical and Vocational Equipment; (d) Classroom repairs/replacement under the Quick Response Fund; (e) Printing Services; and (f) Workshop venues including catering services.

Over the years, DepEd has faced certain limitations in capacity and reach of suppliers in its procurement. These constraints directly impact not only on the timeliness of the procurement of goods, but also the overall quality of results. UNDP will thus provide direct procurement services as well as capacity building support. UNDP support can assist DepEd strengthen its procurement capabilities and give it access to procurement options currently not available to the organisation.

Consistent with GPPB Resolution No. 29-2015 (Annex 7), DepEd is engaging the services of UNDP as it is capable of delivering the procurement requirements of DepEd in an **efficient, economical and timely manner** through a wider range of participants/bidders who could provide quality goods and services needed to meet the enduser's requirements. For example, it has been the experience of DepEd that due to the limited number of bidders participating in its procurement of ICT equipment,

the occurrence of failed bids was quite high. This adversely affects the timely provision of the goods to the schools. Moreover, the procurement assistance covered by this Project involves highly technical and complex procurement projects, which have posed challenges to DepEd.

Scope of UNDP Support Services

With funding from the DepEd, and in full accordance with UNDP regulations, rules, policies and procedures, UNDP will make available to DepEd, the following development and technical support services:

- Provision of demand based development support services, including, but not limited to the following:
 - Conduct of competitive procurement processes for and in behalf of DepEd, at international and national levels, as inputs to the project, in accordance with the procurement details and timelines agreed between DepEd enduser and UNDP;
 - Physical delivery of the goods and services to where the goods and services are required in various regions nationwide where DepEd beneficiaries are located, including customs clearing where required, and ensuring availability of after-sales support where needed, in accordance with the procurement details and timelines agreed between DepEd enduser and UNDP;
 - Recruitment of project personnel and engagement of consultants/experts or individual contractors;
 - Disbursement of personnel salaries and payments to vendors of goods, services and works, based on the authorization of DepEd; and
- Monitoring, reporting and evaluation, including
 - Timely reporting on the status of project funds (physical and financial);
 - Third party monitoring of deliveries to ensure that goods are received only by intended beneficiaries.

UNDP is the ideal partner for these activities, due to the following reasons:

- UNDP has global experiences and track record in co-implementing programs with governments, including implementation of Government projects using Government funds;
- UNDP delivers the highest standards of transparency, as evidenced by being ranked the most transparent development agency in the world according to the 2014 International Aid Transparency Index;
- UNDP achieves cost efficiency and timely delivery of project outputs through much more flexible procurement procedures, access to global network of service providers and experts, availability of corporate and regional long-term framework agreements, and direct contracting options, many of which are currently not provided by the Philippine Government procurement law;
- In the course of performing its roles in the partnership, UNDP provides clear strategy to build government capacity and initiating actions that will enable a clear exit strategy.

Key Strategies for the Provision of Support Services

In order to effectively deliver the support services to the DepEd Project, UNDP shall undertake the following key strategies:

- a) *Use of Existing, and Entry Into, Framework Agreements.* A number of DepEd requirements for the year are recurring, with the same set of specifications, but are changing only in terms of delivery location and quantities. For this purpose, a one-time entry in Framework Agreement, or utilization of existing UNDP Framework Agreements, shall prove to be most feasible and efficient.

“Framework Agreement”, also known in UNDP policies as Long-Term Agreements (LTAs), refer to a written agreement between a buyer (UNDP) and a supplier/service provider that is established for specific goods or services at prescribed prices or pricing provisions for a defined period of time, against which specific orders (known as “call-offs”) can be placed at any time during the defined period. Under the Framework Agreement, no financial commitment nor a legal obligation to order any minimum or maximum quantity is being made by the buyer. The commitment to purchase and the financial obligation to pay is done at the point of calling-off the agreement, in the form of a purchase order. In other organizations, it is also known as Umbrella Agreement, Systems Contract, Standing Offer Agreement, or Call-Off Agreement. This arrangement is currently not possible under the Philippine Government Procurement Law (RA 9184) and its Implementing Rules and Regulations (IRR) and therefore UNDP is able to provide an efficient and well-proven international mechanism to support DepEd.

Corporate Framework Agreements currently exist in UNDP, and are managed globally (UNDP Copenhagen), regionally (UNDP Malaysia), and locally (UNDP Philippines). Where the need of DepEd can be sourced from any of these existing global support of UNDP Philippine Country Office, the Country Office may call-off those Agreements, to serve the needs of DepEd.

Where the requirements of DepEd cannot be sourced from existing Framework Agreements, and the requirements are expected to be ordered on a repeated basis over a specific period, new Framework Agreements may be set-up by the UNDP Country Office for this specific purpose, guided by the UNDP Policies for this type of agreement.

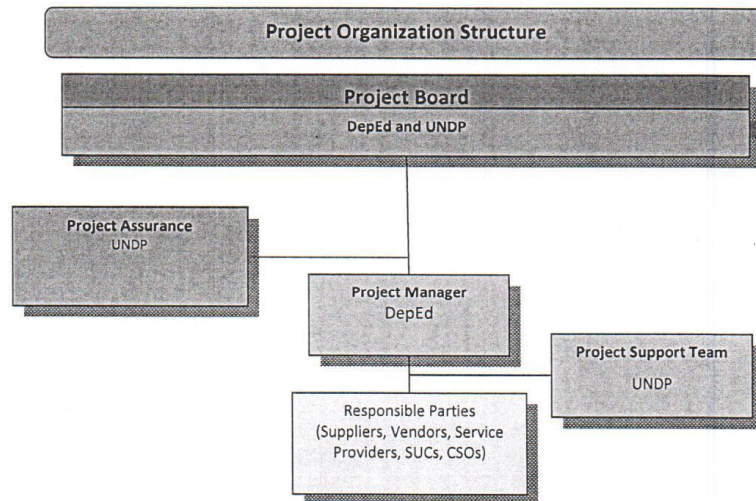
- b) *Expert Advisory Services in Defining Requirements.* Defining requirements is the most critical stage of any procurement process. It is the first step in achieving savings, the stage which is most time-consuming, and it is also one of the most technical tasks in the process. Where DepEd is in need of support for this purpose, UNDP stands ready to provide such assistance, aimed at fast-tracking this stage.
- c) *Third Party Monitoring.* For purposes of ensuring that the goods supplied go only to the intended beneficiaries, or the services are being rendered properly, UNDP shall make use of independent assessment provided by third parties, by tapping, for instance, the State Universities and Colleges (SUCs), given their regional presence nationwide. UNDP may also

decide to engage private entities, civil society organizations or individuals to perform this role. The Third Party monitors may also assess the impact of the project.

- d) *Lessons Learning.* The best practices and lessons learned from the project shall be documented, and shall be used to identify innovative methods and improve on any succeeding partnership of this nature which UNDP may have with DepEd or any other Government Agency.

3. MANAGEMENT ARRANGEMENTS

The Project Board (PB) will be established to provide direction and management of the project. The PB shall be co-chaired by representatives of DepEd and UNDP, and composed of representatives from UNDP and DepEd, and if required, representatives from responsible parties and third party monitors may also be invited to participate as observers. The PB will meet at least quarterly or as necessary to review and approve annual work plans and to decide on other project implementation concerns. The PB will work on a consensus basis; nonetheless, final decision-making on project activities and accountability rests with UNDP in accordance with its applicable regulations, rules, policies and procedures; provided that all decisions made shall be in pursuance of the rationale and objectives of the Project to facilitate full implementation of the K to 12 Basic Education Program in an efficient, economical and timely manner



Jointly, UNDP and DepEd shall be responsible for providing the overall direction to project activities through the UNDP Project Support Team. Under the direction of the DepEd Project Manager, the UNDP Support Team will undertake the following:

- a) Provide advisory or technical inputs during the implementation of the project; and
- b) Prepare the Annual Work and Financial Plans;

The DepEd Project Manager will:

- a) Provide the day-to-day overall guidance for implementation of the project.
- b) Certify and authorize financial disbursements to be made based on completion of approved work / procurement activities and payment schedule;
- c) Manage assets acquired during the implementation of the project.

Project Assurance is the responsibility of each Project Board member; however, the role will be delegated to the UNDP Team Leader for Democratic Governance. The Project Assurance role supports the Project Board by carrying out objective and independent project oversight and monitoring functions. This role ensures appropriate project management milestones are managed and completed. A UNDP Programme Officer typically holds the Project Assurance role for the UNDP Board member, and a similar government representative would undertake this role for the Project Director. Note that the Project Manager and Project Assurance roles should never be held by the same individual for the same project.

Governance Structure

Operationally, the governance structure of the project may be described in the following illustration:

