

Public procurement capacity and performance

The main objective of a public procurement system is to deliver efficiency and value for money in the use of public funds. Ensuring that public entities carry out public procurement in line with these objectives constitutes one of governments' important mandate. Countries increasingly measure efficiency and cost-effectiveness of public procurement by using performance indicators, along with increasing availability of procurement data. Public procurement data can help benchmark similar contracting authorities, or manage performance by tracking trends over time and measuring results against pre-defined targets. Such structured measurement and management of performance in public procurement constitutes the main pillars of a performance management framework. Additionally, a procurement workforce with adequate skills underpins the efficient and effective delivery of desirable procurement outcomes.

More than half of OECD countries report that they analyse procurement information and data to support strategic policy making on procurement. Price savings achieved as a result of a purchase is the most widespread performance indicator that contracting authorities measure in OECD countries, even though many of them also measure costs and time spent on procurement processes. However, only 30% of OECD countries established key performance indicators measuring outcomes of procurement processes versus set targets. Similarly, 33% of OECD countries have an authority in charge of managing the performance measurement framework. This suggests that many OECD countries analyse public procurement data and indicators in a decentralised, non-systematic fashion.

The skills required for public procurement officials vary considerably in OECD countries, across systems and levels of government, but also sometimes from one contracting authority to another. A certification system in public procurement can provide regular and targeted training on relevant skills to the workforce, contributing to boosting efficiency and to strategic public procurement objectives. It is closely linked to competency frameworks that map critical skills to the overall strategic direction of an organisation. A low number of OECD countries have certification processes (21%) and competency models to help set up entry requirements (30%) for public procurement professionals, both used to plan and design training for procurement staff. In Chile, the central purchasing body issues certificates to officers after they go through specific training. In France, the Ministry of Finance developed a comprehensive proficiency model with corresponding training modules while also exerting oversight on the training offer that each ministry develops for its procurement staff.

E-catalogues are a widespread efficiency tool for low-value purchases that usually qualify for simplified procurement processes or direct contracting. Some 52 % of OECD countries report that their e-procurement systems encompass e-catalogues. In Italy, Consip – the main the central

purchasing body – manages an advanced e-catalogue: the MEPA (Electronic Marketplace for the Public Administration) on behalf of the Ministry of Economics and Finance. The MEPA processed 640 000 low-value transactions in 2017. E-reverse auctions are another popular efficiency module incorporated into the e-procurement systems of 58% of OECD countries.

Methodology and definitions

Data were collected through the 2018 OECD Survey on the Implementation of the 2015 OECD Recommendations on Public Procurement. The survey focused on each of the 12 principles of the recommendation. Thirty-one OECD countries and one accession country (Costa Rica) responded to the survey. Respondents consisted of country delegates responsible for procurement policies at the central government level and senior officials in central purchasing bodies.

E-catalogues list available products and services that can be bought in an electronic format and typically include illustrations, prices, and product or service descriptions. Reverse auction/e-auctions are online functionalities that allow economic operators to submit downwards revised prices in real time, on line. Price savings are usually the difference between prices obtained through procurement and reference prices (for instance, average prices of bids, maximal allocated budget, etc.)

Further reading

OECD (forthcoming), *Report on the Implementation of the 2015 Recommendation of the Council on Public Procurement*, OECD Publishing, Paris.

OECD (2019), *Productivity in Public Procurement: A Case Study of Finland: Measuring the Efficiency and Effectiveness of Public Procurement*, <http://www.oecd.org/gov/public-procurement/publications/productivity-public-procurement.pdf>.

Figure notes

Data for the Czech Republic, Luxembourg, Switzerland, the United Kingdom and the United States are not available. On data for Israel, see <http://doi.org/10.1787/888932315602>.

8.10. Data for Germany are missing.

8.11. Data for Ireland and Italy are not available. In Norway, there is a certification for procurers at basic level, but it is not widely used.

8.12. Includes Japan and Italy, where online catalogues exist in the national e-procurement system, but also in the distinct e-procurement systems of specific contracting authorities.

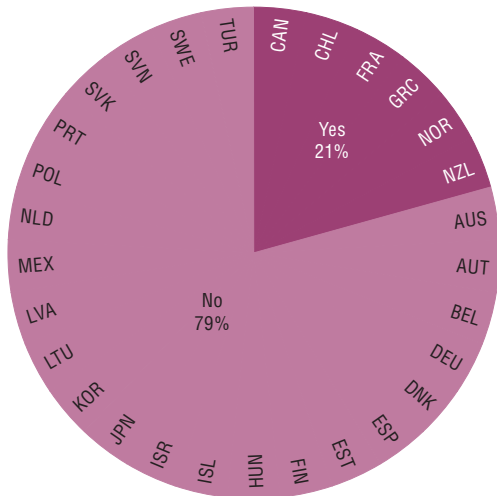
8.10. Performance management frameworks for public procurement, 2018

	A performance measurement system is established.	A performance measurement system focuses on outcomes of procurement processes versus set targets.	The information is used to support strategic policy making on procurement.	There is an authority(-ies) with clear responsibility for managing the performance frameworks.
Australia	○	○	○	○
Austria	○	○	○	○
Belgium	●	●	●	●
Canada	●	●	●	●
Chile	●	○	●	●
Denmark	○	○	○	○
Estonia	○	○	○	○
Finland	○	○	○	○
France	●	●	●	●
Greece	○	○	●	○
Hungary	●	○	○	○
Iceland	○	○	○	○
Ireland	○	○	●	○
Israel	○	○	○	○
Italy	●	●	●	●
Japan	○	●	●	○
Korea	●	●	●	○
Latvia	○	○	○	○
Lithuania	●	○	●	●
Mexico	○	○	●	○
Netherlands	●	●	●	○
New Zealand	●	●	●	●
Norway	○	○	○	○
Poland	○	○	●	○
Portugal	●	○	○	●
Slovak Republic	●	●	●	○
Slovenia	○	○	○	○
Spain	○	○	○	○
Sweden	○	○	●	●
Turkey	●	○	●	●
OECD Total				
Yes ●	13	9	17	10
No ○	17	21	13	20
Costa Rica	●	○	○	○

Source: OECD (2018), Survey on the Implementation of the 2015 OECD Recommendations on Public Procurement.

StatLink <https://doi.org/10.1787/888934032909>

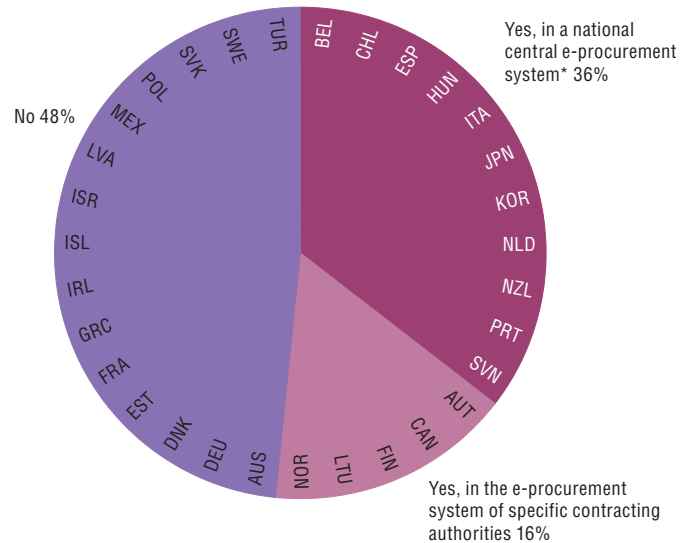
8.11. Certification process for public procurement officials, 2018



Source: OECD (2018), Survey on the Implementation of the 2015 OECD Recommendations on Public Procurement.

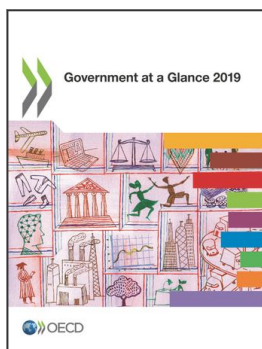
StatLink <https://doi.org/10.1787/888934032928>

8.12. Existence of online catalogues in e-procurement systems, 2018



Source: OECD (2018), Survey on the Implementation of the 2015 OECD Recommendations on Public Procurement.

StatLink <https://doi.org/10.1787/888934032947>



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