



DRIVERS OF GLOBAL STOCKTAKE STUDY ON PUBLIC PROCUREMENT

Push for “More with Less”

Governments must do ‘more with less’: need for increasing **fiscal space** and **rationalization of resources**

- Public demand for more ‘social value’ from public goods and services
- COVID pandemic and global slowdown brings new immediacy to these challenges

Two main consequences:

- 1 Focus on ‘Value for Money’ and ‘Fit for Purpose’
- 2 The need for technology-leveraged service delivery





SCOPE AND APPROACH OF STOCK-TAKE REVIEW

“Deep Dives” in three critical thematic areas in public procurement:
Pragmatic, Country-Context, Consultative and Gaps Centered



A socioeconomic development tool

The process of public purchasing that would provide optimal value-for-money (VfM) to ultimate end-users within the context of country-owned priorities and objectives



A transactional business process

A discrete transaction for a specific purchase through which a buyer identifies its needs and engages in such transaction to obtain its needs from a given market within a VfM framework



A set of electronic and digital tools

Electronic and digital platforms and processes for use of new technologies by government to provide optimal VfM in public purchasing



SCOPE OF STOCK-TAKE REVIEW: CENTRAL ISSUE - 1



What are most critical ways public procurement can promote economic growth and development effectiveness?

Value for Money (VfM) -- that is country owned and driven:

Increase in VfM is a function of improvements in four critical dimensions:

- **Economy, efficiency, effectiveness, and equity**
- National regulatory framework:
 - Calibrates relative country-owned balance and focus of these essential elements



SCOPE OF STOCK-TAKE REVIEW: CENTRAL ISSUE - 2



What are most critical ways public procurement can promote economic growth and development effectiveness?

Increased **Value for Money (VfM)** driven by improvements in:

- **Economy and efficiency** - essentially transaction-specific costs and benefits:
 - 'internal' or intrinsic considerations
= transactional focus
- **Effectiveness and equity** - essentially wider costs and benefits:
 - externalities: positive or negative considerations
= socio-economic focus

THROUGH: Application of electronic and digital capabilities and innovations by governments to provide optimal VfM
= e-platforms at every level



REPORT: THREE MAIN PROCUREMENT POLICY AREAS OF CONSIDERATION

In addition to traditional financial dimensions:



1

Economic

Micro and Small-Medium Enterprises (SMEs)
Innovative Procurement
Local Content

2

Social

Labor and Human Rights
Disadvantaged Groups

3

Environmental

Cross-cutting issues:

- **EXTERNALITIES:** Synergies & Trade-offs
- **MONITORING & MEASUREMENT:** Outcomes & Impacts



A TRANSACTIONAL BUSINESS PROCESS

EFFECTIVENESS – at the “core” of increasing social value

Measured by achievement of:

- Economy, efficiency, equity: correct implementation
 - Mandated socioeconomic goals: (e.g., increased training and professionalization of staff, total number of SMEs or Disadvantaged awarded contracts, application of “green” qualification and evaluation criteria, accurate M&E frameworks, etc.)
- **OUTCOME AND IMPACTS: systemic integrity** in terms of transparency, responsiveness and accountability
 - Regulatory frameworks
 - Operational benchmarks





DIGITAL TOOLS IN E-GP

GROWTH OF E-GP AND BASIC CHALLENGES

Primary driver of electronic Government Procurement (e-GP):
greater efficiency, transparency, monitoring and measurement

- Robust real-time quantity and quality of data, interoperability with other government systems (e.g., company registers, beneficial ownership, tax information, etc.)

E-GP provides governments with **more options for data collection AND analytics, strategizing procurement, and managing cost**, starting from e-GP publishing systems to end-to-end e-GP purchasing platforms

BUT:

- For successful e-GP, need strong political commitment and adequate and sustained resource allocation, as well as effective inter-operability with other government e-platforms



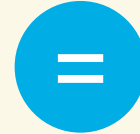


MORE STRATEGIC PUBLIC PROCUREMENT: A SOCIOECONOMIC DEVELOPMENT TOOL

Country-perspective:

National Development Framework

(varied matrix of national policy objectives)

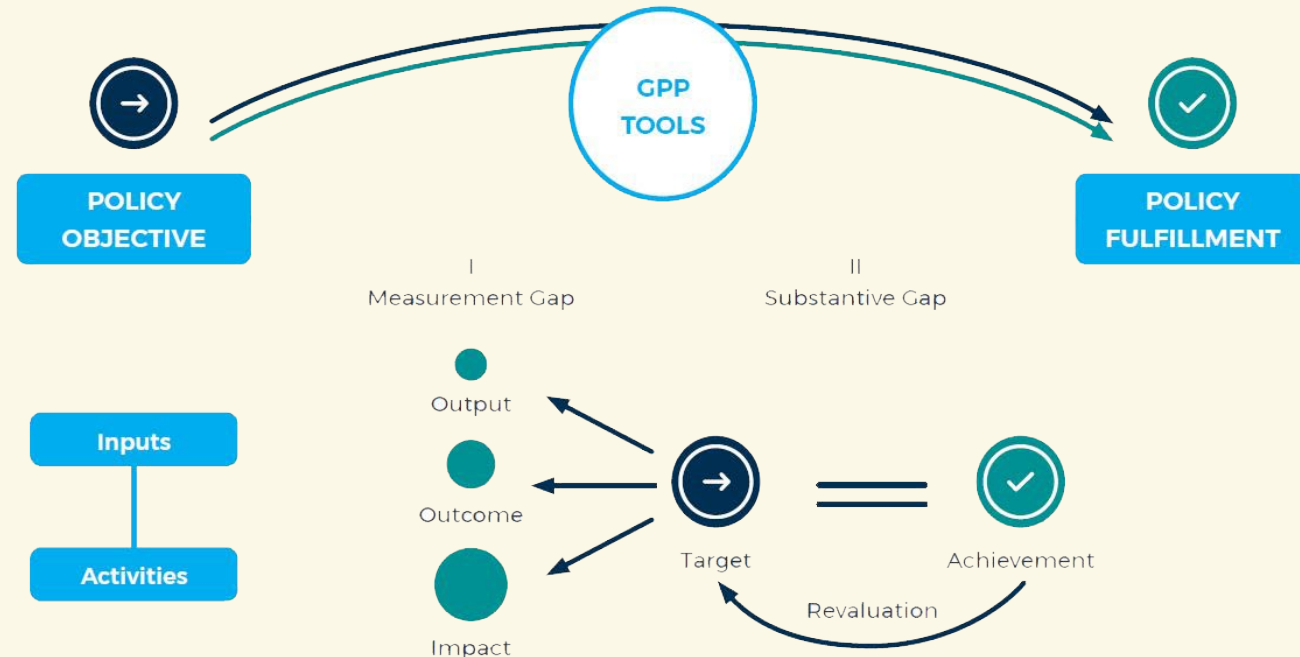


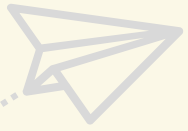
Value for Money (VfM)

(to maximize considerations of economy, efficiency, effectiveness, and equity)

Country-owned:

Identification of Measurement and Substantive Gaps





A POSSIBLE ACTION AGENDA FOR STAKEHOLDERS

SUMMARY OF FINDINGS: DETAILED THREE ANNEXES OF REPORT AND RECOMMENDATIONS TO "CLOSE THE GAPS"

Socioeconomic Development Tools, Transactional Processes, Digital Tools



- Monitoring and Measurement
 - Benchmarking country-owned achievements
 - Current data limitations: outcomes, impacts
- Capacity Building
 - Strengthening critical institutional and actor capabilities
- Procurement Governance
 - Guiding, supporting, and sustaining country-owned operational frameworks

THANK YOU!

HOW TO GET IN TOUCH:

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