

## Country case: Framework agreements in Austria

### Description

In addition to a broad range of policy responsibilities, a consulting service and the development of e-procurement applications, Austria's Bundesbeschaffung GmbH (BBG) is responsible for the establishment of framework agreements. As a centralised purchasing body owned by the Ministry of Finance, Austrian ministries are obligated to use the services of BBG, while the services are also available to all other contracting authorities. Purchasing volume in 2013 reached EUR 1.2 billion, with approximately 730,000 products in 12 product families available for purchase by government authorities.

Public Procurement  
Principle: **Efficiency**

Procurement Stage:  
**Tendering**

Audience: **Policy Maker,  
Procuring Entity, Private  
Sector**

In addition to evaluating government need, BBG also analyses the willingness and suitability of a given market to accept delivery through framework agreements in determining which products or services to pursue. Reference prices are determined through market analysis and historical pricing data, and framework agreements can last a maximum of three years, apart from exceptional cases where there is justification (for example, by the subject of the agreement) for an additional three years.

Austrian law provides an obligation to set out how additional competition for orders (mini-competitions) will be conducted as an element of the establishment of a framework agreement, if applicable. In cases where needs and preferred features can be clearly identified in the initial competition, the mini-competition will focus primarily on ensuring the best price. In these cases, the principle of most economically advantageous tender is used during the first stage to achieve appropriate levels of quality. In cases where some elements of the need or preferred features are not identified in the first competition, the most economically advantageous tender principle can be used during the minicompetition phase as well. While the law does not provide an explicit obligation on when and how to set the criteria for the mini-competition, experience has shown that the question is best addressed in the first phase in order to support transparency and competition most effectively.

Source: OECD (2016), [The Korean Public Procurement Service: Innovating for Effectiveness](#), OECD Publishing, Paris.