

Public Procurement Data Superpowers 2024

Public procurement data – driver for digital transformation

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Using data to enhance the functioning of public procurement systems

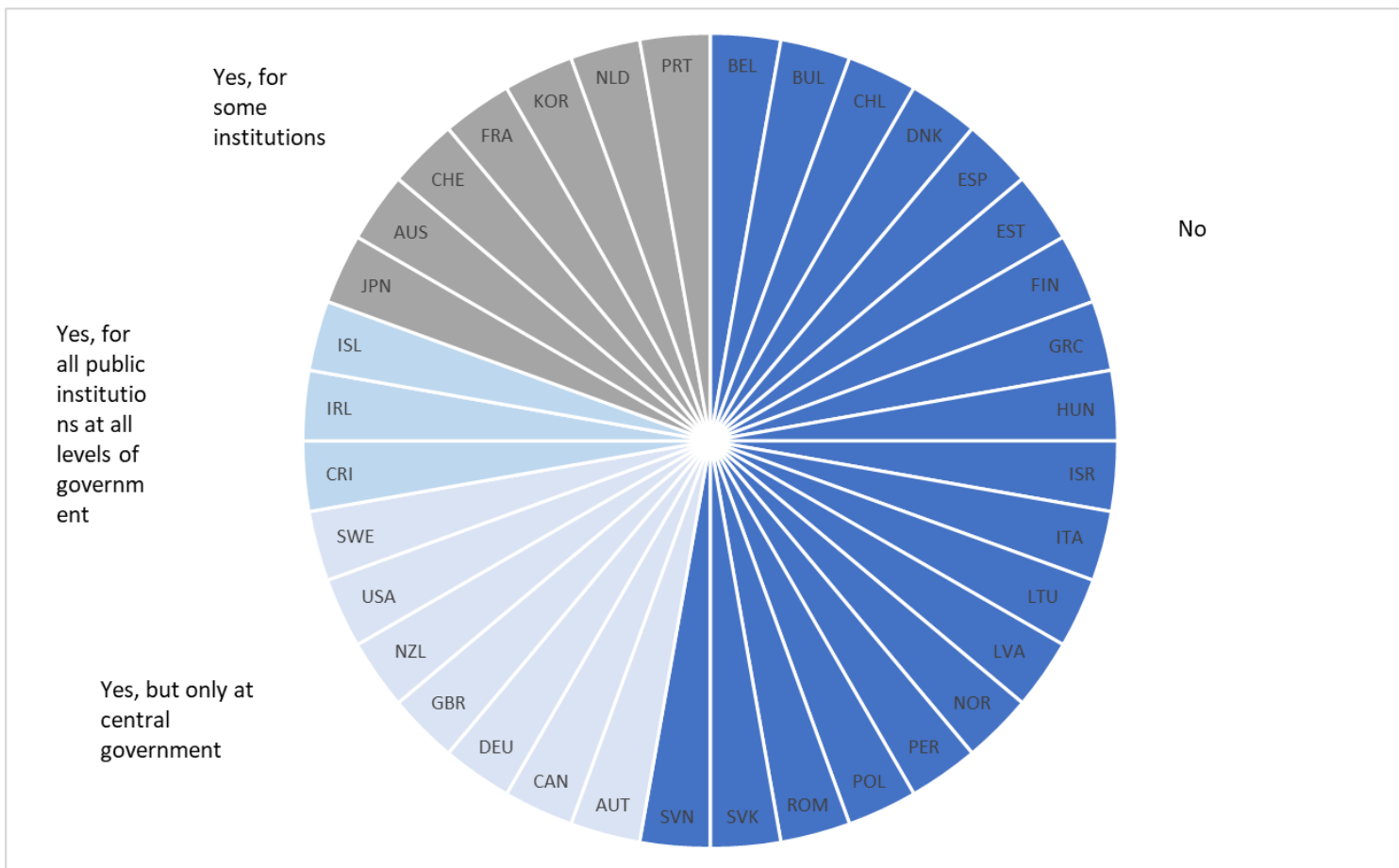
- **Policy level** - public procurement measurement framework
- **Operational level**
 - **Enhancing internal processes** within contracting authorities – needs assessment, planning, budgeting, etc.
 - **Control and oversight of public procurement** -- control bodies, oversight bodies – court of auditors, competition authorities, etc.

Key dimensions to consider for data relevant to public procurement :

- *Availability*
- *Quality*
- *Access (GDPR)*

Gaps in data collection: The example of Green Public Procurement

Public institutions required to report on their CO2 emissions and/or annual reduction targets



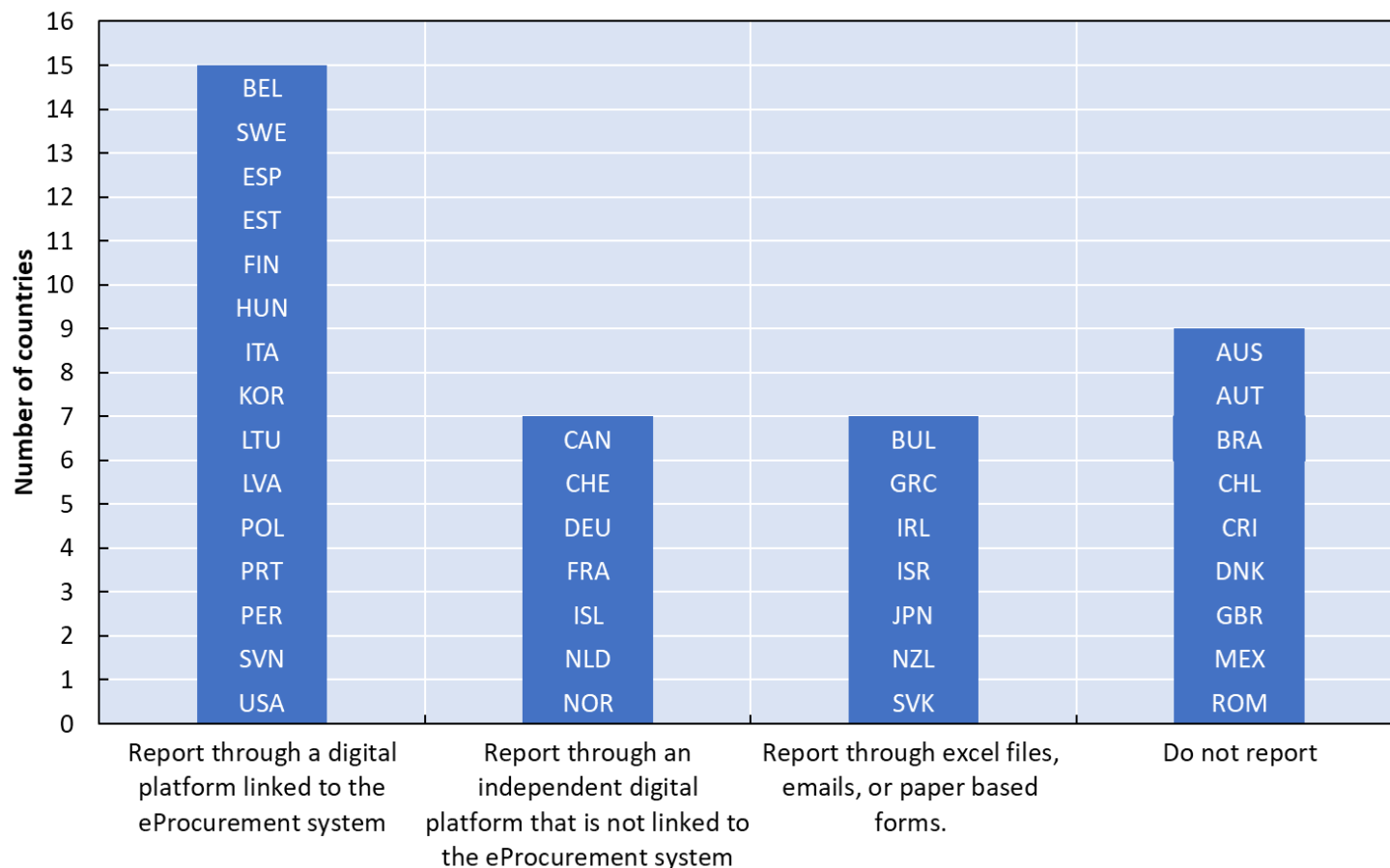
- **53%** of the surveyed countries do not mandate public institutions to disclose their carbon emissions
- **Only 11%** make it mandatory for all levels of government
- These findings reveal a gap in data collection and monitoring, which hinders the ability to assess whether the actions taken by governments, and the public sector more broadly, are delivering the expected environmental benefits.

Note: Figure shows the respondents responses to the question " Are public institutions required to report on their CO2 emissions and/or annual reduction targets?" Mexico and Brazil did not answer the question. Results show the answers of 36 countries.
Source: OECD (2022), Survey on Green Public Procurement.



Monitoring systems for GPP implementation

GPP Monitoring systems across OECD countries

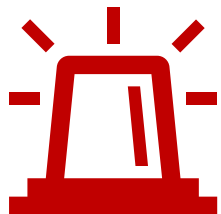


Note: The figure shows respondents answers to the question "How are public institutions required to report on GPP spend or number of tenders including GPP criteria? Please provide any relevant information."
Source: OECD Survey on Green Public Procurement (2022)

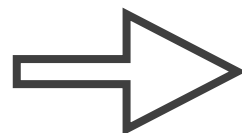
- The surveyed countries rely on different forms of monitoring systems to track GPP implementation, including digital platforms that can be either linked or separate from the main e-Procurement system/s, excel files, e-mails, or other forms of paper-based documentation
- Of the 38 countries that replied to the survey, **39%** rely on digital platforms that are linked to the e-Procurement, while **18%** use stand-alone online platforms or other monitoring arrangements
- **24%** of the surveyed countries do not require public agencies to report on GPP spending or the number of contracts including GPP criteria



Absence of measurement of GPP outcomes



- OECD countries **seldom measure the outcomes of GPP strategies**, such as emissions saved
- While **45%** of surveyed countries collect data on the value of GPP, only **13 out of 38 countries (34%)** measures the aggregated impacts of GPP
- **Data & evidence** are key to (i) understand how GPP contributes to emission reduction targets, and to (ii) inform targeted GPP strategies



OECD proposal to develop a **standardized framework for measurement in a Working Group**

- ✓ October 2023 - LPP Meeting
- ✓ interested participants: Norway, Canada, New Zealand, Slovenia, Netherlands
- ✓ **Scoping Note** developed to present the rationale and the next steps
- ✓ Leverage the ongoing effort of the IFCMA



Data-driven risk management

Regulatory and Compliance	Sustainability	Operational	Economic and contextual
Compliance with public procurement regulatory framework Compliance with relevant regulatory frameworks Integrity risks (fraud, corruption, collusion, etc.)	Environmental risks (e.g. procured goods have negative environmental impacts) Socials risks (e.g. human rights violations and labour rights abuses in supply chains) Resilience risks (e.g. inadequate specifications lead to infrastructure failures)	Digital risks (e.g. failure of e-procurement system) Capacity risks (e.g. lack of procurement staff with necessary technical skills) Supplier risks (e.g. disrupted supply chains)	Budgetary risks (e.g. insufficient funding allocation) Market risks (e.g. low number of bidders)

The identification of these risks rely on the availability / quality / access of data, including procurement data



Working with Members: the case of Portugal's SAIs (TdC)

Improving the Efficiency and Transparency of Public Procurement with a focus on Strengthening the Control Framework in Portugal

Long-term

- ✓ Increased reliability in detection of irregularities/ risks
- ✓ Improved public procurement transparency, accountability and efficiency of the use of public funds
- ✓ Accelerated digital transformation of the TdC and of civil servants' approaches and attitudes.

Short/Medium-term

- ✓ Better data governance
- ✓ Improved use of available PP information
- ✓ Stronger control capabilities and more efficient allocation of resources by the TdC

Main outputs

- Development of a data driven risk-based model
- Report on the efficient financial compliance and control of procurement
- Guidelines and capacity building - workshops





Potential data integration

- Improvements to IT infrastructure to enhance data-driven assessments in public procurement might be needed in this kind of projects.
- Data integration and interoperability issues always pose challenges; the project offers an opportunity to further enhance the quality of public procurement data.

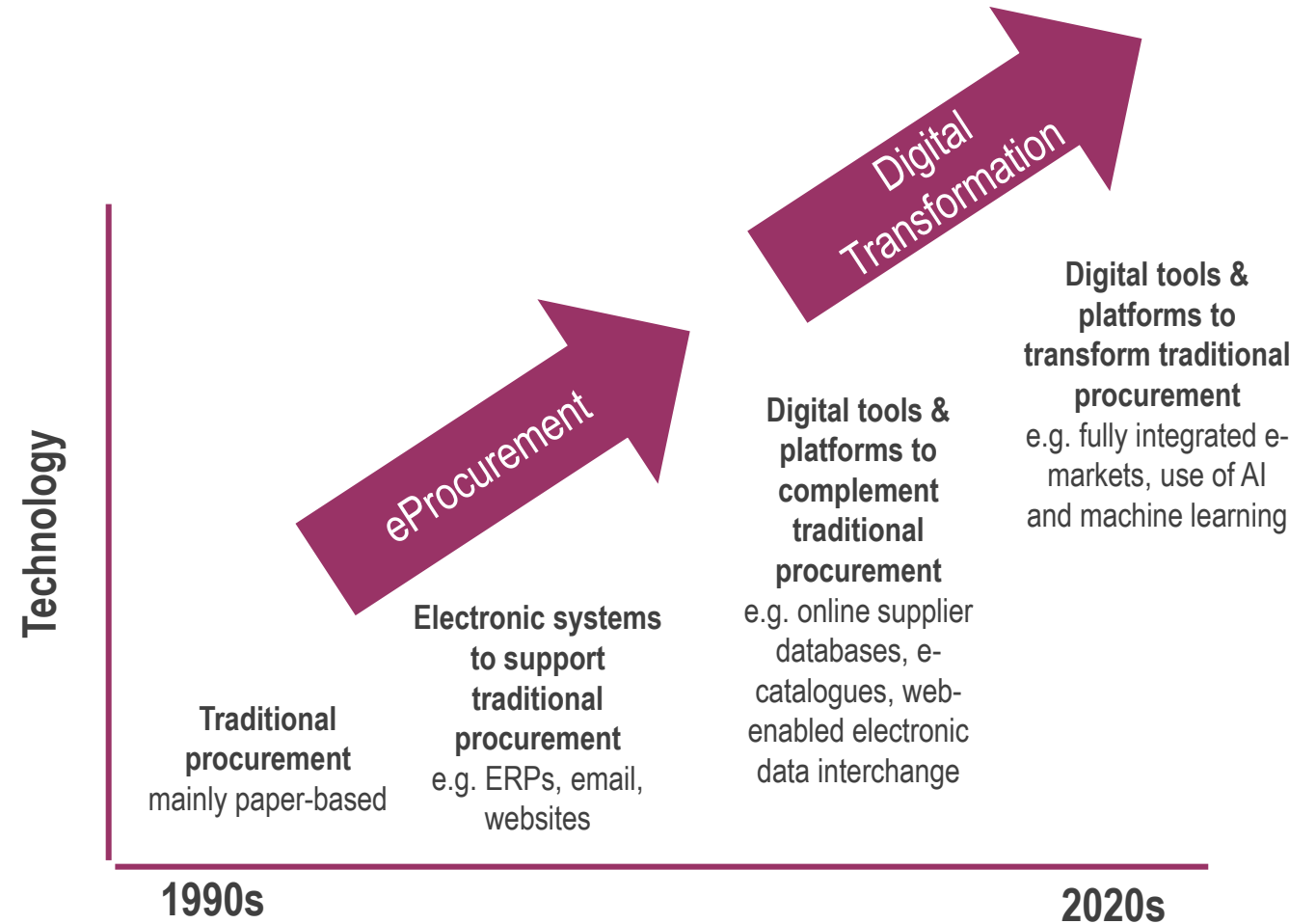
Entity/Stakeholder	Component	Variable to Match
IMPIC – Institute responsible for Public Contracting Portal ("Base")	Public procurement data: procedure, contract/item-level	ID of the contract
AT – National Tax and Customs Authority	Company data (tax and financial) Amounts invoiced to the entities controlled by the Court	Tax number of supplier/candidates Tax number of the entities controlled by the Court
Institute of Registries & Notary IRN – RCBE	Company data ("effective company beneficiaries")	Tax number of supplier/candidates



Digital transformation: going beyond public procurement digitalisation

Some lessons

- Digital transformation requires rethinking the public procurement life-cycle from an end-to-end perspective
- Digital transformation depends on the robust governance, sharing, and use of data
- Innovative technologies can deliver value throughout the procurement process

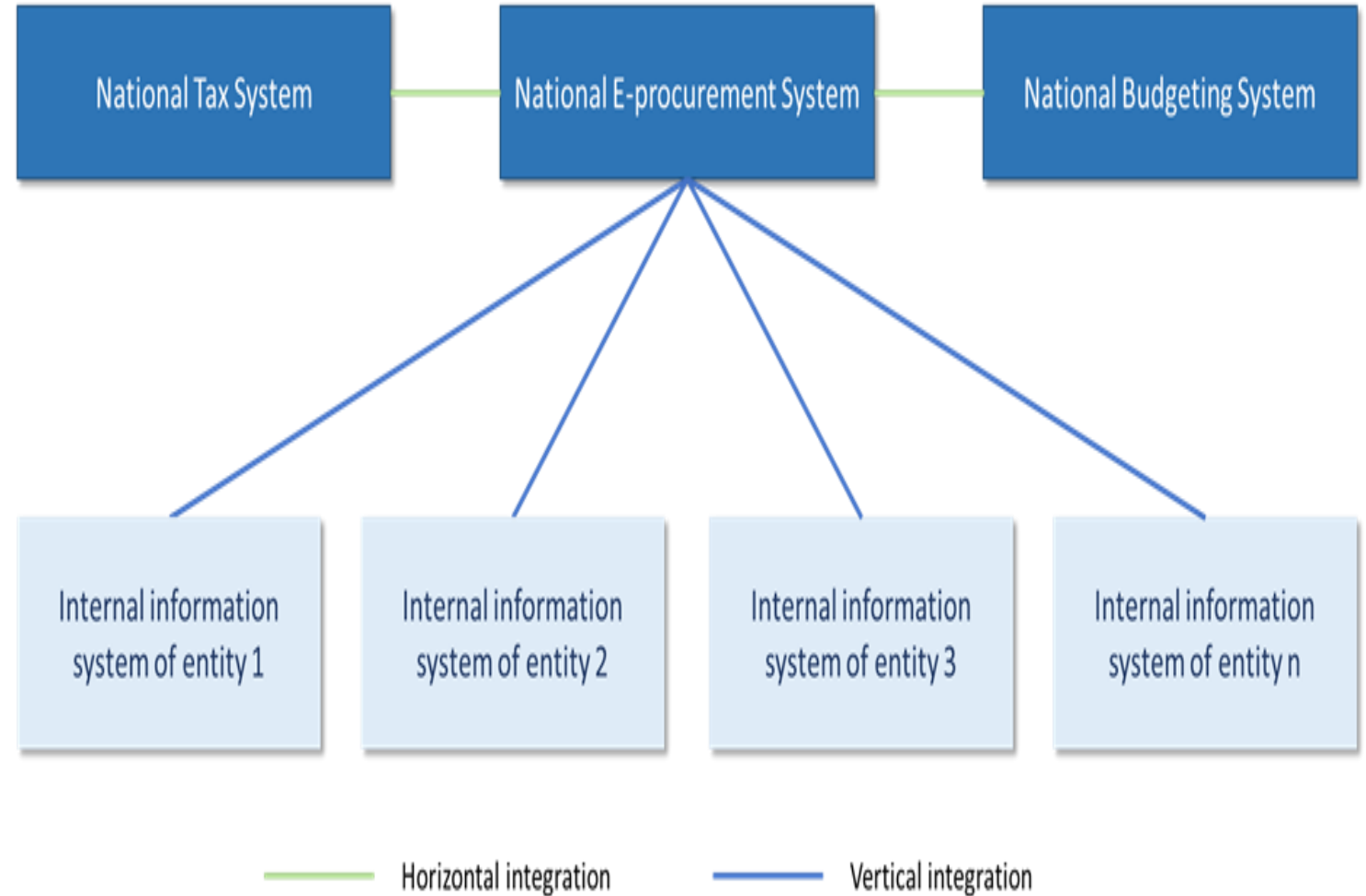




Public procurement as a driver of Digital Government

Digital procurement is a key driver of broader Digital Government trends:

- 'Once-only principle' – single entry / common platform / one-stop-shop
- Digital Identity
- Whole-of-government approach & involvement of relevant stakeholders
- Interoperability - **Integration with other digital government systems is essential to access different databases**

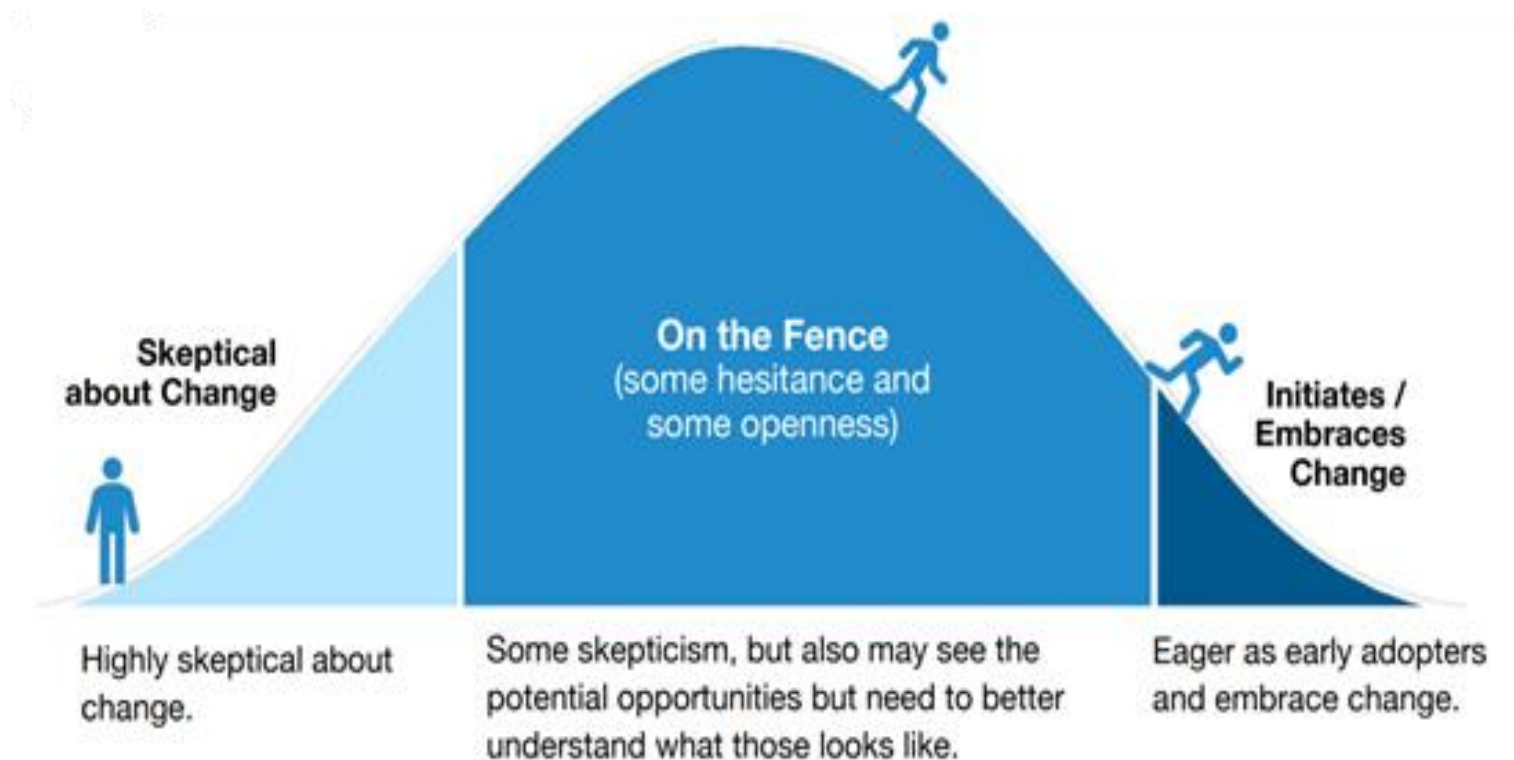




Procurement competency framework for digital culture

- Effective change management is critical component of successful digital transformation
- A key priority is enhancing data literacy and digital skills for assessing public procurement risks via focused training and sharing
- Ensure stakeholders maintain a robust understanding of data privacy and ethics as new tools are introduced

The Change Curve



Thank you very much for your attention!

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