

The Studies for Guideline Protection of Public Procurement Corruption in Thailand

Kitivichaya Watcharothai

Faculty of Social Sciences and Humanities, Mahidol University, Thailand

E-mail: k.vajarodaya@hotmail.com

Abstract

This study aims to propose the guideline protection of public procurement corruption in Thailand. Because of the emergence of public procurement fraud in Thailand, the government spending has been used ineffectively. Taxpayers have to responsible for marked up cost of public procurement fraud practices. In-depth interviews were conduct with group of people involved in public procurement process, who are government representatives from The Office of the Attorney General, Office of the National Anti-Corruption Commission, Office of Public Sector Anti-Corruption Commission and Department of Special Investigation. Public procurement officer from Ordnance Department Royal Thai Army and Quartermaster Department Royal Thai Army. Awarded bidder (local and foreign companies) whose have qualified bidder with public contracts. Public procurement experts or specialist from Office of the Council of State and The Central Criminal Court of for Corruption and Misconduct Cases. And public representatives from anti-corruption project of the Office of Public Sector Anti-Corruption Commission. This study reveals the opinions and perspectives from the involved government representatives, public procurement officer, awarded bidder, public procurement experts and specialists and public representatives. The public procurement fraud has mainly resulted from the patronage system in Thailand, which largely contributed to the public procurement policy and guideline that lies on the conflict of interest among certain groups of influential people. Furthermore, the study demonstrates that public procurement corruption in Thailand consider to be the systematic corruption, in which there are misconducts and fraud along the process of public procurement ranging from assessment of public procurement plan, budgetary approval, appointment of procurement committee, supplier qualification, announcement of bidder, purchasing and contracting for work, contract management, inventory control till written material off process. Consequently, the sustainable and long-term public procurement corruption prevention guideline are necessary, which is mainly specified under the Government Procurement and Supplies Management Act B.E.2560 in order to help prevent the fraudulent activities and misconduct practices in public procurement process of Thailand.

Keywords: Public Procurement, Public Procurement Corruption, Thailand

Introduction

In Thailand, Economic crime has taken into a consideration as a national problem, which the occurrence of economic crime has been increasing gradually, as long as its severity. Economic crime has been posed various effects to Thai's economy, as well as social, political and security of our nation. According to the National Council of Peace and Order (NPCO), General Prayut Chan-o-cha, Prime Minister of Thailand and head of MPCO, has been mainly focused on the "Participatory State" in Thailand, which means the cooperation of the state and people to accomplish more advanced economic goal. The solution of economic problems and any other economic development would be efficiently manage due to by the cooperation of everyone's, including government, people, private corporations and other relating agencies. With this concept, the government would encourage the democratic economic

systems in Thailand, which then reduce the monopolistic competition, facilitate free trade across border, strengthen competition and result in a stable political condition. This should be lie behind the guideline of government policy in order to strengthen economic competitiveness and advancement.

Public procurement fraud has been emerged in Thailand for several years. Recently, Thai government has strong attempt to lessen the occurrence of public procurement fraud by issuing the Government Procurement and Supplies Management Act B.E.2560, apart from the existing Regulations of the Office of the Prime Minister on Procurement B.E.2535 (1992) and Regulation of the Office of the Prime Minister of on Electronic Procurement B.E.2549 (2006). As economic crime has its primary concerns on financial motivations, the public procurement has considered as the most risky areas, in which it linked to the significant value of government budget. PricewaterhouseCoopers (2016) has been highlighted that procurement fraud has been the second most common types of fraud encountered globally, which the most reported type of economic crime can be divided into 5 fraud types which are asset misappropriation (69%), procurement fraud (29%), bribery and corruption (27%), cybercrime (24%) and accounting fraud (22%). In Thailand, 43 percentage of victims has been reported on the public procurement fraud. Procurement fraud has been ranged from invitation of quote/bidding process (67%), vendor selection (58%), quality review (42%), vendor contracting/maintenance (25%), and payment process (25%) respectively.

World Economic Forum (2015) has also reported in The Global Competitiveness Report 2015-2016, Thailand has scored 2.5 out of 7 and has ranked 113 out of 140 under the 1.08 index on Wastefulness of Government Spending. The incidence of public procurement fraud could cause and further resulted in another economic crime offenses in order to protect and response to its fraudulent actions. To successful violated the public procurement process, another offences could be used including the offenses relating to documents, cheating and fraud, against creditor and misappropriation. Additionally, Royal Thai Police has provided the same trends of economic crime statistics, in which the classification of economic crime by Thailand's Criminal Code B.E. 2499 has indicated that there are offences relating to documents (Section 264-269), Offence of Cheating and Fraud (Section 341-348), Offence of Cheating Against Creditor (Section 349-351), Offence of Misappropriation (Section 352-356). These offences have an increasing trend as long as its severity and complexity.

The public procurement fraud is the practices of fraudulent activities that related to the company or public in purchasing goods or services, or commissioning the projects from another groups or organizations. The public procurement fraud is when there is elimination/reduction of competition among the supplier whether thorough single tender, extending contracts, tailoring the specification and discouraging others bidders from competing. (Smith, 2017) Also, this fraud occurs when there is bias supplier selection through providing inside information, designing of the evaluation process, and marking of bids, and occurs when there are corrupted contract negotiation and management by changing contract or extending contracts. And over or false payment can be conduct though over-billing quality, overcharging, over-buying, fake invoices or payment diversion. (Kramer, 2012)

Taking into consideration on the situation of Thailand's public procurement, Office of Standard of Thai Government Procurement has supported that there are an increasing volume and transaction of public procurement annually, which ranging from 511,632.53 Million Baht (2012), 1,020,474.59 Million Baht (2013) and 794,153.72 Million Baht (2014) respectively. Unfortunately, there are a gradual increased in the reported public procurement fraud case from Office of Public Sector Anti-Corruption Commission (PACC) during 2015-2016. As there are more transaction in Thai's public procurement due to free trade stimulation and globalization, Thailand has been concentrated in improving its public services and public

facilities, as well as its national advancements. In reverse, Thailand has consisted of its weak integrity in public contracts, along with its vulnerable procurement monitor and control practices. This significant deficiency reflects the non-regulated public procurement process in Thailand.

Therefore, the formation of guideline protection of public procurement corruption aims to identify the situation and related problems of public procurement process, crime pattern and methods of public procurement, corruption, gap in law of Government Procurement and Supplies Management Act B.E.2560. This study involved 30 key participants from related government organization, and non-organizations experts. The scope of this study related to the practices under Government Procurement and Supplies Management Act B.E.2560. This research has been approved by the Ethics Committee of Mahidol University and was conducted between 2015-2017.

Literature Review

According to Thailand's public procurement system, the main government organization that responsible for public procurement is the Comptroller General's Department (CGD), operated under the Ministry of Finance. Currently, the Office of Procurement is also CGD's sub-unit, which has been responsible for public procurement system in Thailand. The structural and regulatory framework of Thai's public procurement has been aligned to the Regulations of the Office of the Prime Minister on Procurement B.E. 2535 (1992) and the Regulation of the Office of the Prime Minister on Electronic Procurement B.E. 2549 (2006). To enact and enforce the public procurement practices, the Committee in Charge of Procurement (CCP) has been selected from various units related to the procurement practices, for example; Secretary of Office of the Prime Minister, Office of the Prime Minister, Office of the Auditor General, Office of Attorney-General, Budget Bureau, Office of the Juridical Council and Office of the Commission of Counter Corruption.

The key principles in public procurement considered as value for money, ethics, competition, transparency, and accountability. (Raymond, 2008) In public procurement, government budget has been used in the body of local administration. Consequently, the government has the capability in developing the nations, in terms of infrastructure, construction, other facilities and technical advancement progressively. With corrupted practices in public procurement, it has posed various effects to national stability, political performance, economic opportunities, and quality of life. (Prungthanyaphurk, 1999) Also, it has composed a set of negative consequences, which can be characterized as economic losses, social economic losses, and emotional consequences. (Payne, 2012)

Recently, the total expenditure on public procurement has been increasing gradually. Comptroller General's Department (2014) has indicated the public procurement statistics, which there has been an increase in total expenditure in public contract, ranged from 160,775.86 Million Baht (2012) to 569,327.73 Million Baht (2013) and 328,892.52 Million Baht (2014) respectively. The management and the usage of government have been used inefficiently, in terms of cost, benefit, competitive and integrity extent. Failure in public procurement has been emerged in the resources allocations, procurement operation and contract management. Consequently, Thai government has an attempted to solve the failure of public procurement practices by enforcing the legal measure and structural reconsideration. E- procurement system has been introduced by the Thai's government, which its main purpose is to enhance and to control the transparency in public procurement bidding process and qualified bidder selection. All related public procurement units is compulsory to E-procurement registration and procedures. While, private sector has also considered on the necessity of transparency in public procurement. Due diligence system has

been applied to many private enterprises in order to ensure its accountability and transparency involving in public procurement system.

Prior statistics of public procurement corruption in Thailand that has collected from various government organizations depends on its scope of responsibilities and work tasks. Department of Special Investigation (2014) has indicated that there are totaling of 5 percentage of procurement fraud and corruption in public sector relatively compared to another criminal cases, which are case of intellectual property, financial and taxation, natural resources and environment, consumer protection and loan amounting to public cheating and transnational crime. Office of Public Sector Anti-Corruption Commission in 2014-2015 has founded that there are a gradually increase of the case of public procurement corruption in Thailand. Office of the Auditor General of Thailand (2011) has indicated that there are an increasing trends of public procurement loss in terms of an opportunity cost which has ranged from 110.25 Million Baht in 2007 to 281.95 Baht in 2011. Also, it has founded the existence of notification in public procurement plan, which are the lack of annual public procurement plan and its code of conduct, incomplete public procurement plan or unidentified public procurement plan in case of additional budget approval during annual year, failure to report the edited public procurement plan and its summary to OAG's within the time specified, nonalignment of current public procurement plan with the annual public procurement plan. OAG has founded a notification of public procurement bidding process, which are the information within the public procurement announcement has not related with the public contract documents such as duration of warranty and warranty fees, misconduct of public procurement officers or public procurement committee regarding the government regulations, favor of certain contractor and bidder in public procurement contract, and uncompetitive price quotation by document falsification and identification of false criteria and condition in an attempt of completing public contract. And there are notification on public procurement contract management, which are nonalignment of announced middle price and its cost estimation, failure of public procurement operation under the framework of government regulation and under the specification indicated within the public contract, nonalignment of public contract conditions and government regulation, and failure to manage the defected products and services within specified period of warranty.

Given the high rate of public contract expenditures and public procurement corruption statistics, the occurrence of fraud has resulted from the problematic practice in Thailand's public procurement system. In general, the public procurement corruption has motivated by the financial advantage and benefits, including the opportunities, decision-making, and economic system. (Boonyopas, 2014) But the main motivation of public procurement corruption in Thailand is the combination of opportunities and government position. Collusive bidding and bribery is widely prevalent in Thai's public procurement system. Because of patron-client system in Thailand, the public procurement has undoubtedly risk to the fraud practice.

Therefore, as the studies of public procurement system in Thailand has emphasized on the problems related to public procurement system in Thailand. United Nations Development Programme & Office of the Public Sector Development Commission (2015) has mentioned the following problems in public procurement system in Thailand:

1. Inadequate Legislative and Regulatory Framework: There are lack of legislative and regulatory framework in controlling and monitoring the public procurement system in Thailand. Currently, Thai's public procurement system has issuing the Government Procurement and Supplies Management Act B.E.2560 recently, apart from the Regulations of the Office of the Prime Minister on Procurement B.E. 2535 (1992) and the Regulation of the Office of the Prime Minister on Electronic Procurement B.E. 2549 (2006). Hence, this specific legislative framework for public procurement operation and practice has just been

used in Thailand, which could result to ineffectiveness of control and monitor procedures as well as other preventive measures, causing the probability of fraud practice. Although the government regulation is more flexible in legal, amendments, but there are lack of legal certainty when there are problems in public procurement system. With legal uncertainty, the legislative framework is ineffective in protecting and controlling the conflict of interest, the domination, and the intervention of public procurement system. Recent government regulations also focus only on the policy and operational perspectives, but have failed to consider to the outcome of public procurement. There are lack of new updating issues in public procurement operations such as environmental consideration purpose and populist purpose. The regulatory framework has ignored the innovation in framework agreement as well as the centralized purchasing arrangement.

2. Unclear Designation of E-Auction and Cost-Estimation System: There are conflict between the Regulation of the Office of the Prime Minister on Procurement B.E. 2535 (1992) and Regulations of the Office of Prime Minister on Electronic Procurement B.E.2549 (2006), this leads to confusion in public procurement agents. Additionally, E-Auction has been criticized in its application, in which it would lengthen duration in public procurement process due to document preparation. E-Auction also focus on the lowest cost perspective. With E-Auction, it has designed to allow the revision of Term of Reference (TOR) which cause the longer duration in public procurement process. Consequently, there are an increasing opportunities for the fraudulent practices between the bidder and procurement officers. For cost -estimation system, Thai's public procurement system has legally compulsory for cost estimation and middle price announcement for every public contract, which has been used as a ceiling in e-auction bidders, in which the price quotation should not exceed the announced middle price and should not below more than 15 percentage of announced middle price. In practice, the announced middle price has not related to the market price. This resulted in uncompetitive bidding process, causing an unusual and unreal price in procuring product of good and services.

3. Unprofessional operation in public procurement: There are inadequate officer compares to the overall responsibilities covering the entire process of public procurement. Recently, E-Tendering has been introduced and has operated in collaboration with E-Auction. This system helps the public procurement to collect statistics, in order to provide feedback and to further improvement of the current problems in public procurement system. With E-tendering, contracting authorities, whether federal, regional or local agents, can electronically open tender and request for participation. Moreover, the existing public procurement officers tend to lacks the specialization and knowledge in public procurement process. With the inefficient and unproductive personnel in public procurement, there would lead to the difficulties in controlling and monitoring the public procurement process, achieve the transparency and accountability. Altogether, Committee of public procurement has been selected as the representatives from various government and private agencies. As the set of committee has its main task in determining the policy and regulatory framework and request approval, this can lead to the conflict of interest between each parties.

4. Uncompetitive in public procurement bidding process for certain product and services: There are uncompetitive public procurement bidding process for certain products and services. Strict regulations and conditions have been represented in public procurement process, along with high expense in bidding application, short duration for document preparation and unclear criteria in bidder selection. This makes the public procurement process seems to be unfavorable for the private sector. In practice, there are no regulations to support the domestic price references and there are restricted regulations especially for the foreign investor. The products have been restricted to be domestically-produced, including its raw materials in manufacturing and production. Moreover, the qualification and inspection

measurements in Thai's public procurement process are different from the international standard (the international standard is International Organization for Standardization (ISO) and Government Procurement Agreement (GPA)).

5. Unfair judgment and incapacity of public procurement executives and officers: There are requirements for an appointment of Committee in public procurement, which are the committees have derived from the related public procurement units and organization. With the dual role of committees, one role is political accountability and another role is management accountability, this could lead to the unfair judgment in public procurement process, especially in public procurement process. The shortcoming in incapacity in monitoring and detecting the irregularities in public procurement practices may leads to the occurrence of fraud.

6. Inefficient control and monitor procedures to ensure fairness of qualified bidder: Although there are the procedures in government budget control, budget approval, budget evaluation, and internal and external auditing in Thai's public procurement process, its process has claimed to be inefficiently control and monitor the fairness of qualified bidder. According to the report, the misconduct of public procurement practice in each procedures of public procurement process, ranged from its operation, contract management, law enforcement, inventory control to written material off. Bidder from both public and private enterprise has currently loss confidence in the transparency and equality in public procurement process, which the government's ability to control and monitor the public procurement efficiently is still questionable, especially in the case of complaint from bidder related to fairness. The government regulations allowed the bidders to make complaints to the public procurement unit directly through the public procurement committee. In practice, the reports and consideration from these committee has considered to be only recommendations for the public procurement units. Further, legal remedies has authorized by Administrative Court, in which most of the requested bidder would hesitate to make a complaint due to the unreliability in public procurement system and the subsequent conflicts to the related public procurement officers and the judgment procedures of legal remedies by Administrative Court have been founded to be complicated and have lengthy duration.

Therefore, the author will propose the guideline for protection of public procurement corruption in Thailand, which involved in public procurement process, all of whom responsible to monitoring process and prevention of public procurement corruption.

Research Methodology

This research is the qualitative research. The data was collected through documentary research from related documents, articles, journals, theses and international textbooks. Online documents have also used to collect more information on recent studies. In addition, in-depth interviews have been mainly used as a tool to collect data from purposive data sampling with 30 key participants whose related to the public procurement process in Thailand. The classification of participants in this study include 3 government representatives from Department of Special Investigation (DSI), Office of the Public Sector Anti-Corruption Commission (PACC), Office of the National Anti-Corruption Commission, Office of Public Sector Anti-Corruption Commission, and Office of the Auditor General (OAG), 8 public procurement officers from Ordnance Department Royal Thai Army and Quartermaster Department Royal Thai Army, 8 awarded bidder (local and foreign companies) whose have qualified bidder with public contracts and 8 Public procurement experts from Office of the Council of State and The Central Criminal Court of for Corruption and Misconduct Cases, and 3 public representatives from anti-corruption project of the Office of Public Sector Anti-Corruption Commission.

Research Results

The data collected through open-ended questions included the key participant's general information such as sex, age, education, employment office and experience in public procurement process. Questionnaire contains the open-ended questions such as their perspective toward the situation and related problems of public procurement process, crime pattern and methods of public procurement corruption, gap in law of Government Procurement and Supplies Management Act B.E.2560.

Regarding the questions on issues of situation of public procurement corruption in Thailand, most of the participants indicated that its situation has increased its severity and continuity. Occurrence of public procurement corruption has existed in policy formation, which has reflected the misuse of power and government position, in order to secure and to provide privilege in certain groups of people such as high-rank government executives and awarded bidder. In addition, the public procurement corruption has occurred along the operation of public procurement process, by using the gap in law of Government Procurement and Supplies Management Act B.E.2560 for conducting the fraudulent practices.

Interviews with the government representatives from The Office of the Attorney General, further reaffirmed the occurrence of public procurement corruption. One interview commented that.

“The public procurement corruption has been dispersed in every context of public organizations. At present, it has occurred in the upper-level, which related to the misuse of power to reflect the corrupted public procurement policy from high-rank government executives or high -rank officials and in the lower-level, which results in malpractices in public procurement process by using the gap in law by public procurement officer. All the corrupted activities are deeply motivated by interest-seeking purpose from each individual groups. Although the government has an attempt to strictly use the legal measures to prevent the corruption in public procurement process, the corruption still exists whether by an intended or unintended basis.”

Another participant echoes the similar sentiments:

“The situation of public procurement corruption in Thailand has been reversed, in which it has increased its complexity in committing the public procurement corruption offences. Transnational crime has become influential to public procurement corruption's trends and practices. Altogether with gigantic transaction in public procurement, there has caused the problems to law enforcement agencies to respond and to manage the subsequent transactions in an effective manner. In summary, the rapid growth in Thai economy leads to the higher value of public procurement contracts, as well as the more complexity of public procurement corruption patterns and procedures.”

Regarding the questions on problems of public procurement process, one of the participants identified issues on works and responsibilities within the organization. There are some problems founded in public procurement process which are monitoring process, the complaints system and management, operation of public procurement corruption prevention and suppression, investigation and its related result extension, public procurement operation and e-procurement practice, chain of command, and fact-finding in public procurement corruption offences, witness protection, administrative hearing and criminal trial, and public participation and involvement in monitoring public procurement process.

For the crime patterns of public procurement corruption in Thailand, most of participants have concluded that main pattern of public procurement corruption is the set-bidding corruption or systematic corruption. To explain the systematic corruption, well-planned public procurement practices along its process has been used, by monitoring the product specification as well as its conditions, methods of procurement and details of procurement prior to public contract announcement and bidder selection. These corrupted practices have

provided an advantage to specified awarded bidder, causing an uncompetitive and unfair environment in bidding process, which pose the hazardous effects to the overall public procurement process.

Interviews with the public procurement officer from The Ordnance Department Royal Thai Army, supported the findings of set-bidding public procurement corruption in Thailand. One participant commented that.

“Crime pattern of set-bidding public procurement has incorporated with planned and systematic approach. This corruption pattern tends to ensure that every steps in public procurement process should be succeed and align with the government regulatory and framework. A step by step planning technique has been used to falsify public procurement practices. All documents and evidence related to corrupted public procurement operations seem to be correct and hard to detect the unusual activities. This attempt has caused privilege to certain awarded bidder in order to achieve an advantage to documents preparation to involve in public procurement process as a bidder. Regarding to specific information of public procurement, the awarded bidder could be able to prepare the company’s profile and product as well as technical product conditions in order to respond to the requirement of government framework.”

Regarding the questions on prevalence of gap in the law of Government Procurement and Supplies Management Act B.E.2560, there has founded the numerous gaps in law of Government Procurement and Supplies Management Act B.E.2560. These can lead to the public procurement corruption. By identifying the gap in law, there are the exception of usage of public procurement act in certain procurement methods (Section 7), the basis of cost, transparency, effectiveness, and accountability in public procurement operation (Section 8), the participation and involvement of public representative in public procurement (Section 16), the identification of task and responsibilities of related public procurement committee (Section 29,34,39,43), the responsibilities and work tasks of Comptroller’s General Department in control and monitor the public procurement operations (Section 46-50), the identification of specific purpose method of public procurement (Section 56), the bidder consultation from the drafting of Terms of Reference (Section 59), the criteria of consultant selection in public procurement (Section 73), the use of discretion of government executive in public contract’s verification, extension and termination (Section 97,102,103), the exception of public contract termination (Section 104), the restriction of public representatives in appeal process (Section 114-119), the imposition of sentence (Section 120-121).

Interviews with the public procurement experts from Office of the Council of State asserted that additional comment that the numerous exceptions of each Section in the Government Procurement and Supplies Management Act B.E.2560 has not conclude to be the gap in law in public procurement practice, but its main purpose is to encourage the flexibility in public procurement operation. One participant commented that.

“The Government Procurement and Supplies Management Act B.E.2560 includes various exceptions in each section, this act is intended to provide the flexibility in the practical operation in public procurement process. The exception has also simplified the technical operations within the public procurement.”

The data has demonstrated that even though the government has been concentrated on the importance of legal measurement by issuing the Government Procurement and Supplies Management Act B.E.2560, but the public procurement corruption still exist. This is because of the weakness of public procurement operation in its policy formation and implementation, human resources selection and development, technological advancement, and budget management. Consequently, the guideline protection of public procurement corruption is necessary in order to accomplish more advanced goal in the management of public procurement process.

Discussion

The study indicates that there is inadequate public procurement corruption prevention in public procurement process of Thailand. As the situation of public procurement corruption has occurred recently, especially in the mega public procurement project and high value public procurement contract, these also equipped with complexity and severity. With patronage system in Thailand, it has influenced to the corruption in public procurement process. The organizational culture of corruption is pervasive. The patronage relationship enables the supports and helps toward certain groups of people, to achieve and to exchange the privilege among each individual. The opportunity has been the factor evolving the patronage relationship within the public procurement process. Definitely, the well-experienced and knowledge also lead to the occurrence of public procurement corruption as well as economic pressure.

Given the data and its analysis, it is agreed that there are certain problems related to the public procurement operation and its legal measures, which has cause the corruption in public procurement process. The public procurement process should shed light on the prevention of public procurement process prior to the occurrence of public procurement corruption case. In addition, the enhancement of prevention career path is required, in which it could motivated the skillful and experienced government officer involving in prevention operation. Combined with legal measures, law enforcement in public procurement corruption should be strictly regulated as well as the elimination of gap in law of the Government Procurement and Supplies Management Act B.E.2560.

This research proposed guideline for protection of public procurement corruption in Thailand. There is importance of public procurement corruption prevention in every context of public procurement process. As a result, the guideline for protection of public procurement corruption should be divided into three phase, which could outline to protection before proceeding the public procurement contract, protection during the management of public procurement contract, and protection after the accomplishment of public procurement contract. At the first phase, the prevention should emphasize on the reduction of opportunity and motivation before entering the public procurement process. This involved the development of morality, integrity, good governance on government officers and public's perspectives, the selection and development of appropriate government officers for public procurement operation, the re-designation of complaint system as well as introduction of witness protection, the adoption of pre-bargaining technique especially for the low rank officers, the improvement of auditing process on its information sharing, auditing period and auditing government officers, the decentralization from internal audit to external audit, the development of evidence collection techniques, its framework and its extend results, and the support of public representative's role and right to involved in public procurement corruption prevention.

The second phase prevention should consider to the attachment of public procurement contract's operation that should be align with the details and agreement in public procurement contract. In this phase, the operation of public procurement in each step from assessment of public procurement plan, budgetary approval, appointment of procurement committee, supplier qualification, announcement of bidder, purchasing and contracting for work, contract management, inventory control till written material off process is its primary focus. Moreover, other recommendations are the improvement of public procurement process by using the basis of decentralization and transparency, the development of high-technology tools and equipment to the procuring units, and the enhancement of career path and financial incentive for public procurement executives and its officer. Thus, this protection has lessen the tendency in committing the public procurement corruption from relating government officers during its process.

The third phase prevention considered the importance of the period after accomplishment of public procurement contract. The law enforcement of related legal measures and legal framework on public procurement corruption prevention should take into consideration. Apart from initiating and drafting the new laws in public procurement corruption prevention, its penalty should be used whether by criminal punishment and disciplinary punishment. Asset forfeiture proceeding should also initiate to reduce the public procurement corruption's interest as well as any other government compensation measures. Others prevention are the improvement of the trial process, by advanced the inquiry report in order to efficiently used it as a core element in trial process. Further, there should provide the training and knowledge management on the government officer involved in law enforcement agencies and organization, especially the knowledge and intellectual capacity in administrative law and criminal law. Taking into account of public procurement corruption suppression, this should be concerned for the government organization. The introduction of specific government organization responsible for public procurement corruption suppression should be organized as well as the formation of specific court for public procurement corruption case.

Regarding the guideline for protection of public procurement corruption, it has reflected the different opinions and comments of key participants, which depends on their experienced and responsibilities involved in public procurement process. Consequently, the collaboration of government representatives, public procurement officers, awarded bidder (local and foreign companies), procurement experts and public representatives is essential in order to pursue the protection of public procurement corruption in Thailand. The cooperation of each individual is fundamental to eliminate the patronage system that has been deeply-rooted in Thai's bureaucracy system. As a result, the law enforcement and legal measures should be enacted seriously, altogether with the operation in public procurement process and others supports from public representatives in monitoring of public procurement contract to ensure its beneficial outcome to the society.

Conclusion

The study indicates that the guideline for protection of public procurement corruption is significantly required in Thailand. In order to be effective, the prevention of public procurement corruption must focus on the elimination of patronage systems as well as the patronage relationship along the hierarchical structure of authority in related government organization. The achievement can be stimulated through more stringent law enforcement and the more consideration on subsequent problems in the operation of public procurement. The collaboration of different agencies, which include government officers, any others public representatives and non-organization has been used as a main mechanism in the prevention and suppression of public procurement corruption. By increasing public awareness and participation in monitoring and detect the malpractice towards public contract, therefore the public procurement process would be more secure and less risky to public procurement corruption.

Future Study

The study intended to propose the guideline for protection of public procurement corruption in Thailand, which based on the perspectives and opinions of whose work related to the public procurement process, includes the government representatives, public procurement officers, awarded bidder (local and foreign companies), procurement experts and public representatives. Further study could include the participant that was the offenders in public procurement corruption case whose have an experienced of committing the public

procurement corruption, which could help address more underlying factors and supportive elements in public procurement corruption practice.

Furthermore, Government Procurement and Supplies Management Act B.E.2560 has been the main themes in the guideline for protection of public procurement corruption. But it has recently been enforced in Thailand and become the first specific law of public procurement and supply management. Subsequently, there should be an existence of interruption and conflict regarding to the usage of Government Procurement and Supplies Management Act B.E.2560. As a result, further study should also analyze and evaluate the use of proposed the guideline for protection of public procurement corruption, as well as adapt its guideline for protection that is appropriate for the prevention of public procurement corruption in the future.

References

Boonyopas, Weerapong. 2014. **Economic Crime**. Bangkok: Nititham

Comptroller General's Department. 2014. **The Report of Total Expenditure in Public Contract 2012-2014**. Retrieved from www.oic.go.th/INFOCENTER2/223/#info_ma.

Department of Special Investigation. 2014. **Annual Report 2014 of Department of Special Investigation**. Retrieved from www.dsi.go.th/Files/20160111/F2016011140034-AnnualReport2014.pdf.

Government Procurement and Supplies Management Act B.E.2560.

Kramer, W. 2012. **The Most Common Procurement Fraud Schemes and Their Primary Red Flags**. Retrieved from iacrc.org/procurement-fraud/the-most-common-procurement-fraud-schemes-and-their-primary-red-flags/.

Office of the Auditor General of Thailand. 2011. **Annual Report 2007-2011 of Office of the Auditor General of Thailand**. Retrieved from www.oag.go.th/th/report/audit.

Payne, B. 2012. **Understanding White-Collar Crime;Definition, Extents and Consequences**. *White-Collar Crime: The Essentials*. New York: SAGE.

PricewaterhouseCoopers. 2016. **Economic Crime in Thailand**. Retrieved from www.pwc.com/th/en/publications/2016/economic-crime-thailand2016.pdf.

Prungtunyapruek, S. 1999. **The Factor Affecting the Investigation of Economic Crime Case of the Police Officers from Economic Crime Suppression Division of Thailand**. Master of Arts Thesis, Mahidol University.

Raymond, J. 2008. "Benchmarking in Public Procurement." **Benchmarking: An International Journal** 15 (6):782-793.

Regulations of the Office of the Prime Minister on Procurement B.E.2535 (1992).

Regulation of the Office of the Prime Minister on Electronic Procurement B.E.2549 (2006).

Smith, P. 2017. **"Public Sector Procurement Fraud- The Four Common Types."** Retrieved from www.publicspendforum.net/blogs/peter-smith/2017/02/26/public-sector-procurement-fraud-the-four-common-types.

UNDP & OPCD. 2015. **Integrity and Good Governance Risk Assessment in Public Procurement Process in Thailand**. Retrieved from www.opdc.go.th/uploads/files/2558/IntegrityRiskAssessment.pdf.

World Economic Forum. 2015. **The Global Competitiveness Report 2015-2016**. Retrieved from www3.weforum.org/docs/gcr/2015-2016/Global_Competitiveness_Report_2015-2016.pdf.