



SMART PUBLIC PROCUREMENT: The OECD work

White Paper Conferences: Public Procurement 2017

Paulo Magina

Head of the Public Procurement Unit

Public Sector Integrity Division, Public Governance Directorate

17 November 2017



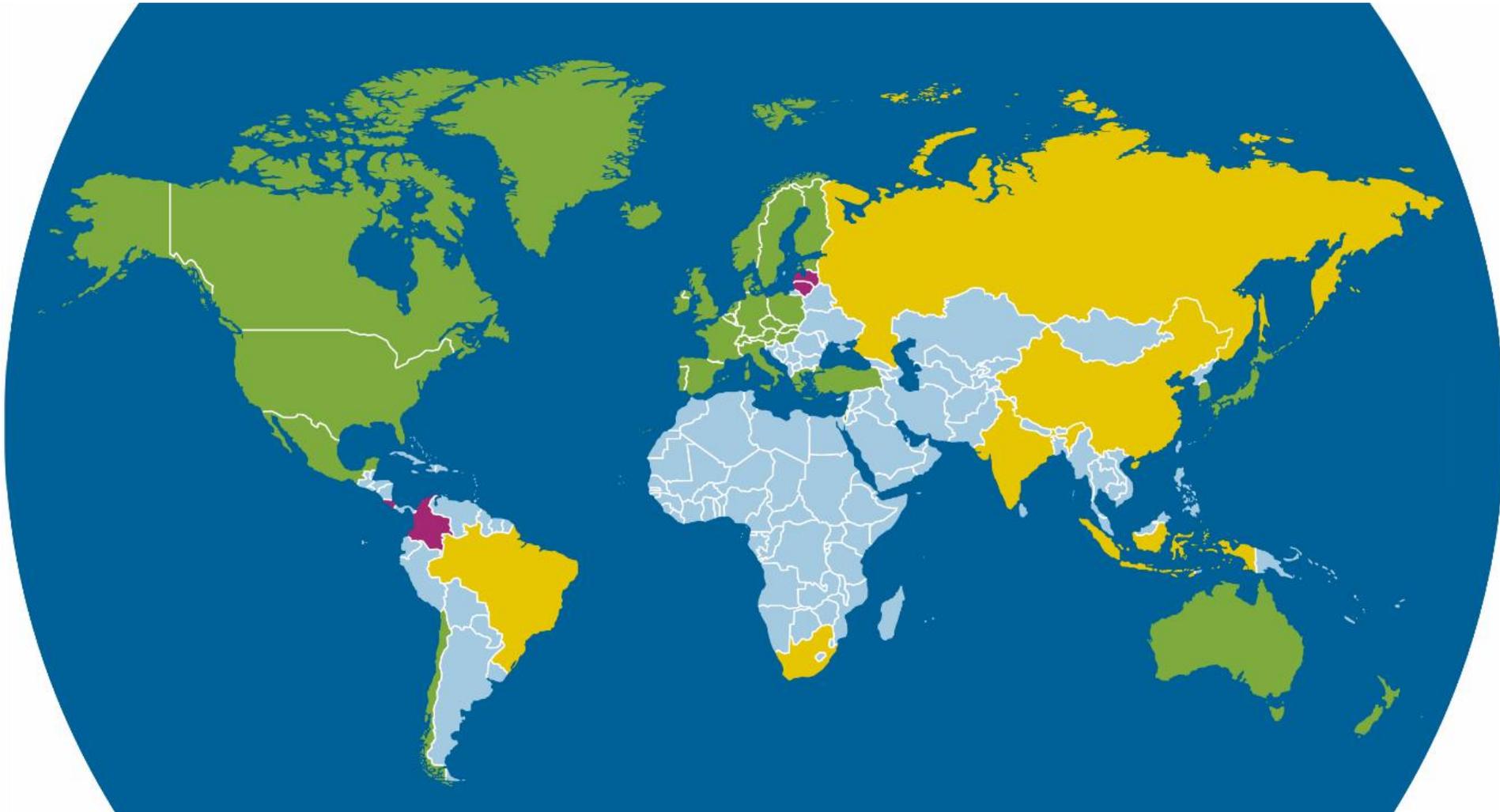
The OECD...

- ...is the global organisation that drives **better policies for better lives:**
- The OECD provides a forum where countries compare and exchange policy experiences, identify good practices, discuss emerging challenges and adopt recommendations for better policies.
- The OECD's mission is to promote policies that improve economic and social well-being of people around the world.

www.oecd.org

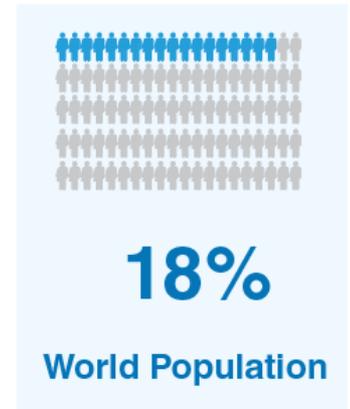


35 member countries, 4 accession
5 Key partners



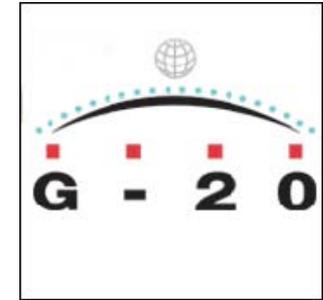


OECD - Fast Facts





Part of a global community





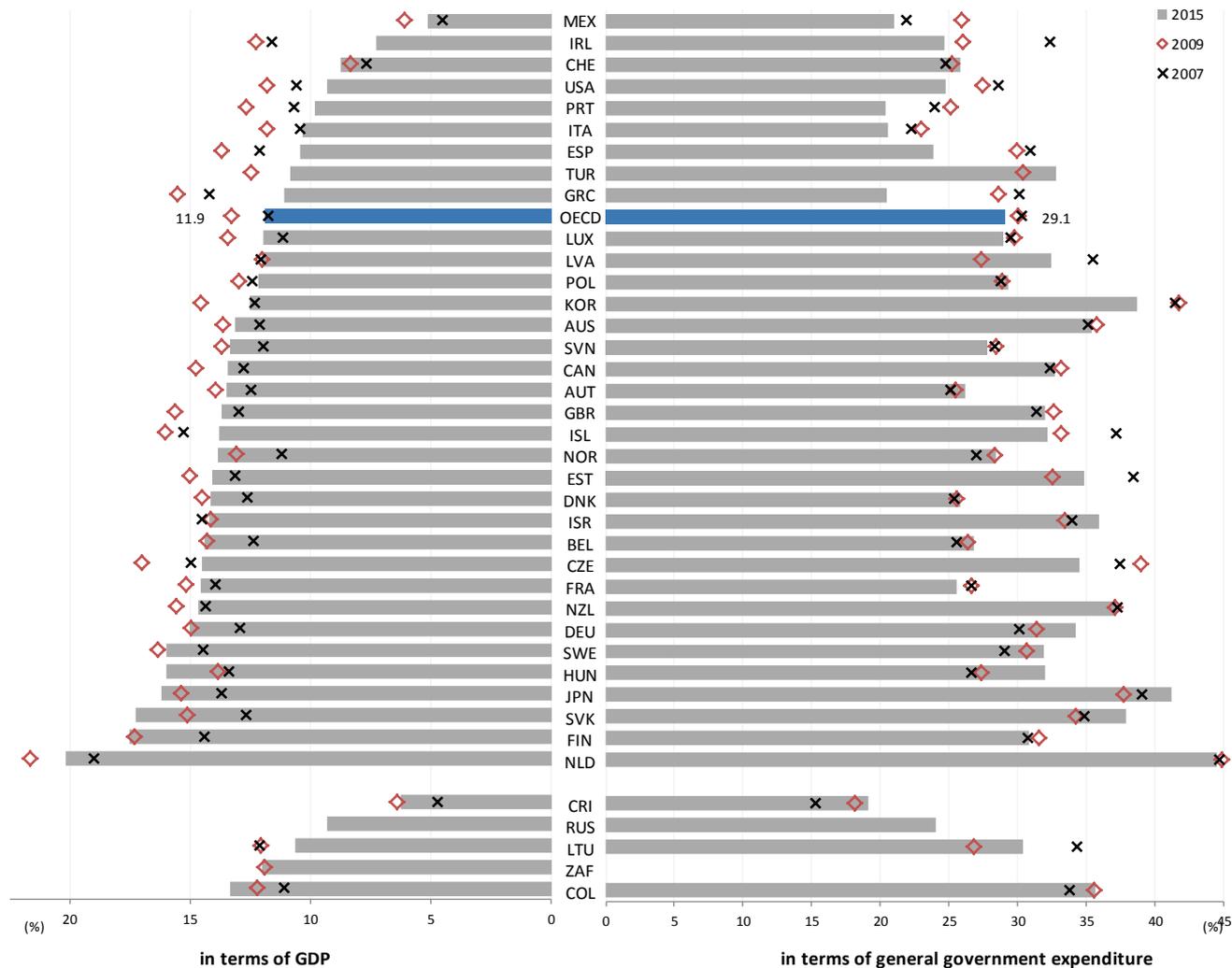
PUBLIC PROCUREMENT MATTERS



Public Procurement Matters

6.4 trillion EUR spending in OECD

Government procurement as share of GDP and of total govt. expenditures

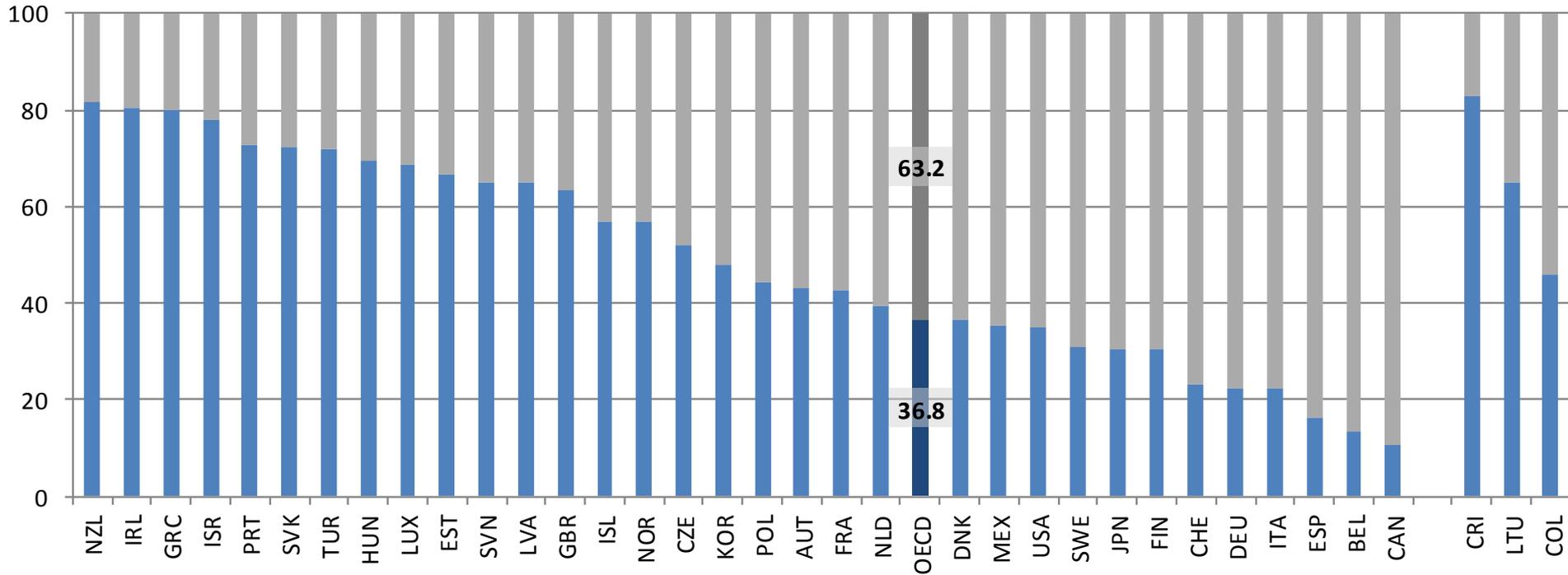




...managed at all levels of government

General government procurement by levels of government

■ Central government (2015) ■ Sub-central government (2015)

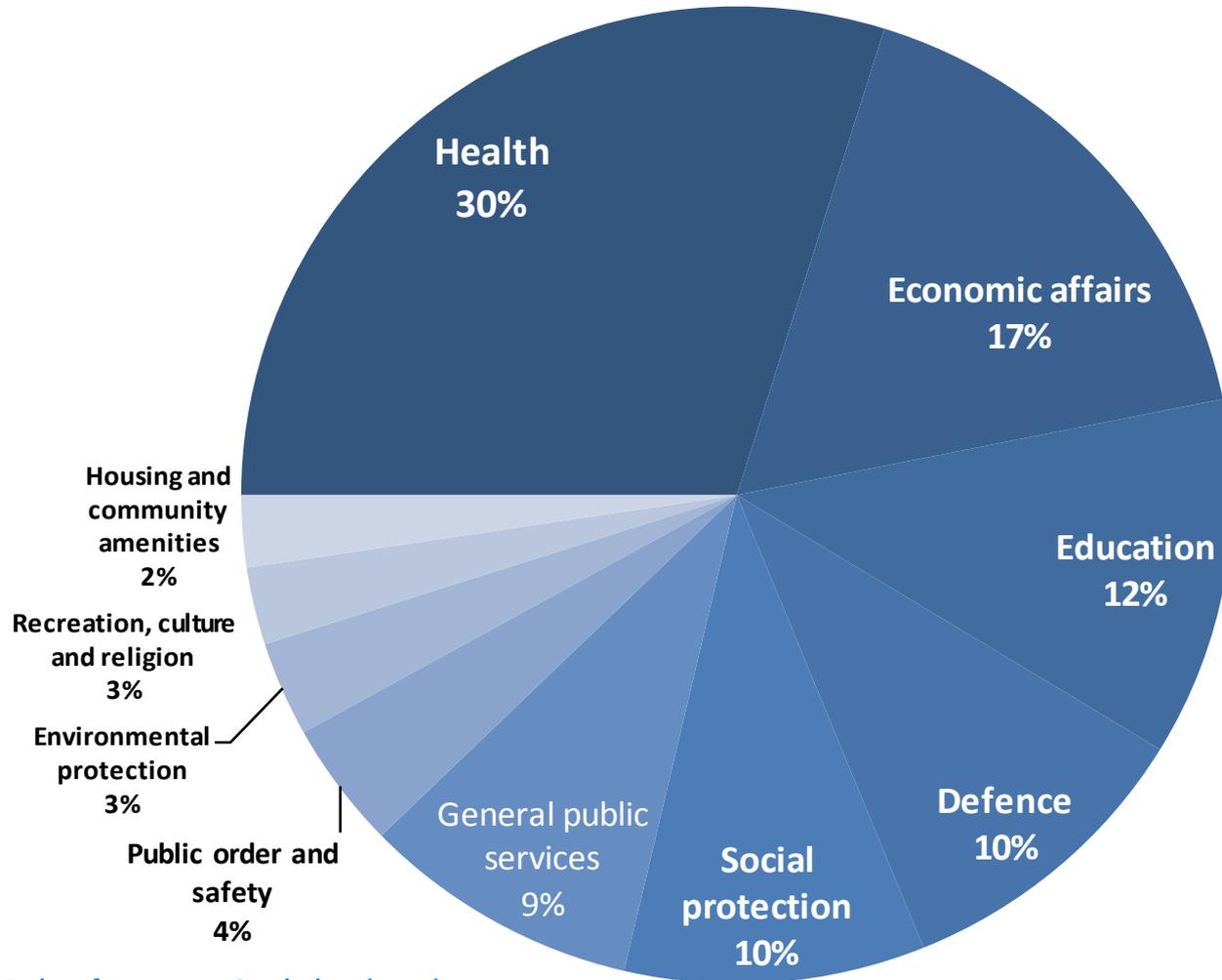


Source: OECD National Accounts Statistics. (2017)



Public procurement has high implications for public service delivery

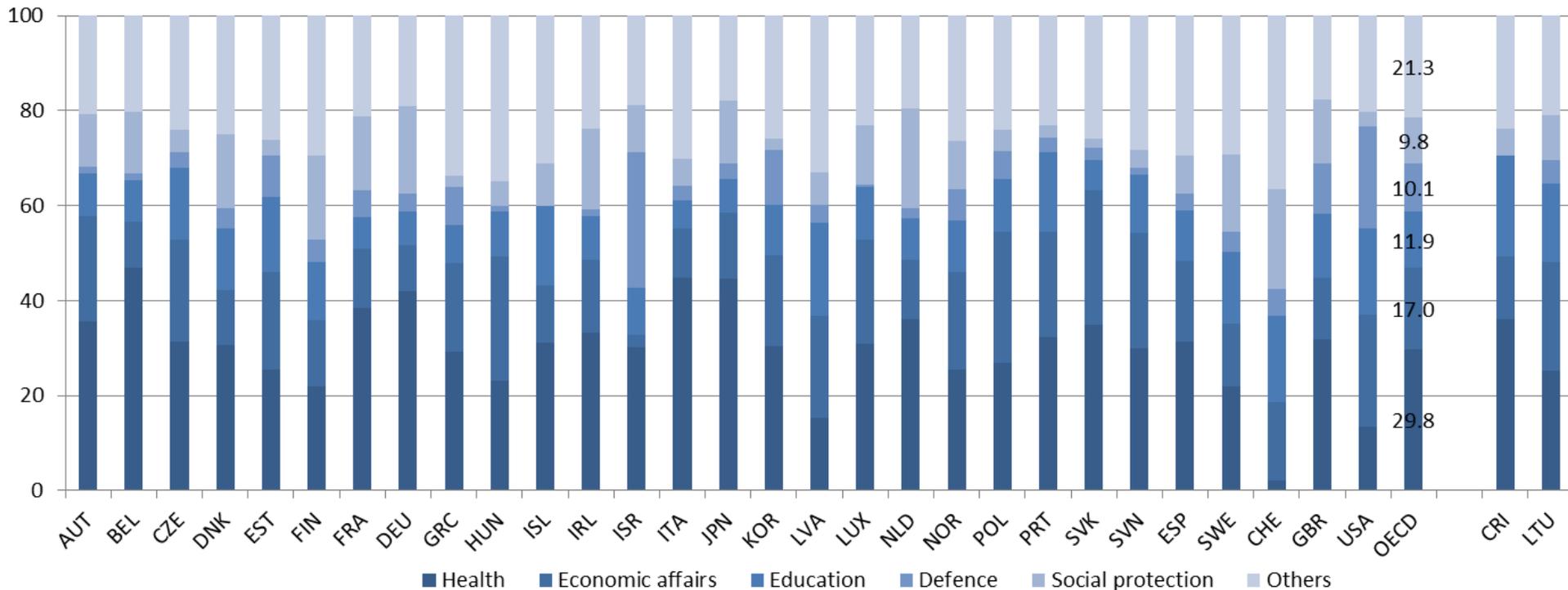
Structure of general government procurement spending in OECD countries (2015)





Public procurement has high implications for public service delivery (cont'd)

Structure of general government procurement spending (2015)



Source: OECD National Accounts Statistics. (2017)



THE OECD WORK ON PP



The OECD work on Public Procurement

For over a decade the OECD has supported governments in reforming their public procurement systems to ensure long-term sustainable and inclusive growth and trust in government by:

- 1) Providing international standards on public procurement;
- 2) Undertaking hands-on peer reviews that provide assessment of public procurement systems, either national or sectorial, and tailored proposals to address implementation gaps in specific context;
- 3) Bringing together a community of practice on procurement to shape directions for future reforms: *the Leading Practitioners*;



The OECD work on Public Procurement

- 4) Organising policy dialogue on the co-operation between government and the private sector also in the framework of the G8 and G20;
- 5) Collecting analytical, useful and reliable evidence across OECD countries on the performance of public procurement operations as well as the impact of procurement on broader public policy objectives: *Green, Innovation, SMEs*;
- 6) Coordinating the MAPS revision through leading a diversified working group composed of many MDBs, IOs, developing partners and countries.



Main findings from the OECD work

The OECD's experience in working with public procurement shows that a sound procurement system includes:

- a) procurement rules and procedures that are simple, clear and ensure access to procurement opportunities;
- b) effective institutions to conduct procurement procedures and conclude, manage and monitor public contracts;
- c) appropriate electronic tools;
- d) suitable, in numbers and skills, human resources to plan and carry out procurement processes; and
- e) competent contract management.



A standard for Public Procurement in the XXI century

- The 2008 OECD Recommendation on Enhancing Integrity in Public Procurement focused on integrity, transparency, accountability, good management, risk prevention and control.
- Interest in governance of public procurement to achieve efficiency and advance public policy objectives has significantly increased.
- The 2015 *OECD Recommendation on Public Procurement* promotes a strategic and holistic use of public procurement, modernises procurement systems, and is to be applied across all levels of government and SOE.

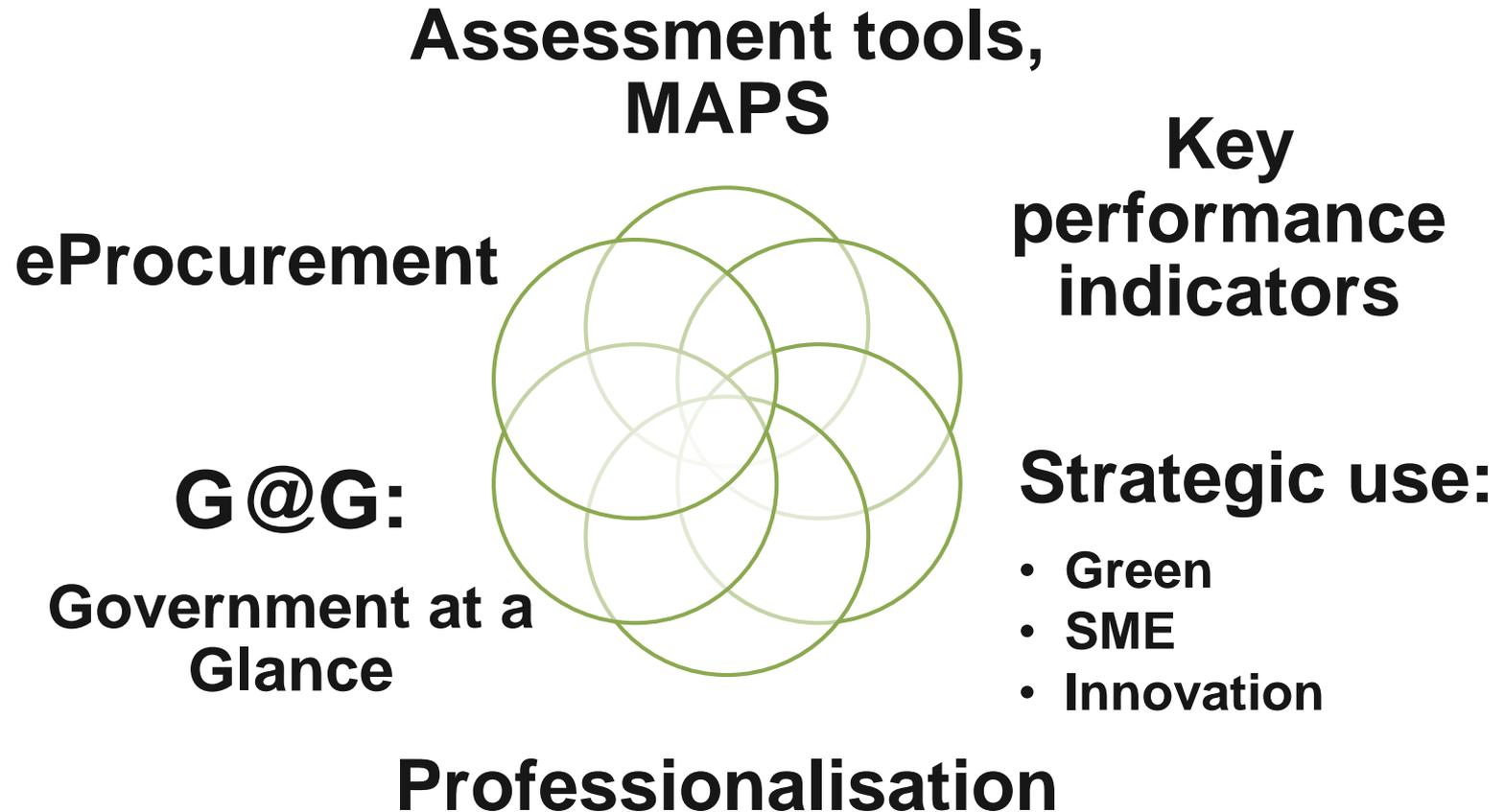


The 2015 Recommendation on Public Procurement: 12 integrated principles





Supporting countries by building evidence



→ [Toolbox - innovative, practical, collaborative solutions](#)

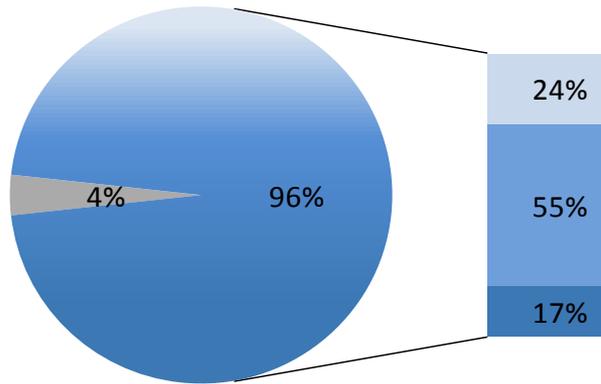


SUSTAINABILITY & STRATEGIC PUBLIC PROCUREMENT

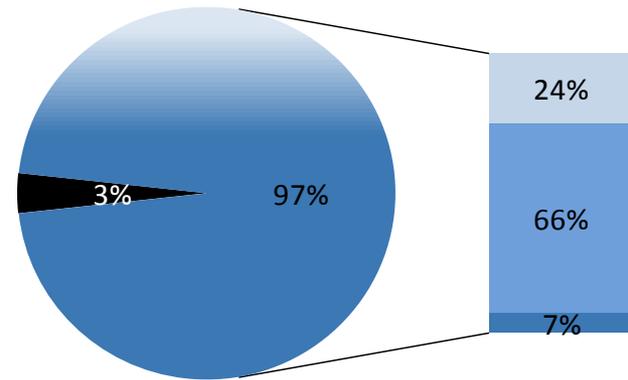


Development of PP Strategy/ Policy to support secondary policy objectives (2016)

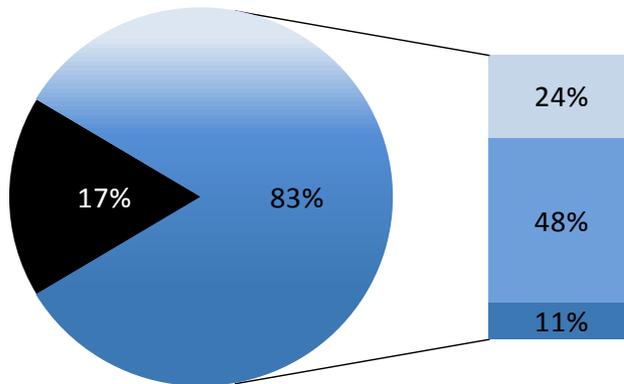
Green Public Procurement



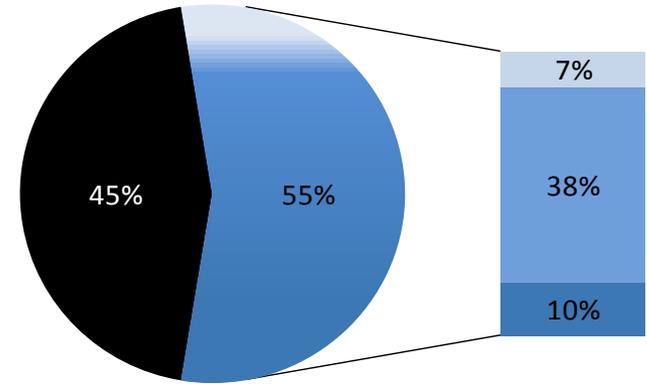
Support to SMEs



Support to procure innovative goods and services



Support to responsible business conduct



■ Never been developed

■ Has been rescinded

■ Developed by some procuring entities

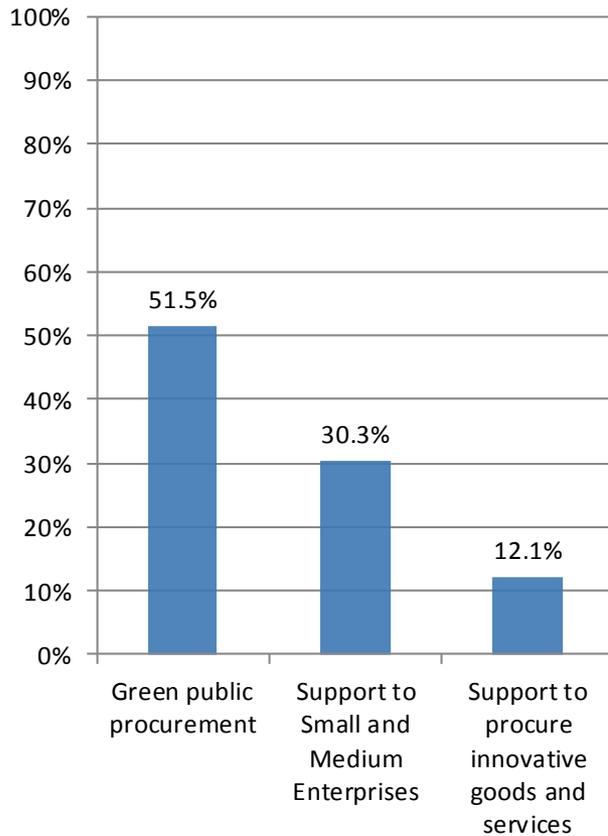
■ Developed at the central level

■ Developed at the central level and by some procuring entities

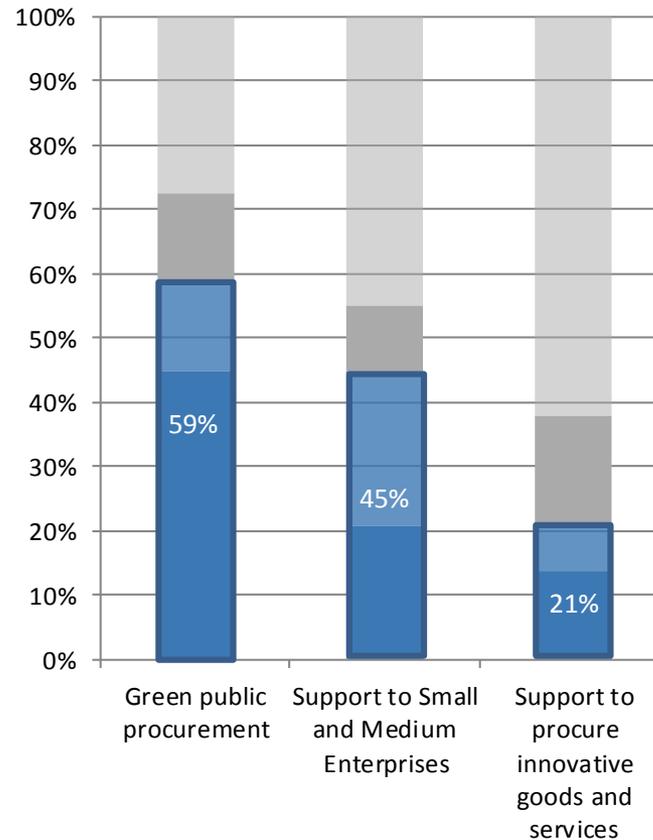


Countries increasingly use procurement to achieve broader policy objectives

Mandatory Use of Public Procurement for Secondary Policy Objectives



<2012>



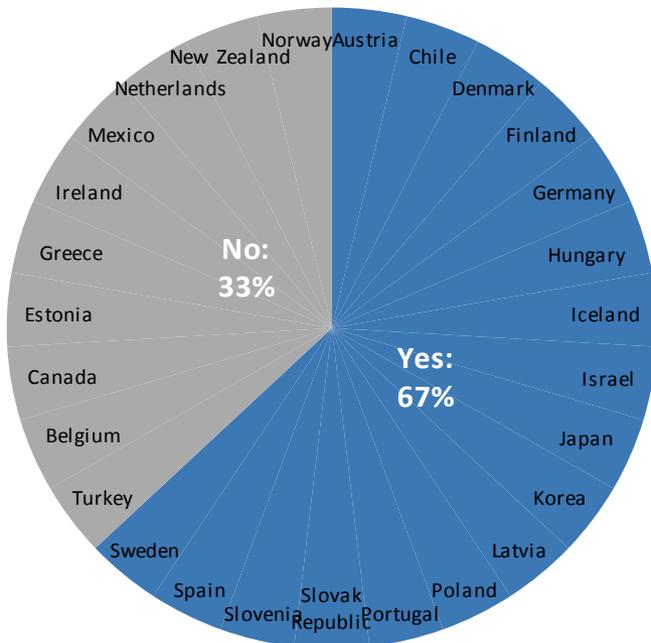
<2016>



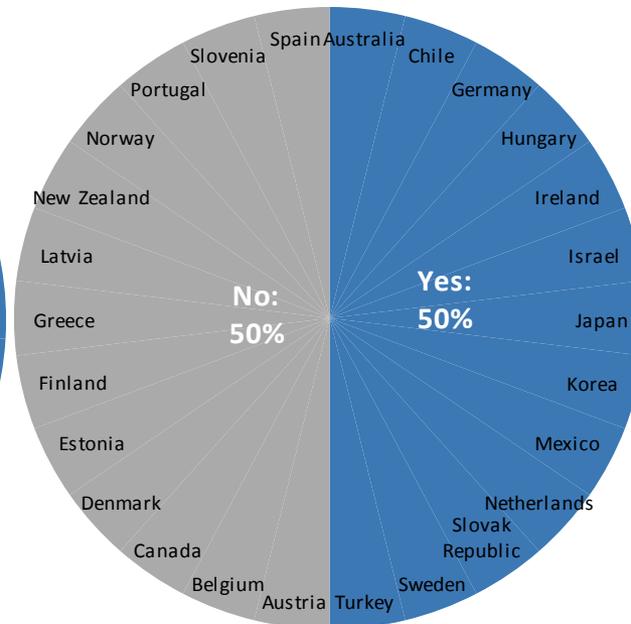
Measuring results: Strategic procurement

% of countries that measure the results of their public procurement to boost...

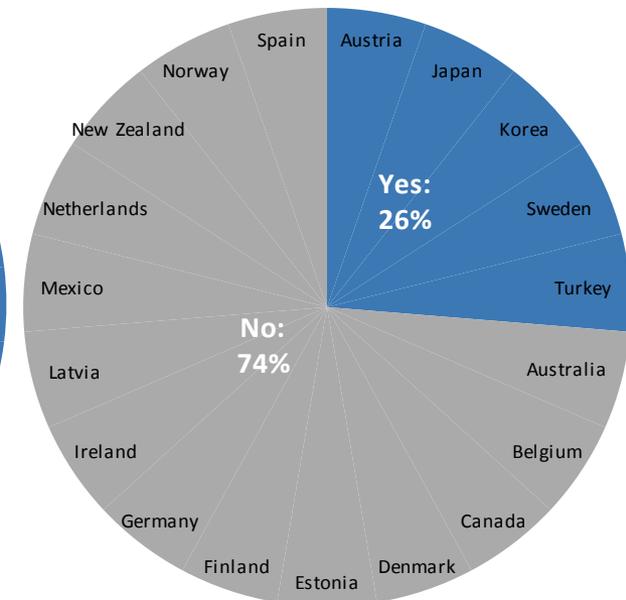
...Green Objectives



...SMEs



...Innovative Goods & Services

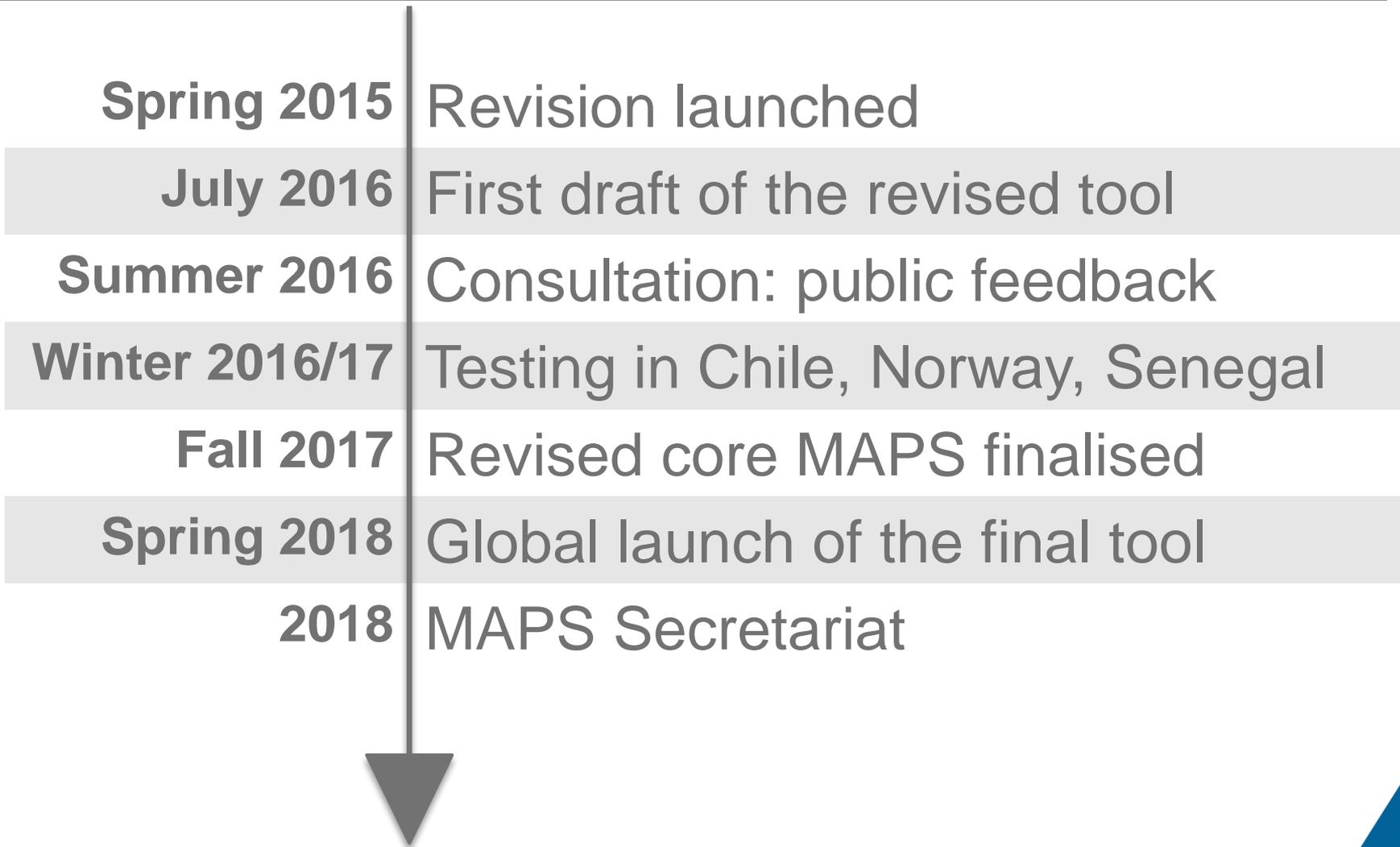




MAPS: METHODOLOGY FOR ASSESSING PROCUREMENT SYSTEMS



End of a two-year journey





What is the new MAPS?

Methodology for Assessing Procurement Systems

- Ambitious, universal tool for all countries to evaluate how well their public procurement systems work
- Used in the past 10 years in developing countries (over 90 assessments)
- Revision process in place since April 2015, linked to international standards, e.g. [OECD Public Procurement Recommendation](#) also aligned with the UN Sustainable Development Goals (SDGs)



MAPS and the SDGs

- **SDG Target 12.7**
 - “Promote public procurement practices that are **sustainable**, in accordance with national policies and priorities”
 - *MAPS Indicator 3(a): Sustainable Public Procurement + Optional Module*
- **SDG Target 16.6**
 - “Develop effective, accountable and transparent **institutions** at all levels”
 - *MAPS Indicators 5, 6, 8, 12, 13*



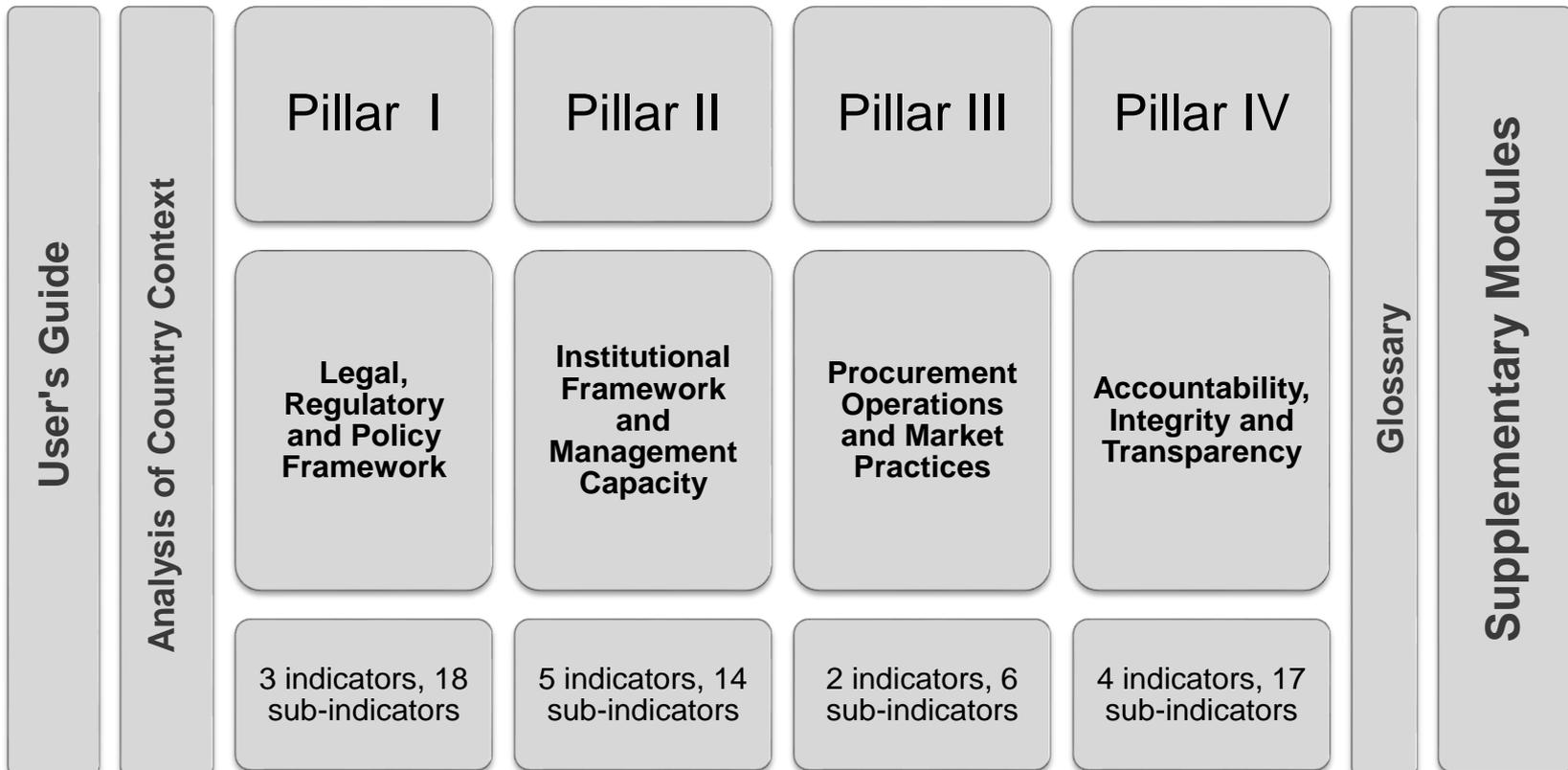
Characteristics of the **new MAPS**

- Harmonized tool
...to conduct an assessment of PP systems
- Universal tool, mutually reliable
...for all countries: Considers country context and political environment
- Reform tool
...to develop systems: Initiate improvements, encourage dialogue, monitor progress



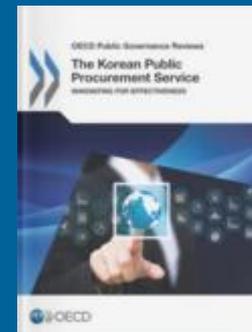
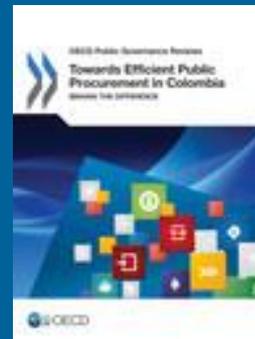
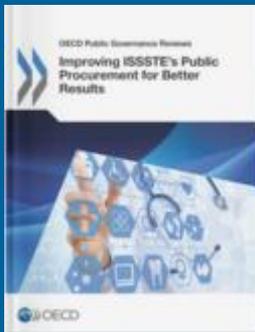
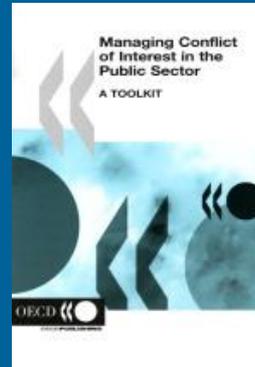
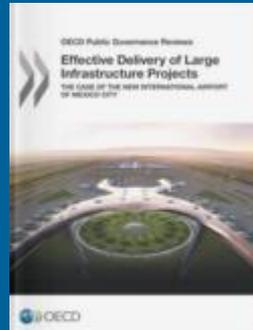
The MAPS Analytical Framework

MAPS





For more information on OECD work on public procurement



<http://www.oecd.org/gov/public-procurement/>