

## FREQUENTLY ASKED QUESTIONS

### 1. What is the OECD?

Please visit [www.oecd.org/about](http://www.oecd.org/about).

For information on the history of the OECD, please visit [www.oecd.org/about/history](http://www.oecd.org/about/history).

### 2. How is the OECD funded?

For information on how the OECD is funded, please visit [www.oecd.org/about/budget](http://www.oecd.org/about/budget).

### 3. How does the OECD execute its work on public governance?

In its work on public governance, the OECD focuses on the following elements of good governance:

- **Accountability:** the government is able and willing to show the extent to which its actions and decisions are consistent with clearly-defined and agreed-upon objectives.
- **Transparency:** government actions, decisions and decision-making processes are open to an appropriate level of scrutiny by other parts of government, civil society and, in some instances, outside institutions.
- **Integrity:** in the public sector this refers to the proper use of funds, resources, assets, and powers for the official purposes for which they are intended to be used.
- **Efficiency and effectiveness:** the government strives to produce quality public outputs, including services delivered to citizens, at the best cost, and ensures that outputs meet the original intentions of policy makers.
- **Responsiveness:** the government has the capacity and flexibility to respond rapidly to societal changes, takes into account the expectations of civil society in identifying the general public interest and is willing to critically re-examine its role.
- **Forward-looking vision:** the government is able to anticipate future problems and issues based on current data and trends and to develop policies that take into account future costs and anticipated changes (e.g. demographic, economic, environmental).
- **Rule of law:** the government enforces equally transparent laws, regulations and codes.

In addition to these elements, good public governance must consider strategic agility, which is the government's ability to anticipate and flexibly respond to increasingly complex policy challenges. It requires frameworks to enable fast and high-quality decisions, and to ensure their effective implementation in order to generate public value. Finally, good governance involves an efficient public service, an independent judicial system, accountable administration of public funds, and a pluralistic institutional structure.

The OECD's work on public governance is led by the Public Governance Committee (PGC). The PGC is also responsible for work on public procurement with the support of the Working Party of Leading Practitioners on Public Procurement (LPP), assisted by the OECD Secretariat's Directorate for Public Governance and Territorial Development (GOV).

The PGC helps countries strengthen their capacity to govern by improving policy-making systems and the performance of public institutions. Through meetings of member country officials and experts, as well as through exchanges of information, expertise, data and analysis, the PGC examines what governments do and how they seek to improve public policy effectiveness, efficiency, responsiveness to citizens, and quality of services. By providing information, oversight and direction to GOV's work, the PGC gives strategic direction to the OECD's overall work on

public governance in the context of the OECD's broader mission: promoting Better Policies for Better Lives.

Likewise, the LPP provides a global view of leading public procurement practice through knowledge-sharing on effective approaches to strengthening public procurement systems and transforming procurement into a strategic function, that is, a lever for government to advance public policy objectives, such as value for money, environmental sustainability, SME development, and innovation, as well as good governance.<sup>1</sup>

GOV's mission is to help governments at all levels design and implement strategic, evidence-based, and innovative policies to strengthen public governance, respond effectively to diverse and disruptive economic, social, and environmental challenges, and deliver on governments' commitments to citizens.

For more information on public governance at the OECD, please visit [www.oecd.org/gov](http://www.oecd.org/gov).

For more information on the PGC and its mandate, please visit:  
[www.oecd.org/gov/Handbook.pdf](http://www.oecd.org/gov/Handbook.pdf).

For more information on the LPP, please visit:  
[www.oecd.org/gov/ethics/meetingofleadingpractitionersonpublicprocurement.htm](http://www.oecd.org/gov/ethics/meetingofleadingpractitionersonpublicprocurement.htm).

For additional information on GOV's activities, please visit: [www.oecd.org/gov](http://www.oecd.org/gov).

#### **4. What does the "peer review" methodology consist of?**

Peer review describes a method used by the OECD consisting of the examination of each country's policies and practices with the support of experts (*peers*) from other countries. This methodology allows these peers to identify common challenges and determine how different solutions can be adapted to country-specific contexts. It is an effective tool for policy improvement thanks to:

- dissemination of expertise and relevant peer lessons;
- a standardised methodology and criteria to assess performance for all countries;
- a systematic and recurring monitoring mechanism; and
- mutual peer learning and capacity building.

#### **5. What has the OECD contributed to public procurement reforms globally?**

For over a decade, the OECD has supported governments in reforming their public procurement systems to ensure long-term sustainable and inclusive growth and trust in government by:

- setting international standards on public procurement;
- undertaking hands-on peer reviews that provide assessments of public procurement systems, either national or sectorial, and tailored proposals to address implementation gaps in specific contexts;
- bringing together a community of practice on procurement to share insights and shape directions for future reforms;

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<sup>1</sup> For more information, please refer to the 2015 *Recommendation of the OECD Council on Public Procurement*: [www.oecd.org/gov/ethics/recommendation-on-public-procurement.htm](http://www.oecd.org/gov/ethics/recommendation-on-public-procurement.htm).

- organising policy dialogue to shape strategic partnerships between government and the private sector in the framework of the G-8 and G-20; and
- building evidence from useful, reliable and comparable data across OECD countries on the performance of public procurement operations, as well as the impact of procurement on broader public policy objectives.

In the light of the 2012 Report on the implementation of the 2008 Recommendation of the Council on Enhancing Integrity in Public Procurement, the OECD Council adopted a new Recommendation on Public Procurement on 18 February 2015. This new Recommendation covers the entire public procurement process and underscores the recognition that public procurement is a crucial pillar of strategic governance, building on central principles such as transparency, good management, prevention of misconduct, compliance and monitoring, and accountability.

By adding more detailed recommendations on how to implement a public procurement system that employs state-of-the-art tools and techniques to apply public funds sustainably and efficiently, the new Recommendation provides robust guidance for countries to undertake reforms and improve public procurement systems. Feedback from countries during the final approval process was extensive, and their comments underlined how the new Recommendation brings more coherence to government objectives related to procurement – in particular value for money, green growth, SMEs, and innovation.

For more information, please visit [www.oecd.org/gov/ethics/public-procurement.htm](http://www.oecd.org/gov/ethics/public-procurement.htm) and [www.oecd.org/gov/ethics/recommendation-on-public-procurement.htm](http://www.oecd.org/gov/ethics/recommendation-on-public-procurement.htm).

## **6. What is the value-added of the OECD for the NAICM project?**

The management of the NAICM will benefit from the OECD's experience of more than a decade of working to improve the procurement systems of the governments of both OECD Members and non-member economies. The knowledge and expertise created by our national reviews and the discussions held in the OECD Public Governance Committee, the Working Party of Leading Practitioners on Public Procurement, and the Working Party of Senior Public Integrity Officials are assets no other organisation can provide. In addition, the support of peer practitioners to the review and capacity-building process provides a practical hands-on approach that is exclusive to the OECD.

In the recent past, the OECD has undertaken health procurement reviews with the Mexican Institute for Social Security (IMSS) and the Mexican Institute of Social Security for State Employees (ISSSTE), providing practical improvement recommendations in accordance with national priorities. ISSSTE, for example, followed successfully OECD recommendations to consolidate purchases with other health buyers, like IMSS and PEMEX and improve its warehousing system.

Other major economies have requested OECD reviews of their procurement systems. The United States Office of Management and Budget took a pioneering role by requesting a review of the Federal Acquisition system to benchmark against good practices. The OECD review of Brazil helped its government leverage its bulk purchasing power and recommended controlling the use of exemptions to competitive bidding, as well as reforming the complaint system to avoid potential undue pressures from the private sector. Likewise, Morocco has set up a specific procurement unit in the Treasury in order to equip the government with a team of procurement specialists, following the OECD review.

## 7. What role will the OECD play with respect to the procurement processes conducted as part of the NAICM project?

The role of the OECD will be advisory. Our role is to provide advice and knowledge to decision-makers and to transfer good practices in the management of procurement processes of major infrastructure projects, particularly concerning integrity, transparency, and accountability. For that purpose, we will rely on the expertise developed by our member countries. It will be the responsibility of Mexico's government to review and evaluate specific procurement processes or tenders, as well as to take purchasing decisions. The role of the OECD is focused on providing evidence-based advice to help national authorities make the best decisions themselves. It is up to Mexico to determine how best to implement OECD advice.

The OECD will provide advice through four basic means:

**a. Comparative analysis about the operational framework for public procurement:** This analysis will evaluate the institutions, processes, and rules applicable to public procurement related to the construction of the new airport, as well as the related environmental, social, economic, and mobility measures. The OECD will propose good international practices to favour integrity, transparency, accountability and good management. This analysis will include a diagnostic and a risk analysis of the strategies anticipated for public procurement.

The conclusions will be presented in a review that will make reference to the project's structure and strategies concerning i) coordination and governance, ii) staffing, iii) tendering strategies, and iv) integrity, transparency, and communication.

**b. Support to the communications strategy:** The OECD will provide advice on the design and execution of the communications strategy of the NAICM in matters related to transparency and integrity.

**c. Best practice seminars:** Based on the conclusions of the review described under point *a.* above, the OECD will organise 4 seminars addressing the main issues identified and generating recommendations and strategies for the execution of the NAICM project. The role of the OECD will consist of preparing the concept and the agenda of the seminars, mobilising key experts to share their knowledge, and providing strategic advice for this type of project.

**d. Providing technical knowledge via an Advisory Panel (AP):** The AP will work under the supervision of the OECD and will be composed of four members: an OECD expert on procurement, an OECD expert on integrity, a member of the OECD staff based in Mexico City, and a series of rotating members who are experts with the technical knowledge required at various stages to advise the project on good practices for integrity and transparency in public procurement for the development of the NAICM, as well as on related environmental, economic, social, and mobility measures. The AP will have an advisory role and will not have any responsibilities on decisions; its role will be strictly limited to sharing good practices on public procurement, transparency, and integrity, as relevant for the NAICM project. The AP will also follow up the implementation of the measures proposed in the review described under point *a.* above and prepare progress reports.

**8. How will the OECD reach out to different non-governmental stakeholders during the NAICM project?**

As part of its advisory role, the OECD will link and have interviews with different types of stakeholders, such as NGO's, business chambers, think-tanks, and universities, with the purpose of gathering different perspectives as to the challenges implied by the construction of the NAICM and the possible solutions. Issues to be discussed with these groups include not only procurement and integrity, but also environmental concerns, mobility and urban development policies, and quality of life, among others.

**9. What is the nature of the financial contribution made by Mexico to the OECD in the context of the NAICM project?**

The voluntary contribution of the Government of Mexico to the OECD in the context of this specific project will fund operational expenses required to run the activities envisaged in the agreement between the SCT and the OECD. These expenses include staff time, travel costs for OECD staff, peers, and experts participating in meetings and seminars, costs incurred in translation of documents or simultaneous interpretation services, editorial work, and administrative expenses. Mexico's voluntary contribution covers these different items for the four-year period through November 2018. Mexico's contribution covers only the OECD's costs incurred as a result of its work on this project. As it is not a consulting company, no profit margin is built into its budget for its activities.