



OECD SURVEY ON STRATEGIC INNOVATION PROCUREMENT

Structure & Recent Developments

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AGENDA

- OECD Recommendation of the Council on Public Procurement 2015 and OECD Survey on Strategic Innovation Procurement
- Strategic Public Procurement
OECD-Publication “Government at a Glance”



Implementing the OECD Recommendation: Federating Procurement Activities



Interest in governance of public procurement to achieve efficiency and advance public policy objectives has significantly increased.

The last 2008 OECD Recommendation on enhancing Integrity in Public Procurement were focused on integrity, transparency, accountability, good management, risk prevention and control.

The **2015 OECD Recommendation of the Council on Public Procurement** ensures the strategic and holistic use of public procurement. It provides a 21st-century reference for modernising procurement systems and can be applied across all levels of government and state owned enterprises.



Implementing the OECD Recommendation: Federating Procurement Activities

12 integrated principles





Implementing the OECD Recommendation: Federating Procurement Activities

The integrated principle of Balance

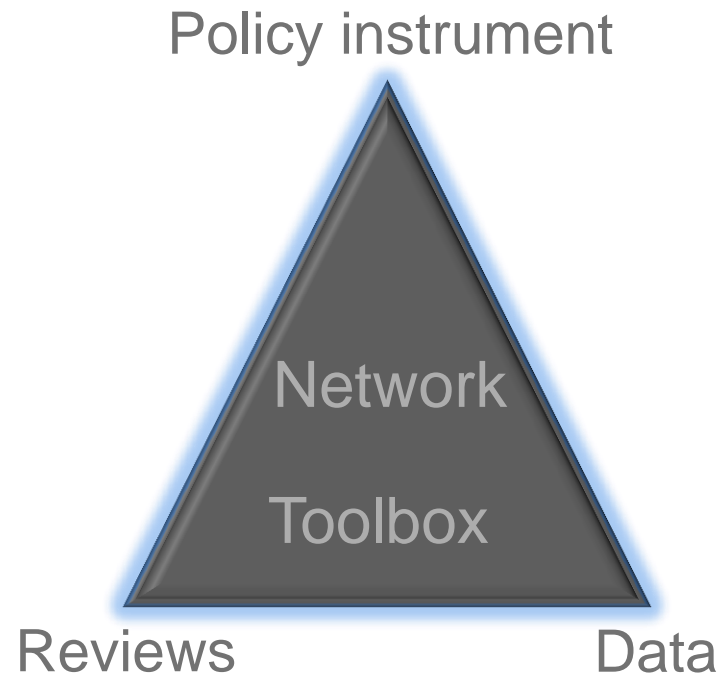


- **Balancing** Secondary Policies Objectives against the Primary Procurement Objective
 - primary procurement objectives like delivering goods and services in a timely, economical and efficient manner
 - secondary policy objectives such as sustainable green growth, development of SMEs or standards for responsible business and innovation
- **Appropriate Strategy**
- **Impact Assessment**



Implementing the OECD Recommendation: Federating Procurement Activities

- **Vision:** An international reference for public procurement standards, good practice and forward-thinking
- **Implementation** of the Recommendation until 2018



Building evidence:

- Assessment tools
- Key performance indicators
- Strategic use of PP => Green, SME, Innovation
- Professionalisation
- E-Procurement

Toolbox - innovative, practical, collaborative solutions



Why this OECD Survey on Strategic Innovation Procurement?

- Aside from its economic significance public procurement is increasingly recognised as a potential **strategic instrument** for achieving innovative, social and environmental policy objectives.
- Among these referred secondary policy objectives **Public Procurement of Innovation** is probably the one with the highest potential impact on economic growth.
- Although in some OECD countries **Innovation Procurement** is already added to national or sub-national innovation strategies, it seems, that there is still a need for action to foster Strategic Innovation Procurement for instance by sharing **good practice** and **guidance**.



OECD Survey - Structure

- **Part I** is more **policy-oriented** and based on 6 questions of the “ERAC-Questionnaire on Innovation Procurement 2014” (ERAC - European Research Area and Innovation Committee) with question on strategic dimension, implementation and impact in collaboration with the ERAC-Secretariat in Brussels.

(The use of E-Procurement tools to innovate the administrative procedure does not fall under Strategic Innovation Procurement)
- **Part II** is based on the OECD Observatory Public Sector Innovation Survey (OPSI) and focused on the typology of public procurement especially on the use of strategic innovation procurement, this part will be more a **practical case studies** collection.



OECD Survey - Recent Developments

- **Part I: First Trends**

In most OECD Countries the procurement process is getting from a more limited administrative procedure towards a “**smart**” procurement management, including strategic innovation procurement.

- **Part II: Good Practice Cases**

Most respondent have sent a good practice case on strategic innovation procurement on national or sub-national level.

A need of data collection, data exchange and coordination of good practice cases is recognised.

The use of cross border procurement for strategic innovation procurement is not very often the case.



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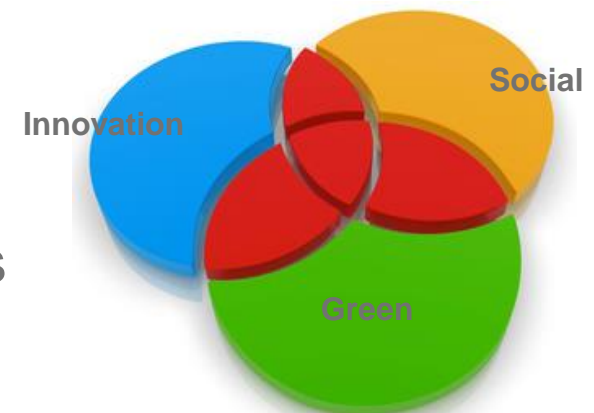


Government at a Glance 2013

Public Procurement (G@G 2013 - excerpt)

Many OECD countries are already

- professionalising, consolidating their purchases and adopting ICT in the procurement process (97% use national e-systems)
- are using strategic public procurement policies not only to foster value for money but also to pursue other objectives such as:
 - innovation
 - social aspects
 - sustainable growth
- and use innovative procurement tools (94% use framework agreements),





Government at a Glance 2015

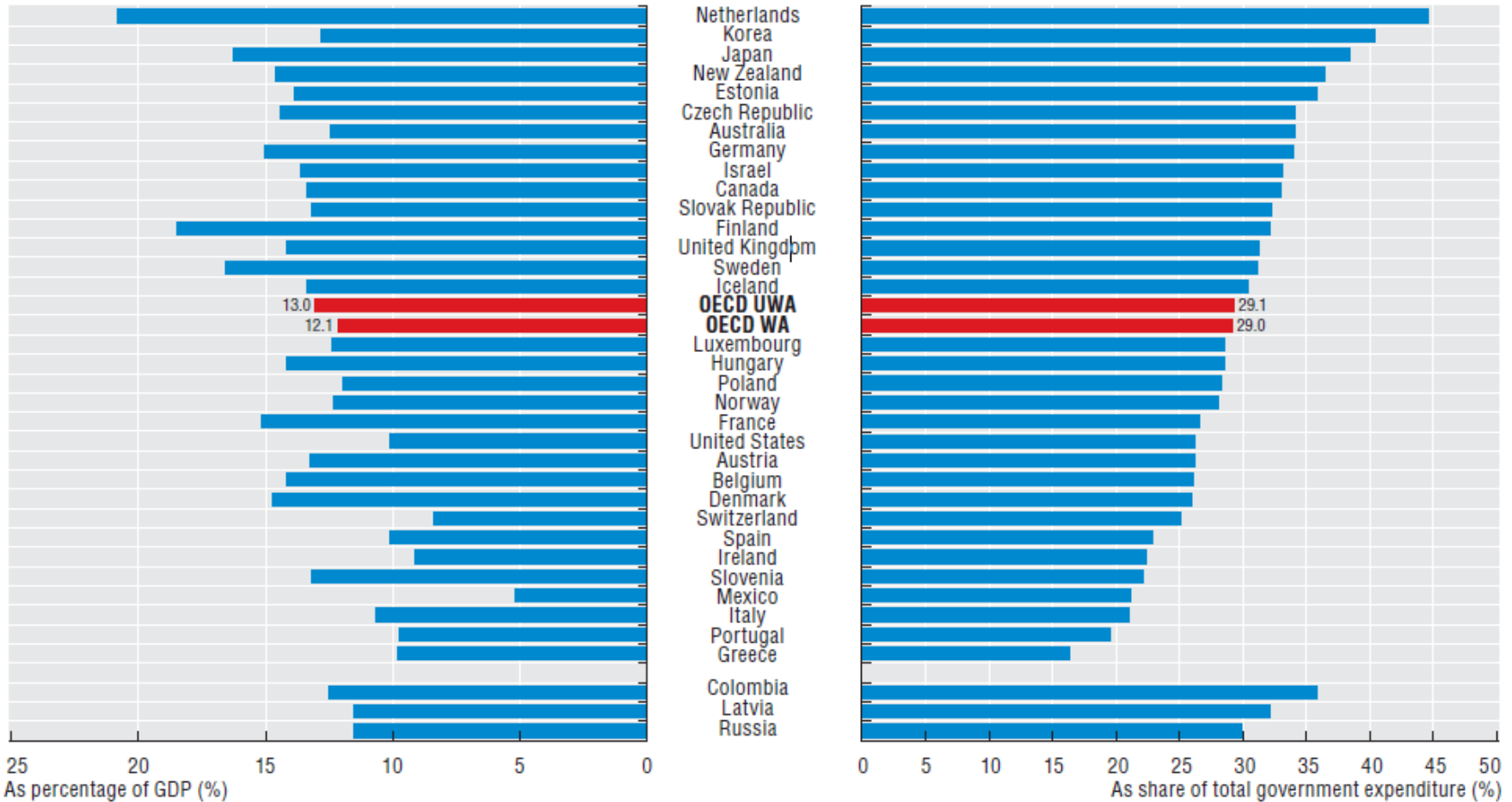
Public Procurement (G@G 2015 - excerpt)

- Interest in governance of public procurement to achieve efficiency and advance public policy objectives has significantly increased
- G@G 2015 Chapter 9: Public Procurement
 - Size of Public Procurement
 - Strategic Public Procurement
 - E-Procurement
 - Central Purchasing Bodies
- Lack of data in case of Public Procurement



G@G 2015: Size of Public Procurement

General government procurement as percentage of GDP and as share of total government expenditures, 2013

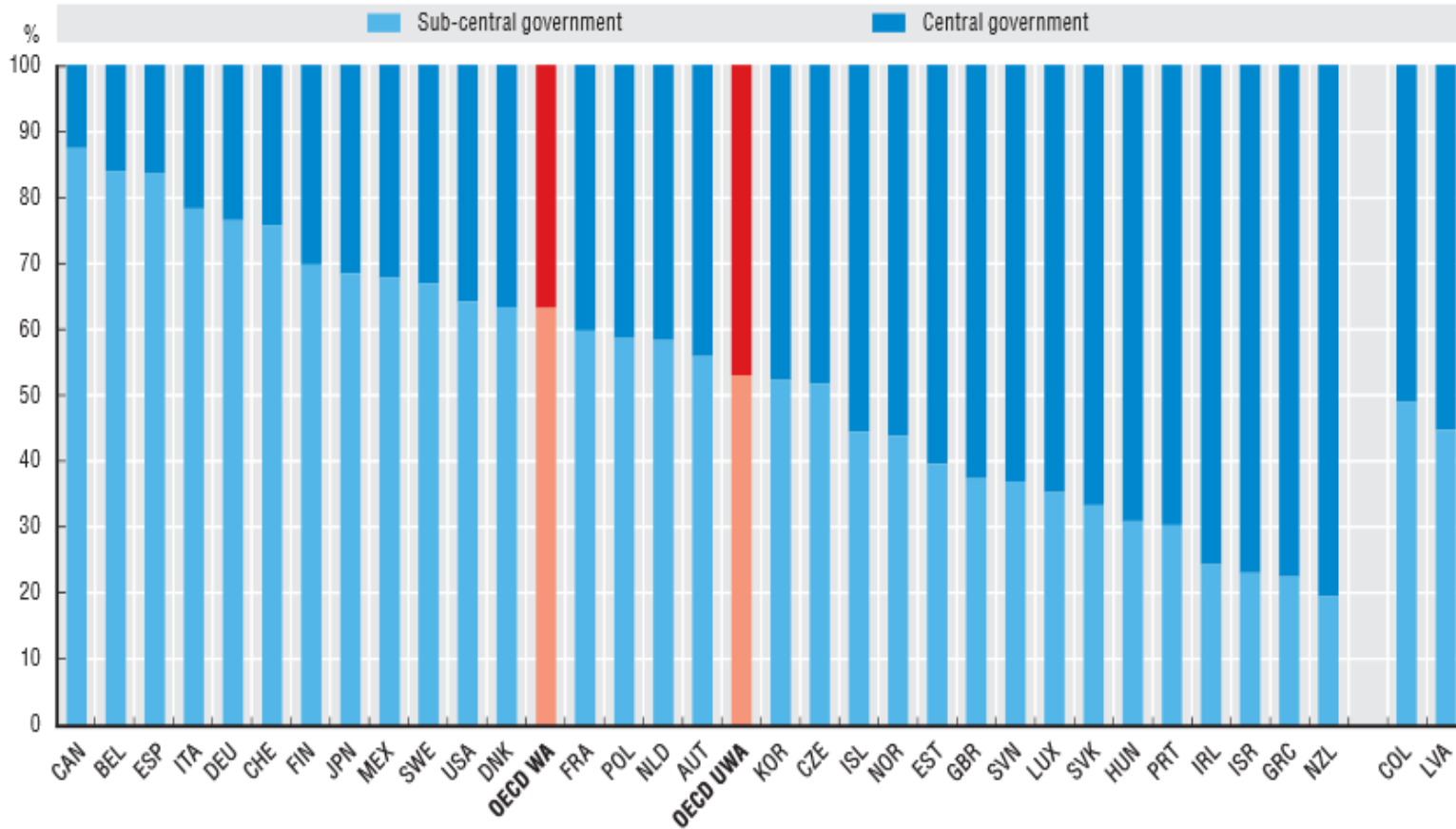


Source: OECD National Accounts Statistics (database). Data for Australia are based on a combination of Government Finance statistics and National Accounts data provided by the Australian Bureau of Statistics.



G@G 2015: Size of Public Procurement

General government procurement by level of government, 2013



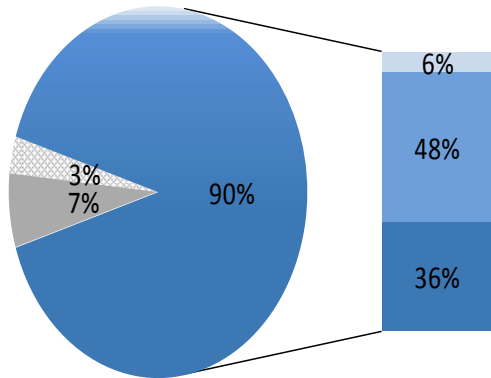
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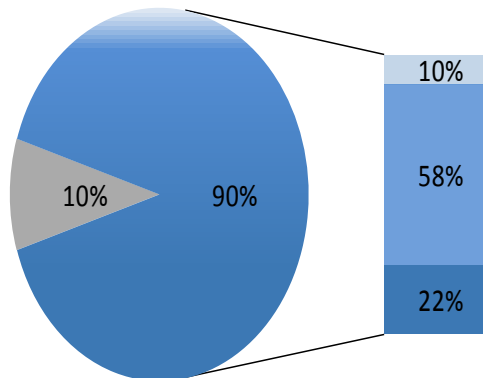
Development of Procurement Strategy Policy for Secondary Policy Objectives

Green Public Procurement

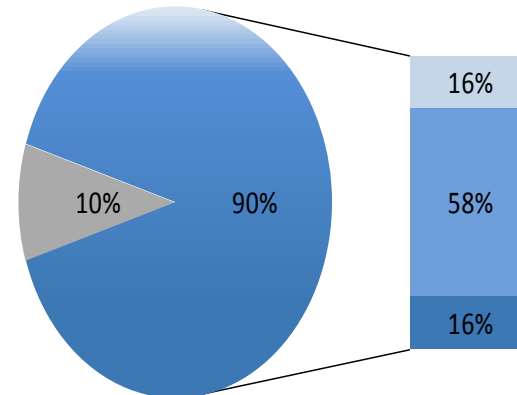
- Never been developed
- ▨ Has been rescinded
- Developed by some procuring entities
- Developed at the central level
- Developed at the central level and by some procuring entities



Support to SMEs



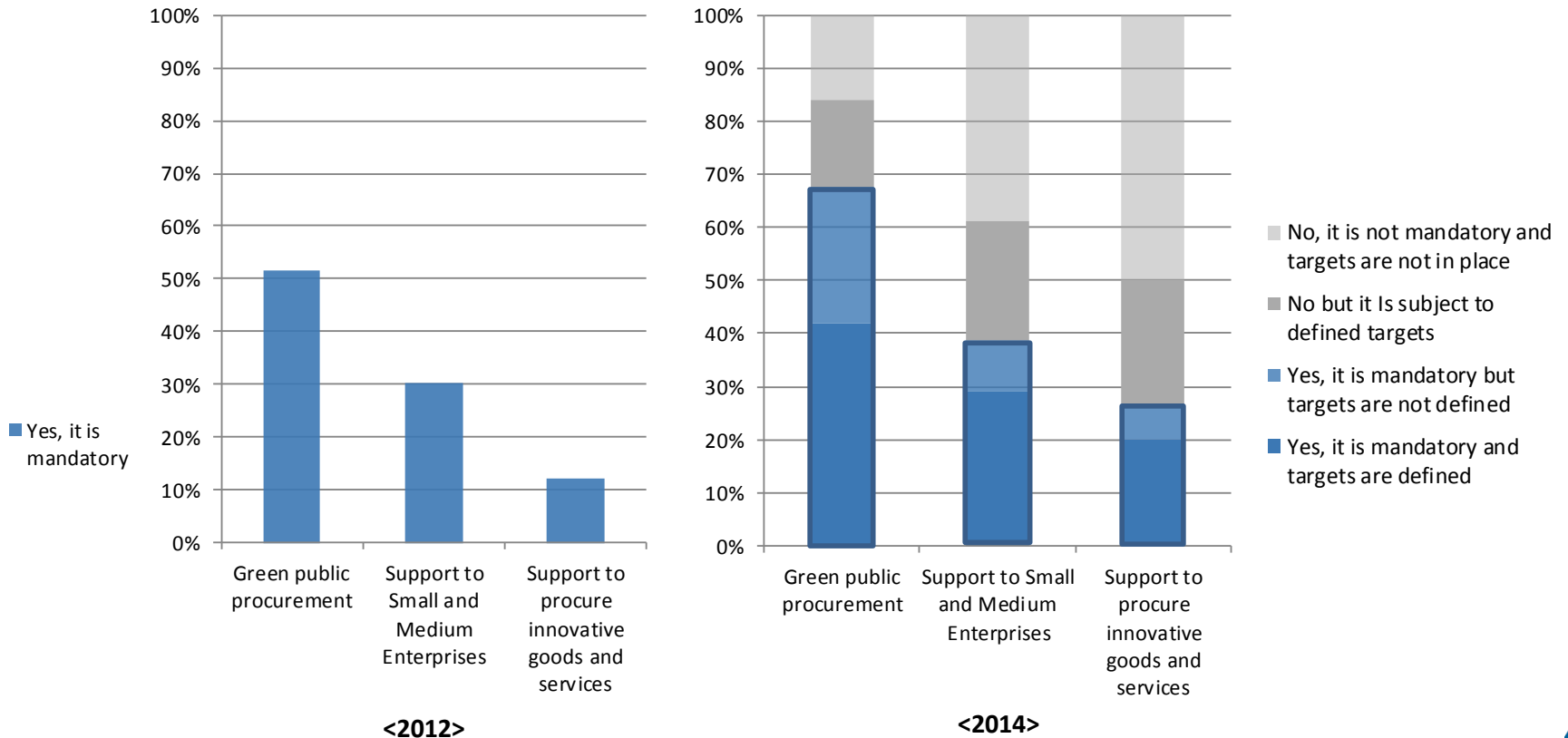
Support to procure innovative goods and services



Source: 2014 OECD Survey on Public Procurement



Mandatory Use of Public Procurement for Secondary Policy Objectives (2012 vs 2014)

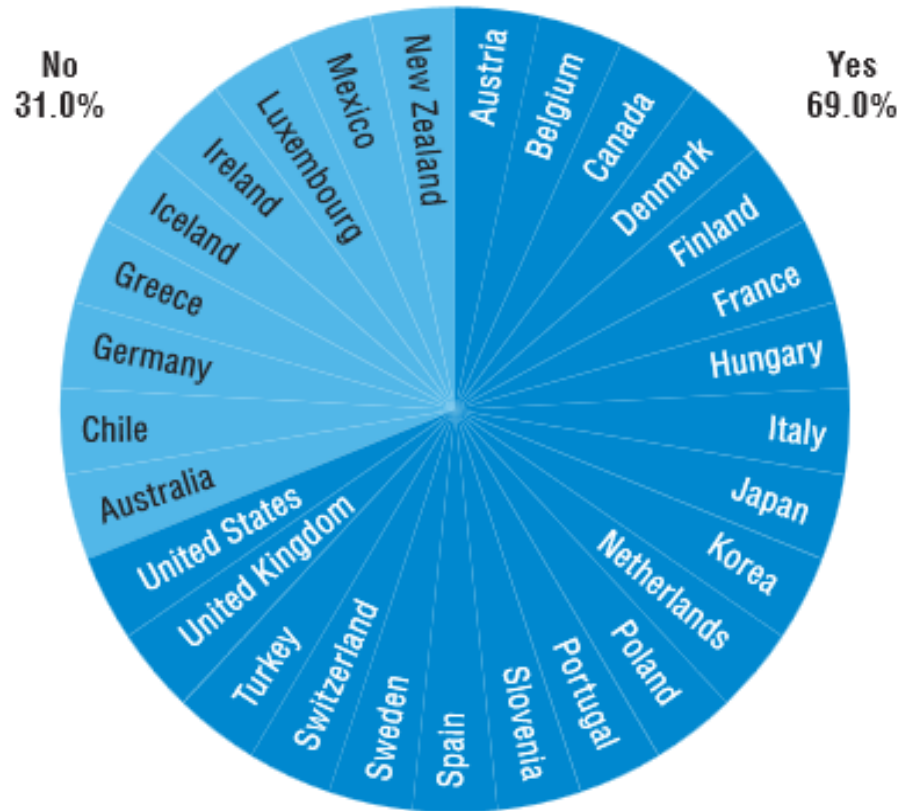


Source: 2014 OECD Survey on Public Procurement



G@G 2015: Strategic Public Procurement

Measuring results / Support for Green Public Procurement

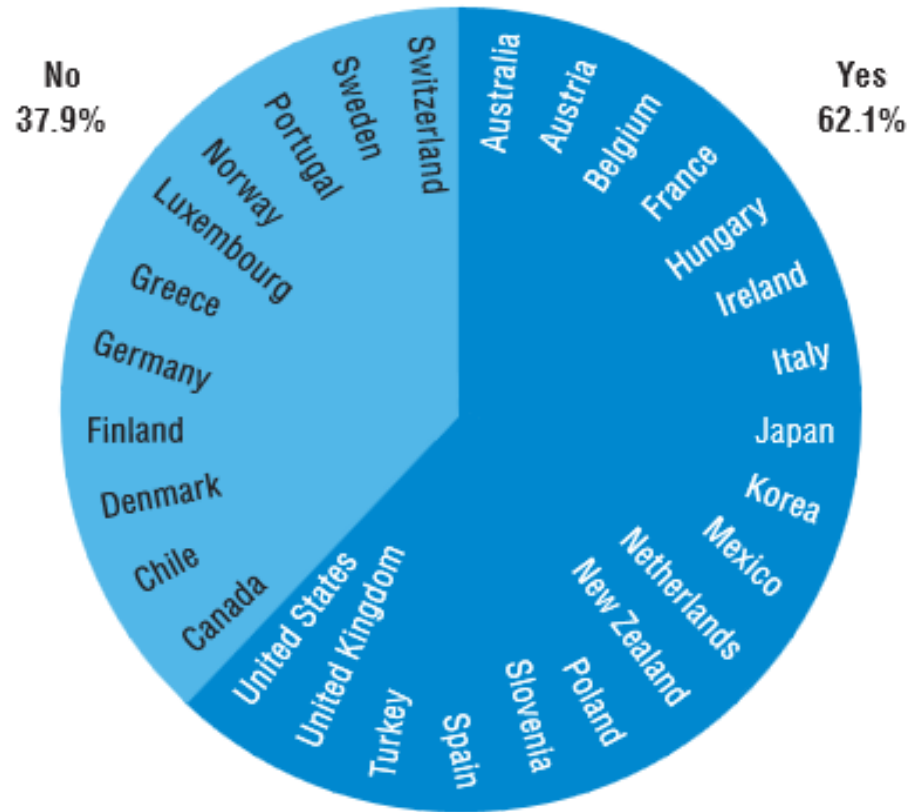


Source: 2014 OECD Survey on Public Procurement



G@G 2015: Strategic Public Procurement

Measuring results / Support for SME

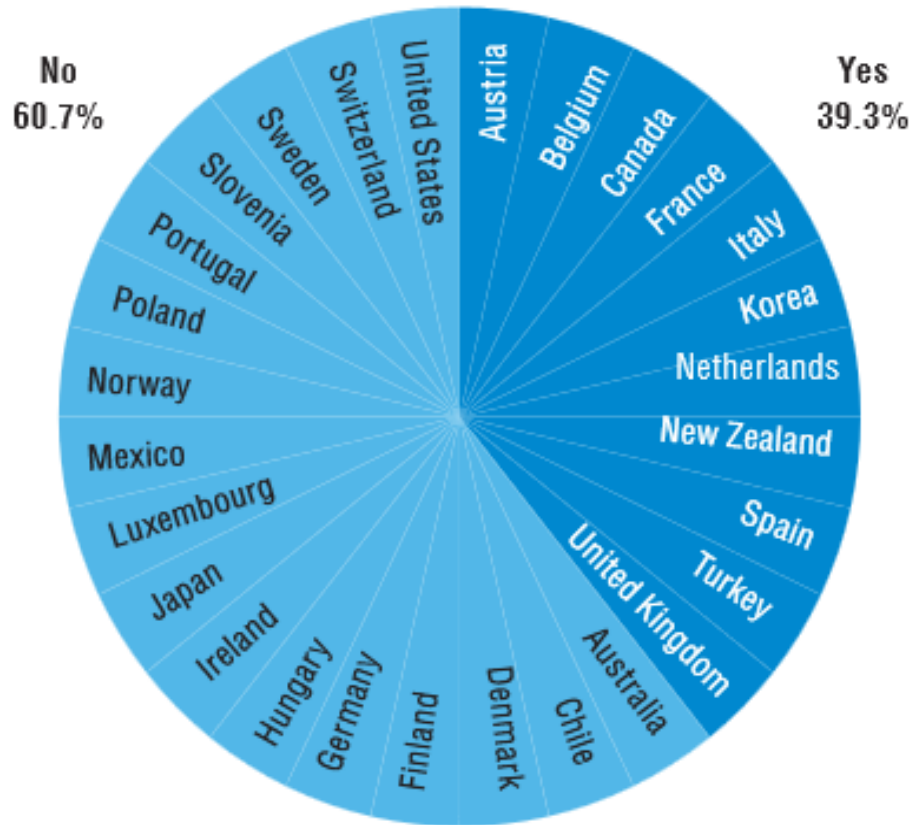


Source: 2014 OECD Survey on Public Procurement



G@G 2015: Strategic Public Procurement

Measuring results / Support for innovative Goods and Services



Source: 2014 OECD Survey on Public Procurement

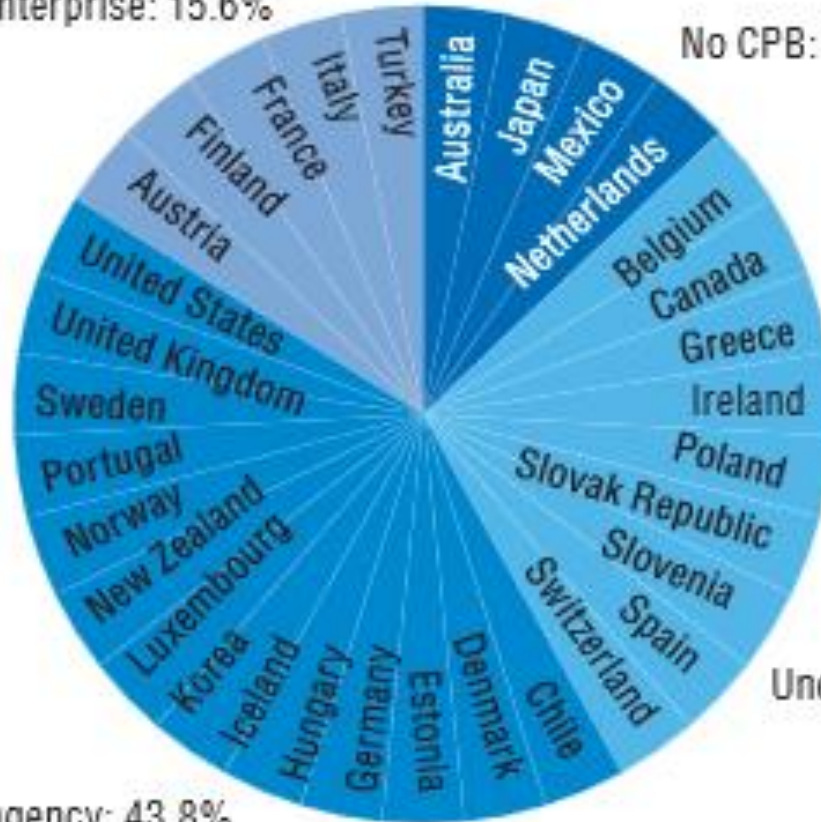


G@G 2015: Central Purchasing Bodies

Legal status of Central Purchasing Bodies

State-owned enterprise: 15.6%

No CPB: 12.5%



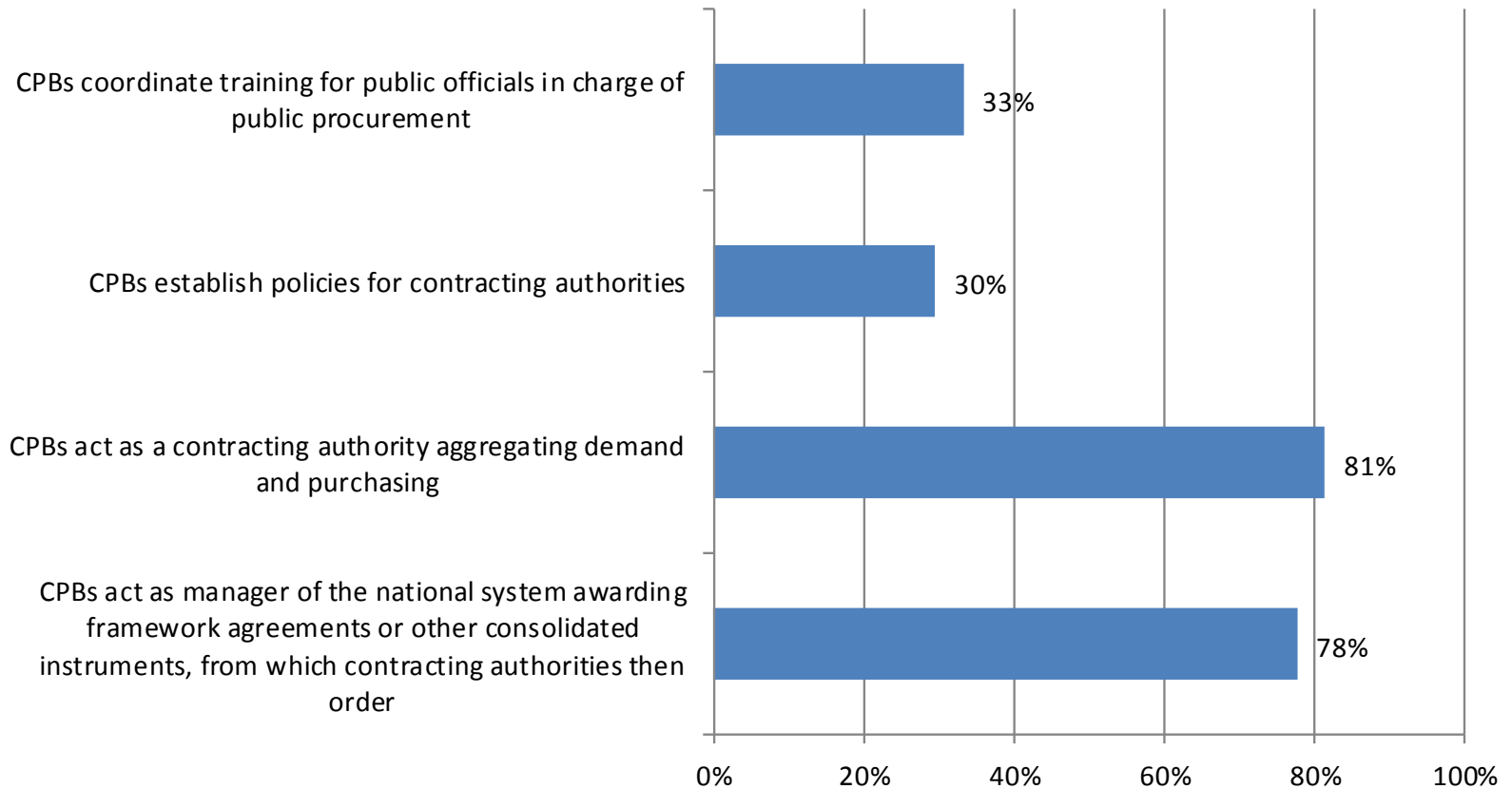
Government agency: 43.8%

Source: 2014 OECD Survey on Public Procurement



G@G 2015: Central Purchasing Bodies

Role(s) of Central Purchasing Bodies



Source: 2014 OECD Survey on Public Procurement



Additional Information

“OECD Recommendation of the Council on Public Procurement 2015” published 02/2015

<http://www.oecd.org/gov/ethics/Recommendation-on-Public-Procurement.pdf>

“Government at a Glance 2015” published 06/2015

<http://www.oecd.org/gov/govataglance.htm>

“The Innovation Imperative in the Public Sector” published 08/2015

http://www.keepeek.com/Digital-Asset-Management/oecd/governance/the-innovation-imperative-in-the-public-sector_9789264236561-en#page1

“Making Innovation Policy Work” published 2014

http://www.keepeek.com/Digital-Asset-Management/oecd/science-and-technology/making-innovation-policy-work_9789264185739-en#page1



Thank you very much for your attention !