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Organisation de Coopération et de Développement Économiques
Organisation for Economic Co-operation and Development

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**PUBLIC GOVERNANCE AND TERRITORIAL DEVELOPMENT DIRECTORATE
PUBLIC GOVERNANCE COMMITTEE**

**MEETING OF THE WORKING PARTY OF THE LEADING PRACTITIONERS ON PUBLIC
PROCUREMENT (LPP)**

**ANNOTATED AGENDA
27-28 April 2015 at OECD Headquarters in Paris, France**

For further information, please contact: Paulo Magina (Paulo.Magina@oecd.org) or Jeremy McCrary (Jeremy.McCrary@oecd.org)

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About the OECD

The OECD provides a forum for countries to compare and exchange policy experiences, identify good practices, discuss emerging challenges and adopt recommendations for better policies. The OECD's mission is to promote policies that improve economic and social well-being of people around the world.

About the Working Party of the Leading Practitioners on Public Procurement

Public procurement accounts for a large share of government spending - annually on average 13% of GDP, amounting to €4.3 trillion and 30% of total public expenditures, in OECD countries. An efficient and effective public procurement system is a pre-condition for a well-functioning government.

The Working Party of the Leading Practitioners on Public Procurement (LPP) provides a global view of leading procurement practice through knowledge-sharing on effective approaches to strengthening public procurement systems and consolidating best practices. The LPP brings together senior procurement officials from OECD countries, accession and key partner countries. Debates are enriched by the participation of key procurement actors from:

- Private sector, including the Business and Industry Advisory Committee to the OECD;
- International organisations with long-standing experience in this field, such as WTO, UNCITRAL, the World Bank, the EBRD and the IADB.

Effective OECD support to countries in reforming public procurement systems is strengthened by this sharing and shaping of future directions, which adds to the policy dialogue with the private sector and the evidence-based framework established by the Organization through comparative data analysis, international benchmarking and peer reviews.

For any questions concerning the content of the April 2015 meeting, please contact Paulo Magina (paulo.magina@oecd.org). Please direct any questions regarding practical arrangements to Anastasia Slojneva at Anastasia.Slojneva@oecd.org.

AGENDA

27 April 2015

8:45-9:15 Welcoming participants with coffee in the meeting room

9:15- 9:50 Welcome and opening remarks

Welcoming participants and setting out the objectives of the meeting, in context of the new OECD Recommendation on Public Procurement.

Speakers

Rolf Alter, Director, Public Governance and Territorial Development, OECD

Lorna Prosper, Senior Director, Procurement Policy, Office of the Comptroller General, Treasury Board of Canada Secretariat

Keynote Address

Ambassador Michelle d'Auray, Permanent Representative to the OECD, Canada

Ms. d'Auray will draw on her experience as Deputy Minister of Public Works and Government Services to share insights on present challenges and future directions in public procurement to ensure performance driven systems.

9:50-10:30 Strategic Public Procurement: Implementing the OECD Recommendation on Public Procurement - Part 1

The session will launch the implementation of the 2015 OECD Recommendation of the Council on Public Procurement.

Developed with the direction and input of the Leading Practitioners on Public Procurement, the Recommendation was approved by the OECD Council on 18 February, 2015 and its adoption marks a new beginning in transforming procurement to a strategic tool. The first part of this session will focus on key elements of the Recommendation, highlighting its federative role across the OECD. The session will also highlight the value of the Recommendation as a tool to aid the complementary work of International Organisations in guiding reforms and supporting assessment of public procurement systems.

Speakers

Paulo Magina, Head of the Procurement Unit, OECD

Jeremy McCrary, Policy Analyst, OECD

Evgeny Smirnov, Senior Public Procurement Specialist, EBRD

Background documents:

- **Mandate of the Working Party of the Leading Practitioners on Public Procurement.**

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- **Recommendation on Public Procurement**

www.oecd.org/gov/ethics/recommendation-on-public-procurement.pdf

- Programme of Work and Budget
GOV/PGC(2014)6/FINAL

10:30-11:00 Coffee Break Coffee will be provided outside the Conference Room

11:00-12:45 **Strategic Public Procurement: Implementing the OECD Recommendation on Public Procurement – Part 2**

This session will focus on the implementation of the Recommendation, in particular, inviting the Working Party of Leading Practitioners on Public Procurement to consider:

- Relevant directions for the development of implementation tools: what areas are most in need of support and guidance for effective implementation?
- What challenges do you anticipate as the most prominent ones?
- Prioritisation: in which areas are countries currently focusing reform efforts?
- What is the appropriate framework to develop and which tools should be considered?

Round Table discussion

12:45-14:30 Lunch Break

14:30-16:00 **Peer Review: Korea's Public Procurement Service**

Korea's Public Procurement Service (PPS) purchases and manages resources needed for public administration, implementing public procurement in a strategic way. Among other roles, PPS is responsible for the establishment, operation and ongoing development of the Korea ON-line E-Procurement System (KONEPS); for the establishment of framework agreements to serve the needs of buying entities; and for the implementation of policies to actively support a number of secondary policy objectives, including support for small and medium-sized enterprises, local businesses and women-owned businesses.

This session will peer review a draft OECD report focusing on these particular areas, and include discussion of key findings:

- How is Korea managing the strategic use of public procurement? What lessons can countries consider?
- How the cross-cutting recommendations can be used to support increased efficiency of public procurement systems in Korea and beyond?

Speakers

Jeremy McCrary, Policy Analyst, OECD

Sun-gu Ji, Director General, International Goods Bureau, Public Procurement Service, Republic of Korea

Karen Pica, Senior Policy and Management Analyst, Office of Federal Procurement Policy, Executive Office of the President of the United States

Background documents:

Public Procurement Review of the Public Procurement Service, Korea
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16:00-16:30

Coffee Break

Coffee will be provided outside the Conference Room

16:30-18:00

Evidence-based Procurement: G@G 2015 and Key Performance Indicators Pilot

Measuring the performance of procurement systems and ensuring that value for money and policy objectives are being achieved are key goals of both policy makers and practitioners.

The OECD has been working together with the member countries to develop a set of indicators and define key procurement information that could serve policy makers and practitioners.

The session will review the results of the pilot exercise of the first set of indicators, the lessons learned and provide directions for future work. The Working Party will also discuss the data for the Government at a Glance 2015 edition.

- What challenges procurement officials are facing in the data collection?
- What improvements can be shared?
- What are the directions for future work on data collection, developing benchmarks and indicators?

Speakers

Emma Cantera, Policy Analyst, OECD

Federica Saliola, Program Manager, Global Indicators Group, World Bank Group

Background document:

Government at a Glance 2015

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18:00

Cocktail

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9:30-10:45

Expanding Expertise: Central Purchasing Bodies (CPBs) as knowledge hubs

The OECD Recommendation identifies key features for a sound procurement system, including: a) procurement rules and procedures that are simple, clear and ensure access to procurement opportunities; b) effective institutions to conduct procurement procedures and conclude, manage and monitor public contracts; c) appropriate electronic tools; d) suitable and trained human resources to plan and carry out procurements; and e) competent contract management.

CPBs are increasingly becoming the core knowledge hubs in the country's public procurement frameworks, not only for consolidated procurement but also for the implementation of e-Procurement, the dissemination of capacity and monitoring of the performance of procurement systems.

This session will bring experts from a variety of CPBs, who will provide insights and discuss strategies for issues including:

- Assuring the proper balance of centralisation of tools and resources;
- Standardising forms and data to drive efficiency;
- Implementing and integrating e-procurement tools; and
- Fostering appropriate expertise across the procurement systems.

Panel Discussion – Moderated by Luiz de Mello. Deputy Director, Public Governance and Territorial Development, OECD

Nikita Stampa, Head of Unit Economic Analysis and e-Procurement, European Union DG GROW - Internal Market, Industry, Entrepreneurship and SME's

Karen English, Principal Advisor for Procurement Policy, Government Procurement, Market Services, Ministry of Business, Innovation and Employment of New Zealand

Dag Strømsnes, Director, Agency for Public Management and eGovernment (Difi), Norway

Magali Rojas, Director, Supervisory Agency of Public Procurement (OSCE), Peru

Background document:

Government at a Glance 2015

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10:45-11:15

Coffee Break

11:15-13:00

Moving from Law to Practice: the Greek public procurement reform

Greece has launched a far-reaching programme of public procurement reforms including a new procurement law, an electronic procurement portal and initiatives to strengthen centralised purchases for goods and services. The country identified the need to learn from practical peer examples, in order to make reforms happen and move from legal changes to transformation on the ground.

Against this background, the OECD cooperated with Greece, with financial support from the European Union, to gain practical insights into solutions tested in other countries. Greece and the OECD worked together throughout 2014 to roll-out the Greek national central purchasing body at the Greek Secretariat General of Commerce and set up work processes for framework

agreements for goods and services.

This session will address challenges in implementing reforms and how to assure effective transformation of both institutions and workforce, by bringing good practices:

- To ensure quick wins, what type of practical, easily applicable advice shall be given?
- How to ensure adoption of reforms across the procurement system by using adequate change management and communication strategies?
- What should be the features of training manuals?
- What should be the priorities for reforms and how they would contribute to government's overall structural reform agenda?

Speakers

Dimitrios Raikos, President of the Greek Single Public Procurement Authority - SPPA
Konstantinos Tzanetopoulos, Head of Department, General Directorate of Public Contracts and Procurement at the General Secretariat of Commerce and Consumer Protection, Greece
Angela Russo, Head of International Relations Projects, Consip, Italy

Background documents:

Practical guide for the implementation of Framework Agreements for goods and services in Greece

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Becoming a Central Purchasing Body: Communication and Change Management Strategies for an effective implementation.

The case of the Greek Secretariat General of Commerce (SGC) at the Ministry of Economic Development

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13:00-14:30

Lunch Break

14:30-16:15

Peer Review: Procuring for results, Public Procurement Review of the Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado (ISSSTE), Mexico

In a context of financial crisis, OECD countries are increasingly attempting to control public spending and achieve savings through their procurement. In particular in healthcare, fiscal strains are compounded by an aging population and certain chronic diseases, like heart diseases, cancer and diabetes, on the rise.

In 2012, the State's Employees' Social Security and Social Services Institute in Mexico (ISSSTE) asked the OECD to review the effectiveness and integrity of its procurement system and also to address bid-rigging. Many of the OECD's resulting recommendations promoted reforms at ISSSTE. In addition, ISSSTE adopted a new institutional charter in June 2014 and continued to take measures to better allocate resources and improve healthcare results.

In the past year ISSSTE and the OECD continued cooperation through a new public procurement review focusing on matters of planning and coordination of procurement activities, market research and improvement of medical services.

This session will peer review ISSSTE health procurement and discuss the findings and recommendations in light of good practices and challenges in OECD countries:

- What are the main challenges in health procurement in the countries and what kind of reforms are being carried out to address those challenges?
- What lessons can be taken from the ISSSTE reviews?

Speakers

Ambassador Dionisio Pérez-Jácome Friscione, Permanent Representative of Mexico to the OECD

Antonio de Cabo Gómez, Deputy Director of Planning and Institutional Performance Evaluation, Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado (ISSSTE), Mexico

Despina Pachnou, Policy analyst, OECD

Trinidad Inostroza, Director, central purchasing body ChileCompra, Chile

Joana Candeias, Senior Officer at the Directorate of Central Purchase of Health Goods and Services of the shared services body SPMS, Ministry of Health, Portugal

Background document:

Public Procurement Review of the Instituto de Seguridad y Servicios Sociales de los Trabajadores del Estado (ISSSTE)

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16:15-16:45

Closing Session

Speakers

Paulo Magina, Head of the Procurement Unit, OECD

Janos Bertók, Head of Division, Public Sector Integrity, OECD

Lorna Prosper, Senior Director, Procurement Policy, Office of the Comptroller General, Treasury Board of Canada Secretariat



<http://www.oecd.org/gov/ethics/procurement.htm>