

E-procurement

The use of digital technology in the public sector is a driver of efficiency and supports effective implementation and monitoring of policies by enabling more open, innovative and trustworthy government. In particular, e-procurement enables cost and time savings through automation and standardisation of the procurement process and improves transparency and accountability of the public procurement system.

Recognising the benefits of e-procurement, countries are increasingly digitalising public procurement processes. Every OECD country surveyed has implemented e-procurement systems, often a central platform accompanied by e-procurement systems of specific procuring entities. Yet, the functionalities covered by these systems vary widely across countries. E-procurement systems are most commonly used to publish and store public procurement information. With the exception of Sweden, all surveyed countries (29 countries) announce tenders and notify contract awards on their national central e-procurement systems. Tender documents are also provided on national central e-procurement systems in almost all OECD countries (26 countries) except for Denmark, Poland, Sweden and the United Kingdom where they are provided on e-procurement systems or websites of specific procuring entities. In around half of the OECD countries (15 countries), purchasing authorities at the sub-central level use central e-procurement systems as well.

The functionalities that are related to transactional aspects of e-procurement systems are provided in fewer OECD countries. National central e-procurement platforms in 21 countries provide electronic submission of bids, but far fewer countries do so for e-reverse auctions (11 countries), electronic submission of invoices (10 countries) and online catalogues (11 countries). Plans are in place in several countries to implement further transactional functionalities. For instance, Canada, Israel and Slovenia plan to implement electronic submission of bids in the coming years. The European Commission has developed initiatives supporting transition towards an e-procurement system that covers the whole public procurement cycle, including mandatory e-submission of bids in EU member countries by 2018.

Integration of e-procurement systems into other e-government systems is not yet a common practice in OECD countries. Integration of public procurement into overall public finance management, budgeting and services delivery processes has high potential to lead to better utilisation of public resources through better information transmission, standardisation and automation, and helps to increase accountability. E-procurement systems can also support and facilitate the connection of public procurement to other e-government technology systems. In OECD countries, e-procurement systems are most often integrated with business registries (8 countries), tax registries (7 countries), budgeting systems (6 countries) and

social security databases (6 countries). In several countries, the integration of e-procurement with other e-government systems is part of the government agenda, such as in Finland and Poland.

Countries are expanding their e-procurement systems through implementation of additional functionalities on the platforms and integration of the system with other e-government technologies to further enjoy the benefits of digitalising the public procurement cycle. However, only 10 OECD countries (33%), including Estonia, Finland, Korea and Portugal, measure efficiencies generated by the use of e-procurement system, focusing on diverse sources of efficiency, including savings in terms of time and transaction costs.

Methodology and definitions

Data were collected through the 2016 OECD Survey on Public Procurement, which focused on strategic public procurement, e-procurement, central purchasing bodies, public procurement at sub-central levels and infrastructure projects. A total of 30 OECD countries responded to the survey, as well as 3 OECD accession countries (Colombia, Costa Rica and Lithuania) and 1 OECD key partner country, India. Respondents to the survey were country delegates responsible for procurement policies at the central government level and senior officials in central purchasing bodies.

“E-procurement” refers to the integration of digital technologies in the replacement or redesign of paper-based procedures throughout the procurement cycle.

“Public procurement cycle” refers to the sequence of related activities, from needs assessment, through competition and award, to payment and contract management, as well as any subsequent monitoring or auditing.

Further reading

OECD (2016), *The Korean Public Procurement Service: Innovating for Effectiveness*, OECD Publishing, Paris. <http://dx.doi.org/10.1787/9789264249431-en>.

OECD (2015), “Recommendation of the Council on Public Procurement”, OECD, Paris, www.oecd.org/gov/ethics/OECD-Recommendation-on-Public-Procurement.pdf.

Figure notes

Data for the Czech Republic, France, Luxembourg, Switzerland and the United States are not available.

9.7: In Poland, tender documents are provided on the websites of procuring entities or in the e-procurement systems of some sectoral procuring entities.

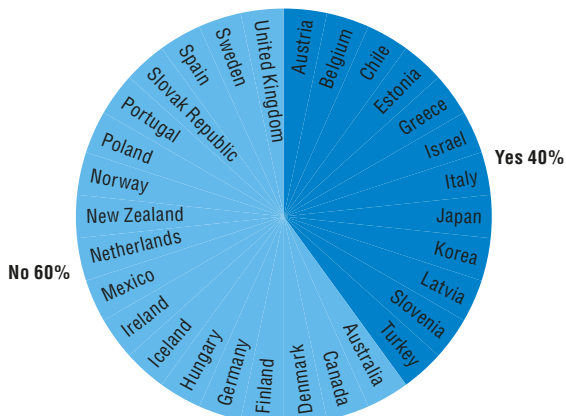
9.7. Provision of e-procurement functionalities

	Announcing tenders	Provision of tender documents	E-submission of bids	E-reverse auctions	Notification of award	E-submission of invoices	Online catalogue
Australia	●	●	●	○	●	○	○
Austria	◆	◆	◆	◆	●	●	◆
Belgium	●	●	●	●	●	◆	●
Canada	●	●	○	○	●	◆	◆
Chile	●	●	●	○	●	○	●
Denmark	◆	◆	◆	◆	◆	◆	○
Estonia	◆	◆	●	●	●	◆	○
Finland	●	●	●	●	●	●	◆
Germany	◆	◆	◆	○	◆	○	○
Greece	●	●	○	●	●	○	○
Hungary	●	●	○	○	●	○	○
Iceland	●	●	○	○	●	●	○
Ireland	●	●	●	○	●	○	○
Israel	◆	◆	○	●	●	●	○
Italy	◆	◆	◆	◆	◆	●	●
Japan	◆	◆	◆	○	◆	◆	◆
Korea	●	●	●	○	●	●	●
Latvia	◆	◆	●	○	◆	○	○
Mexico	●	●	●	●	●	○	○
Netherlands	●	●	●	○	●	○	●
New Zealand	●	●	●	●	●	◆	●
Norway	●	●	◆	○	●	◆	◆
Poland	●	◆	○	○	●	○	●
Portugal	●	●	●	●	●	○	●
Slovak Republic	●	●	●	●	●	○	○
Slovenia	●	●	○	●	●	●	●
Spain	●	●	●	○	●	●	●
Sweden	◆	◆	◆	◆	◆	◆	○
Turkey	●	●	●	○	●	○	○
United Kingdom	●	◆	◆	◆	●	◆	◆
OECD Total							
● In a national central e-procurement system	29	26	21	11	29	10	11
◆ Only in e-procurement systems of some specific procuring entities	1	4	3	5	1	7	5
○ No	0	0	6	14	0	13	14
Colombia	●	●	●	○	●	●	●
Costa Rica	●	●	●	●	●	●	●
India	◆	◆	◆	◆	●	○	◆
Lithuania	●	●	●	●	●	●	◆

Source: OECD (2016), Survey on Public Procurement, OECD, Paris.

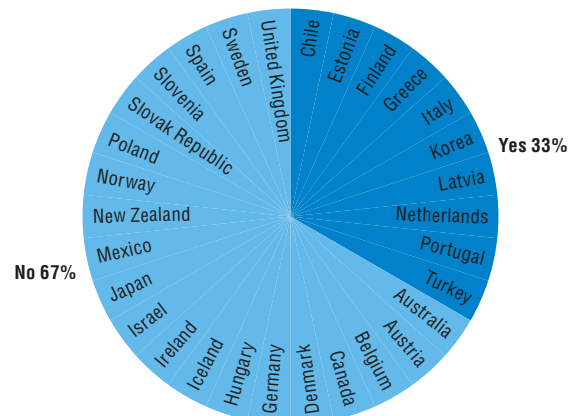
StatLink <http://dx.doi.org/10.1787/888933535259>

9.8. Integration of the e-procurement system(s) with other e-government technologies



Source: OECD (2016), Survey on Public Procurement, OECD, Paris.
StatLink <http://dx.doi.org/10.1787/888933533169>

9.9. Measuring of efficiencies generated by the use of e-procurement system(s)



Source: OECD (2016), Survey on Public Procurement, OECD, Paris.
StatLink <http://dx.doi.org/10.1787/888933533188>

