

Strategic public procurement

While efficiency and cost effectiveness are among the primary objectives of public procurement, governments are also increasingly using it to pursue additional secondary policy objectives. Secondary policy objectives could include promoting sustainable green growth, the development of small and medium-sized enterprises, innovation, standards for responsible business conduct or broader industrial policy objectives, through their procurement policies.

The vast majority of OECD countries surveyed use public procurement as a tool to implement policies or strategies to foster secondary policy objectives. In fact, 30 of them (94%), including Chile, Germany and Japan, have developed strategies or policies to support green public procurement, SMEs and/or innovative goods and services. Only two OECD countries – Estonia and the Slovak Republic – have never developed a public procurement strategy or a policy to address secondary policy objectives at the central level.

In sharp contrast, the number of OECD countries that report measuring the results of their strategies or policies to promote environmental or socio-economic objectives is significantly lower and exhibits differences between the policy objectives. Among the OECD countries surveyed who have a strategy or policy developed at the central level or by procuring entities (line ministries), 20 OECD countries (69%) including Belgium, Portugal, Sweden and the United States measure the results of their strategy or policy to support green public procurement. 18 OECD countries (62%), in particular, Australia, Poland, and Slovenia, measure the results of their strategy or policy to support SMEs. Only 11 OECD countries (39%) including Canada, Korea and the United Kingdom measure the impact of their policy or strategy to foster innovative goods and services.

For those countries that are not measuring the results of their strategies, the main challenges include the lack of data, as mentioned by, among others, Greece and Germany. Other countries such as Chile mentioned the lack of an appropriate methodology to measure the impact of their policies supporting green public procurement and SMEs. Furthermore, insufficient incentives to measure the effect of policies and the lack of financial resources were mentioned as constraints. In this context, the absence of a legal requirement was also signalled as a factor hindering the measurement of green procurement and support for innovative goods and services policies. For instance, Mexico and Norway acknowledged the absence of legal requirement as the factors constraining the pursuit of these measurements.

Methodology and definitions

Data were collected through 2014 OECD Survey on Public Procurement. 32 OECD countries responded to the survey, as well as Brazil, Colombia and Russia, accession countries.

Respondents to the survey were country delegates responsible for procurement policies at the central government level and senior officials in central purchasing bodies.

Secondary policy objective refers to any of a variety of environmental and socio-economic objectives such as green growth, the development of small and medium-sized enterprises, innovation or standards for responsible business conduct achieved through the use of public procurement. Governments increasingly use procurement as a policy lever to support such objectives, in addition to the primary objectives of public procurement: delivering goods and services necessary to accomplish government mission in a timely, economical and efficient manner.

Green public procurement is defined by the European Commission as “a process whereby public authorities seek to procure goods, services and works with a reduced environmental impact throughout their life cycle when compared to goods, services and works with the same primary function that would otherwise be procured.”

Innovative (goods/services) are those characterized by a new or significantly improved product or process. For an innovation to be considered as such, it needs to have been implemented, which is interpreted as having been introduced on the market.

Further reading


- OECD (2015), *Recommendation of the Council on Public Procurement*, OECD, Paris.
- OECD (2013), “Implementing the OECD Principles for Integrity in Public Procurement: Progress since 2008”, *OECD Public Governance Reviews*, OECD, Paris, <http://dx.doi.org/10.1787/9789264201385-en>.
- OECD (2014), “Procurement – Green Procurement”, www.oecd.org/corruption/ethics/procurement-green-procurement.htm.

Figure notes

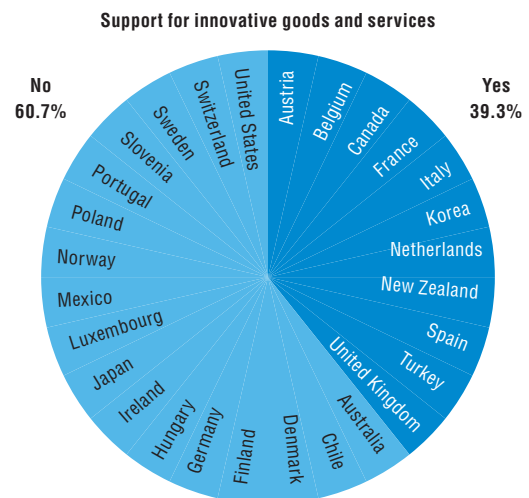
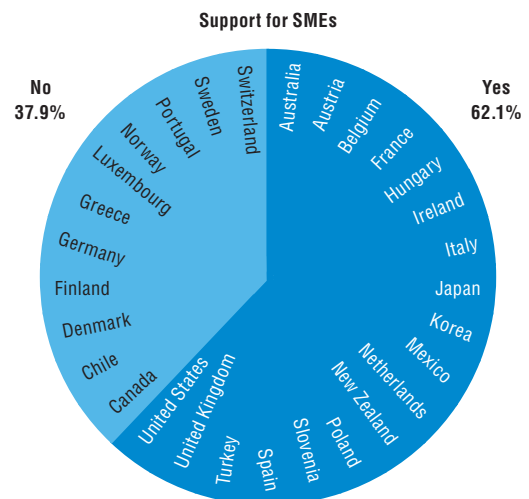
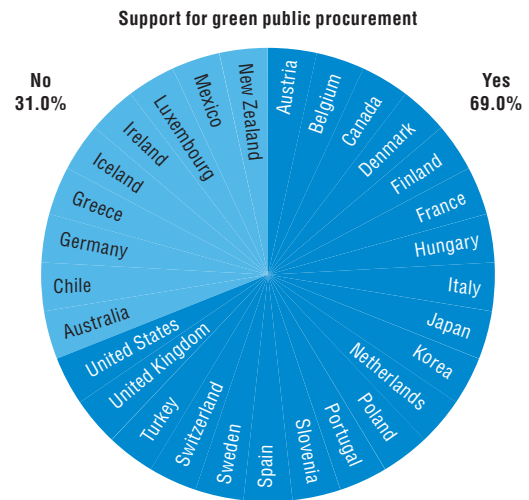
- 9.5: Data unavailable for the Czech Republic and Israel. In November 2014, the Norwegian Parliament decided that green public procurement will once again be under the responsibility of the Agency for Public Management and eGovernment (Difi).
- 9.6: Data unavailable for the Czech Republic and Israel. Estonia, Norway and the Slovak Republic are not included for the figure on support for green public procurement since policies or strategies for strategic public procurement have not been developed or have been rescinded. For the same reason, Estonia, Iceland and the Slovak Republic are not included for support for SMEs and Estonia, Greece, Iceland and Slovak Republic for support for innovative goods and services.

9.5. Development of strategic public procurement by objective, 2014

	Green public procurement	Support to SMEs	Support to innovative goods and services
Australia	●	●	●
Austria	●	◆	●
Belgium	◆●	●	●
Canada	◆●	●	●
Chile	◆●	◆●	●
Denmark	●	●	●
Estonia	○	○	○
Finland	●	◆	◆
France	◆●	◆●	◆●
Germany	●	●	●
Greece	◆●	●	○
Hungary	◆	●	●
Iceland	●	○	○
Ireland	●	●	●
Italy	◆	◆	◆
Japan	●	●	●
Korea	●	●	●
Luxembourg	◆●	◆●	◆
Mexico	●	●	●
Netherlands	●	●	●
New Zealand	◆●	◆●	◆●
Norway	■	◆●	◆●
Poland	●	●	●
Portugal	●	◆	◆
Slovak Republic	○	○	○
Slovenia	◆●	●	●
Spain	◆●	◆●	◆●
Sweden	◆●	●	●
Switzerland	◆●	◆●	◆
Turkey	●	●	●
United Kingdom	●	●	●
United States	●	●	◆●
OECD total			
◆ A strategy/policy has been developed by some procuring entities	13	11	10
● A strategy/policy has been developed at a central level	27	25	23
■ A strategy/policy has been rescinded	1	0	0
○ A strategy/policy has never been developed	2	3	4
Brazil	◆●	◆●	●
Colombia	◆	●	●
Russia	○	●	○

Source: OECD (2014) Survey on Public Procurement.
 StatLink  <http://dx.doi.org/10.1787/888933249055>

9.6. Measuring results of strategic public procurement's policies/strategies, 2014



Source: OECD (2014) Survey on Public Procurement.
 StatLink  <http://dx.doi.org/10.1787/888933249069>



From:
Government at a Glance 2015

Access the complete publication at:
https://doi.org/10.1787/gov_glance-2015-en

Please cite this chapter as:

OECD (2015), "Strategic public procurement", in *Government at a Glance 2015*, OECD Publishing, Paris.

DOI: https://doi.org/10.1787/gov_glance-2015-43-en

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.