

42. E-procurement

E-procurement, the use of information and communication technologies in public procurement, facilitates access to public tenders and increases competition. It also improves the transparency of the procurement cycle, empowering citizens and businesses to hold public authorities more accountable. In addition, the use of information technologies in public procurement can decrease administrative burdens and reduce costs for both governments and businesses. Electronic channels can also lead to a shorter order cycle and increase compliance levels, helping – potentially – to lower prices.

In order to take full advantage of the efficiency and cost savings achieved through e-procurement, 21 OECD member countries have developed a single-entry procurement website providing a one-stop-shop for public procurement. Others have chosen to create more than one website according to the type of purchase (e.g. Japan provides information via contracting entity websites) or type of operation/transaction (e.g. Belgium and Norway). In countries like Sweden with no government website, private companies are providing certain online facilities, usually centralising tender announcements.

As the use of e-procurement grows, more and more information is becoming available online. In seven OECD countries (e.g. Korea, Mexico, Chile, Ireland, Spain, Italy and Turkey) 80% or over of key procurement information can be found on the single-entry procurement website. Other OECD member countries provide most of the information on contracting entity websites (e.g. the Czech Republic and Japan).

The range of services offered by single-entry procurement websites is evolving from tendering to contract management and payment. Data suggest a trend towards extending the use of electronic channels in public procurement and introducing more sophisticated applications that facilitate the interface between the government and bidders and assist in the management of contracts. Most countries offer through their websites the possibility to search for tender announcements (90%) and to download all related documents (90%). Some countries offer more advanced functionalities on their procurement websites, such as electronic submission of bids (52%) or reverse auction (33%). More than half of the countries provide contract management tools, such as data on past procurement contracts (62%) and tracking the outcomes of contracts (48%). Only a minority of countries have electronic payment schemes including Chile, France, Israel and Korea.

Methodology and definitions

Data were collected by the OECD 2010 Survey on Public Procurement which focused on the level of transparency, participation and available remedies in central government procurement processes. Respondents to the survey were OECD country officials responsible for procurement at the central government level. A total of 34 OECD members, as well as Brazil, Egypt and Ukraine responded to the survey.

Further country-specific data on the online availability of public procurement information and services offered by government e-procurement websites are available in Annex G.

A single-entry procurement website centralises procurement information at one single location on the Internet, which is accessible via an online address.

An e-catalogue is a listing of available products and/or services that can be viewed in an electronic format and can include information such as illustrations, prices, and product and/or service descriptions. An electronic reverse auction is an online, real time dynamic auction between a buying organisation and a number of suppliers who compete against each other to win the contract by submitting successively lower-priced bids during a scheduled timed period.

Further reading

OECD (2007), *Integrity in Public Procurement: Good Practice from A to Z*, OECD Publishing, Paris.

OECD (2009), *OECD Principles for Integrity in Public Procurement*, OECD Publishing, Paris.

OECD (2010), *Enhancing Integrity in Public Procurement: A Toolbox*, available at www.oecd.org/governance/procurement/toolbox.

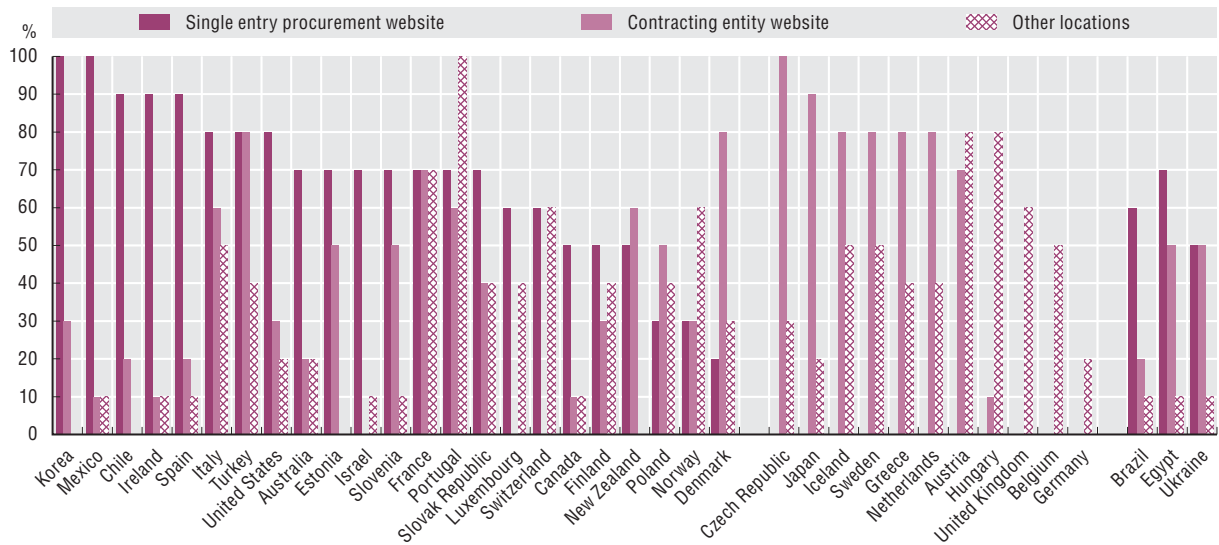
Figure notes

42.1: Figure 42.1 represents the percentage of public procurement information publicly available (always or sometimes) on: laws and policies; general information for potential bidders; specific guidance on application procedures; procurement plan; tender documents; selection and evaluation criteria; contract award; justification for awarding a contract; contract modifications; tracking procurement spending; and other data. Information made public upon request is not included. Other locations include domestic printed/electronic journals, international central website and other websites.

42.2: As a percentage of the 22 OECD countries that have a single-entry procurement website.

Information on data for Israel: <http://dx.doi.org/10.1787/888932315602>.

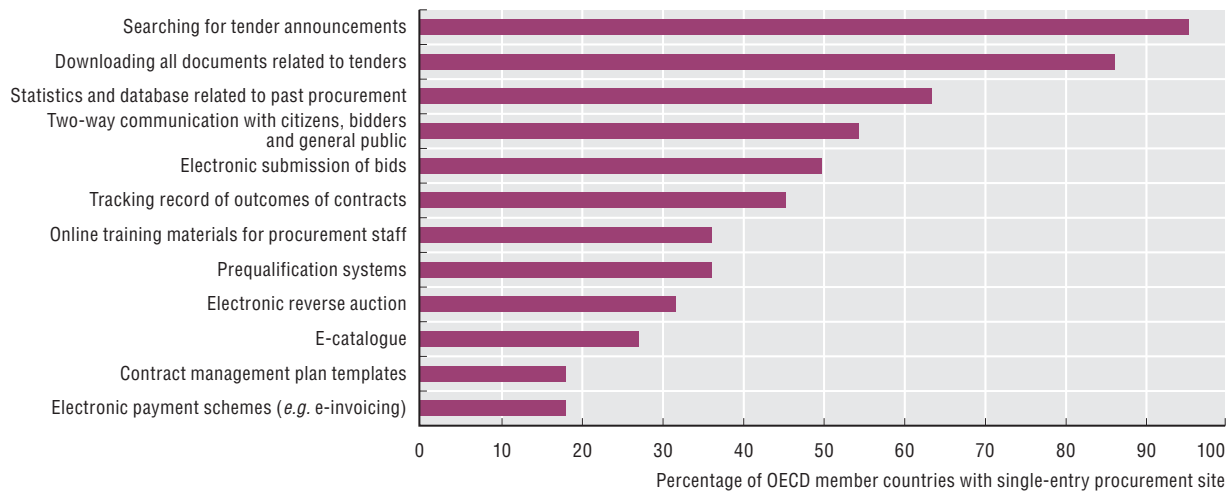
42.1 Online availability of selected public procurement information in central governments (2010)



Source: OECD 2010 Survey on Public Procurement.

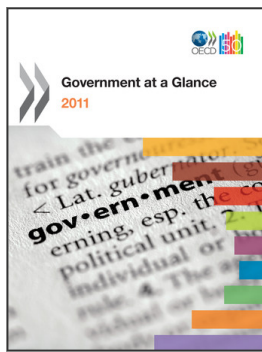
StatLink <http://dx.doi.org/10.1787/888932391070>

42.2 Most common services offered by the single-entry procurement website (2010)



Source: OECD 2010 Survey on Public Procurement.

StatLink <http://dx.doi.org/10.1787/888932391089>



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