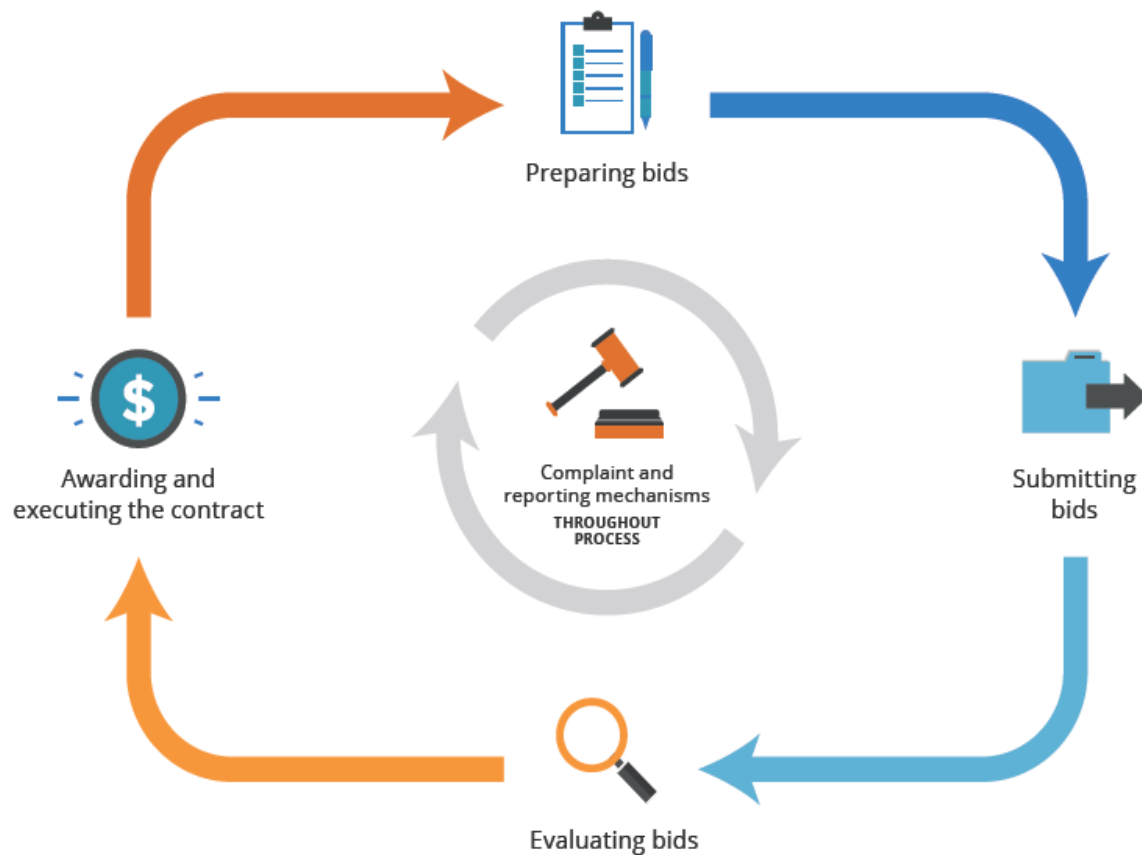


OBJECTIVES

- Provide comparable data on regulatory environments that affect the ability of **private-sector companies to do business with governments** in 77 economies;
- Support **evidence-based decision making** on procurement policies and reforms;
- Address the lack of **public procurement data** at the global scale.
- Follows successful approach undertaken by the WBG's **Doing Business** project which has generated more than 2300 business regulatory reforms

THEMATIC COVERAGE



BPP focuses on:

- **The procurement life cycle**, from the need assessment to the implementation of the procurement contract;
- **Complaint and reporting mechanisms** throughout the process.

INDICATORS

Legal data points

All binding public procurement laws and regulations

Does the regulatory framework provide that competitive tendering should be the default method of procurement?

Actual Time and Cost

Processes as experienced by the private sector in satisfying procurement requirements

What is the price of tender documents, if any?

Implementation-related practices

Actual implementation of laws and regulations

In practice, if a supplier was consulted to assess the procuring entity's needs, would he/she be prohibited from participating in the tender?

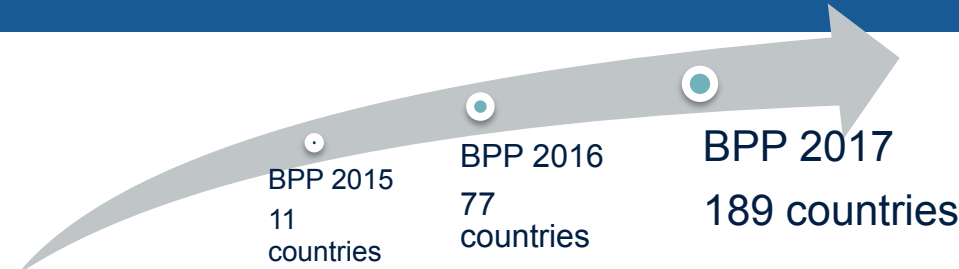


SCORING

- Only practices and regulations recognized as good by the global public procurement community are aggregated through scores;
- The scoring methods allocate the same weight to all benchmarks;
- Scores are presented in five categories at the indicator level: 0-20, 21-40, 41-60, 61-80 and 81-100.

BENCHMARKING PUBLIC PROCUREMENT HIGHLIGHTS FROM THE BPP 2016 REPORT

GEOGRAPHICAL COVERAGE



East Asia and Pacific (10 economies)

Hong Kong SAR, China	Philippines
Indonesia	Singapore
Malaysia	Taiwan, China
Mongolia	Thailand*
Myanmar	Vietnam

Europe and Central Asia (10 economies)

Azerbaijan	Romania
Bosnia and Herzegovina	Russian Federation*
Bulgaria	Serbia
Kyrgyz Republic	Turkey*
Moldova	Ukraine

Latin America and Caribbean (13 economies)

Argentina	Ecuador	Mexico*
Bolivia	Guatemala	Nicaragua
Brazil	Haiti	Peru
Honduras	Jamaica	Uruguay
Colombia		

OECD High-income (16 economies)

Australia	Poland
Austria	Netherlands
Canada	Chile*
France	New Zealand
Hungary	Spain
Ireland	Sweden*
Italy	United Kingdom
Korea, Rep.	United States*

Middle East and North Africa (7 economies)

Algeria	Lebanon
Bahrain	Morocco
Egypt, Arab Rep.	Jordan*
Tunisia	

Sub-Saharan Africa (19 economies)

Botswana	Kenya	Tanzania
Burundi	Mauritius	South Africa
Cameroon	Mozambique	Sierra Leone
Côte d'Ivoire	Namibia	Uganda*
Congo, Dem. Rep.	Nigeria	Zambia
Gambia, The	Senegal	
Ghana*	Togo	

South Asia (2 economies)

Afghanistan*	Nepal
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* Pilot economies

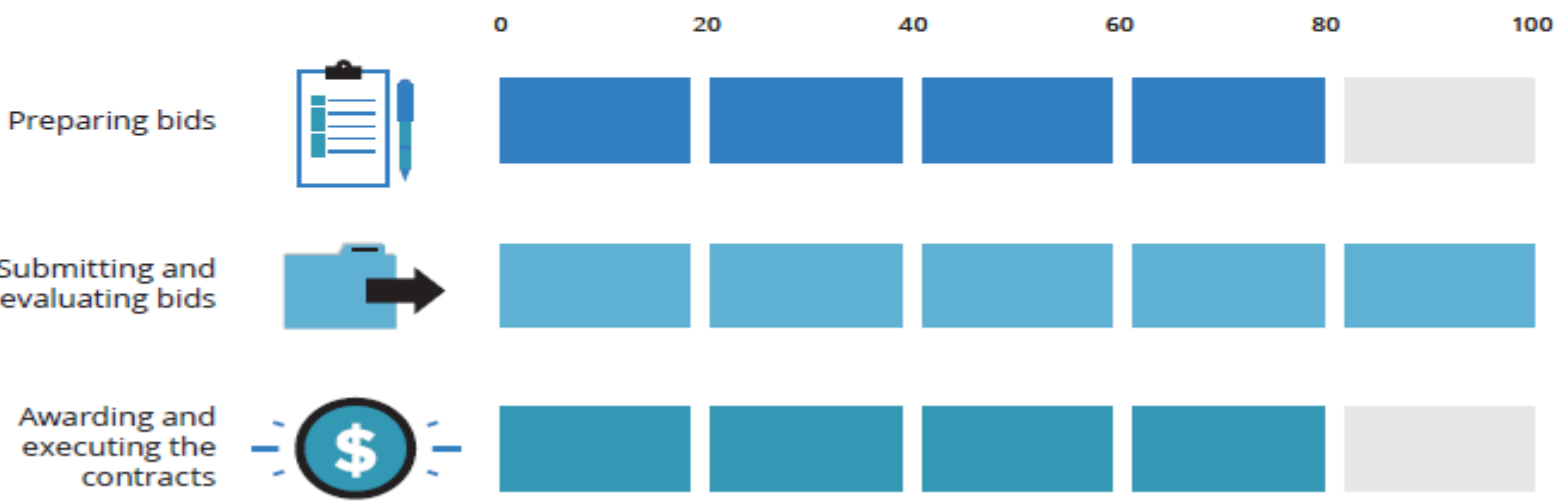
The Procurement Life Cycle (datasheet)

United States

Income per capita: \$55,200

High-income OECD

The procurement life cycle

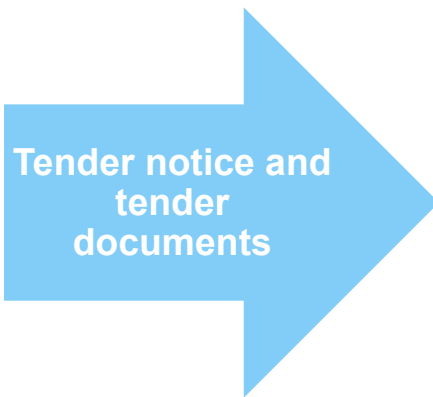


Accessing information



Procurement
Plan

- In OECD high-income economies such as **United States**, Canada, France, and the Republic of Korea, the procurement plan is not accessible online. Only Chile, Australia and New Zealand provide the procurement plan online.
- Russian Federation and Brazil do not provide procurement plan online.



Tender notice and
tender
documents

- In the OECD region, including the **United States**, the content of the tender notice and the tender documents is regulated. Russian Federation and Brazil also regulate such content.
- The time to access tender documents is very short (less than a day) in all OECD countries to the exception of Hungary (more than 5 days).

E - Procurement

Submission of
bids online and
via e-mail

- **United States**
- Australia
- Austria
- Ireland
- Netherlands
- New Zealand
- Sweden
- United Kingdom

No electronic
submission of
bids

- Hungary
- Spain
- Poland
- Russian Federation

13 of the economies surveyed from the OECD high-income region have electronic procurement platforms available and 8 of them also accept submission of bids via email;

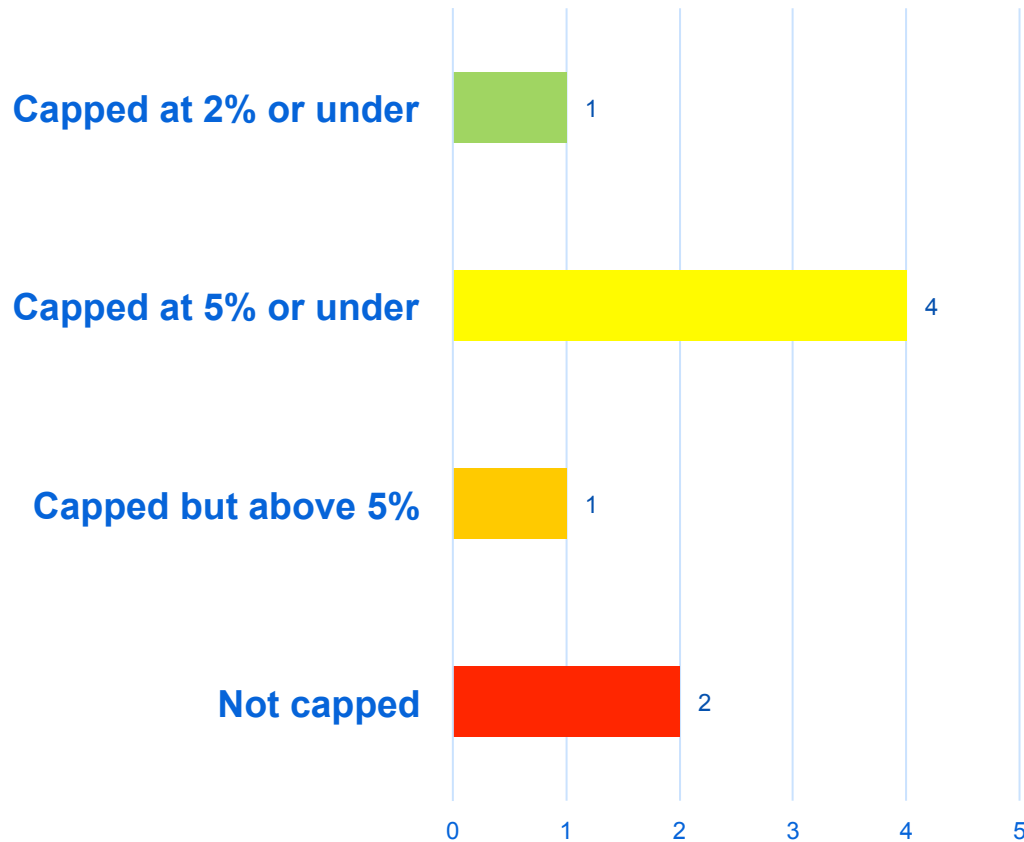
Brazil, France, Republic of Korea, Chile provide electronic platforms for submission but not via email, while **Canada** is the other way around;

Poland permits electronic submission only upon the procuring entity's consent;

Spain and the **Russian Federation** have not yet provide any electronic means for submission.



Maximum amount of bid security



The amount of bid security should be substantial enough that it **deters suppliers from submitting frivolous offers**. But when the amount of the bid security is **too high**, it can **deter potential bidders**;

In half of the 16 OECD countries including **France** and **Canada**, **the maximum amount of bid security is not regulated**;

In **the United States**, the default rule for bid security is 100% of the contract value; the procuring entity may lower the bid security, however, a minimum amount of bid security at 20% is required.

Time to receive payment



30 days to receive payment after performance of the procurement contract is the **accepted good practice**;

Majority of the **OECD** countries (including **the United States**) and **Brazil** provide a 30-day timeframe to process. However, in countries such as **France** and **Brazil**, the payments process can take for over 30 days for suppliers to receive payments. 4 countries from the **OECD** region do not regulate a timeframe to process payments (including **Chile**).

In all of the **OECD** countries, suppliers can expect to receive payments within 60 days in practice regardless of the presence of regulatory timeframe.

In **Russian Federation**, a regulatory timeframe is absent, but in practice, it takes less than 30 days to process payments.

Complaint and Reporting Mechanisms (datasheet)

Complaint and reporting mechanisms



A complaint should first be filed before:

The Procuring Entity in:

- **Korea**
- **Brazil**
- **Canada** (not mandatory, but common practice)
- **Australia**
- **Netherlands**
- **New Zealand**

An Independent Review Body in:

- **Poland**: National Appeals Center
- **Spain**: Special Appeal (“Recurso Especial En Materia De Contratacion”)
- **United States (Federal)**: Government Accountability Office (GAO)
- **Russian Federation**: Moscow City Chief Control Agency

The first-tier review body can be the contracting authority, an administrative entity or a court;

Only a few OECD high-income economies, such as Australia and Netherlands, mandatorily give the procuring entity the first-chance to review a complaint and fix the problem if possible; In some others, such as Ireland, Italy and the United Kingdom the complaints must be filed in courts with jurisdiction.

In the **United States**, the complaining party has a choice regarding the authority before which to file a complaint.

Filing a complaint triggers an automatic suspension in:

United States*

An automatic suspension during the process can disrupt the procurement process;

France

An automatic suspension should be linked to [who](#) has standing to file a complaint and [how long](#) the suspension can last;

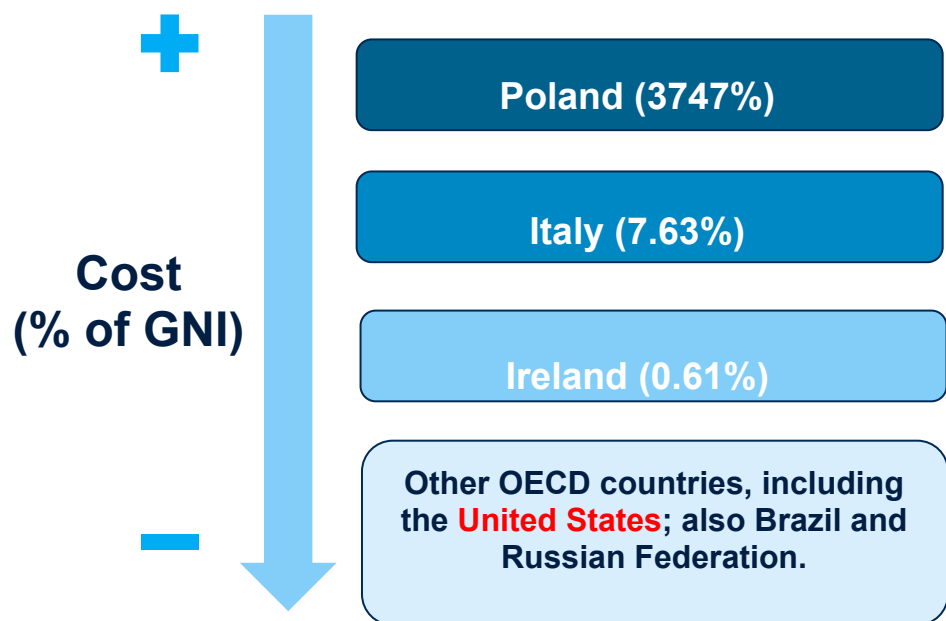
Poland

In [4 countries](#) from this region, the filing of a complaint would automatically suspend the procurement process; otherwise, in other countries, the complaining party would have to request the suspension of the procurement process in court.

Hungary

In the **United States**, filing a complaint triggers a suspension of the procurement process. Not only can suppliers submitted a bid have a standing to file a complaint, but also the suppliers not submit a bid.

Cost of filing a complaint



Having **low (or no) costs** for a complaining party is a **good practice**, particularly for SMEs;

Filing a complaint has no cost in **10 countries** from the OECD region, including the **United States**, **Canada**, **France**, **Korea**;

In 3 OECD countries (**Austria**, the **United Kingdom** and **Hungary**), the cost of filing depends on the value of the contract; In the **UK**, the attorney's fees and judicial process can be up to 36.81% of GNI.

Remedies provided by first-tier review body

Modification of the tender specifications

- **United States**
- France
- Korea
- Chile
- United Kingdom
- Spain
- New Zealand
- Russian Federation
- Brazil
- Poland
- Ireland

Cancellation of procurement decisions

- **United States**
- France
- Korea
- Chile
- United Kingdom
- Sweden
- Spain
- New Zealand
- Russian Federation
- Brazil
- Hungary (and payment of damages)
- Poland
- Italy (and payment of damages)
- Ireland (and payment of damages)
- Australia

Reassessment of the offers and contract award to new competitor

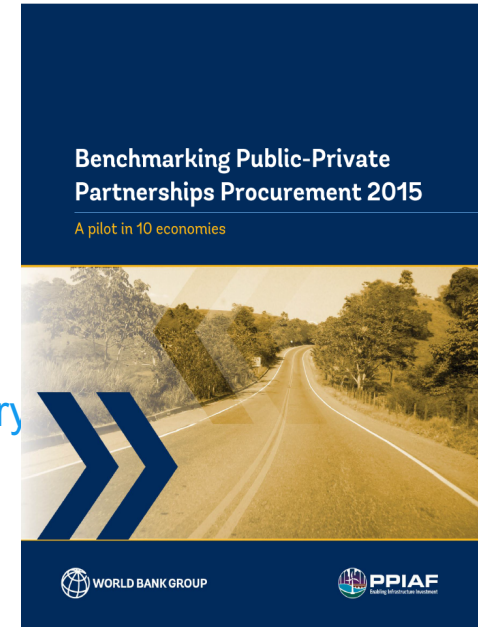
- **United States**
- France
- Korea
- Chile
- United Kingdom
- Spain
- New Zealand
- Russian Federation
- Brazil

NEXT STEPS

- **Thematic expansion to include additional assessment of contract management phase.**
- **Methodology refinement to be discussed with experts and policymakers in countries covered: increased focus on procurement practices, and broader definition on relevant laws (WTO GPA agreement, etc.)**
- **189 economies (currently included in the *Doing Business* Report) to be covered in 2016.**

Benchmarking Public-Private Partnership Procurement

- *Benchmarking Public Procurement* thematic coverage expanded to include a **specific indicator on Public-Private Partnership**.
- Joint partnership with the **World Bank PPP unit**.
- Building on the DB and BPP methodology, *Benchmarking PPP Procurement* indicator assesses **key regulatory aspects and practices of the PPP project cycle** (preparation, procurement and contract management, and a specific section on unsolicited proposals).
- **Successful pilot completed last year in 10 economies (2 in LAC region):** Cameroon, Colombia, Egypt, Ghana, Kenya, Nigeria, Peru, South Africa, Tanzania and Tunisia.
- Scale up of the Benchmarking PPP Procurement indicator **from 10 to 82 economies**.



Thank you!

Website

bpp.worldbank.org

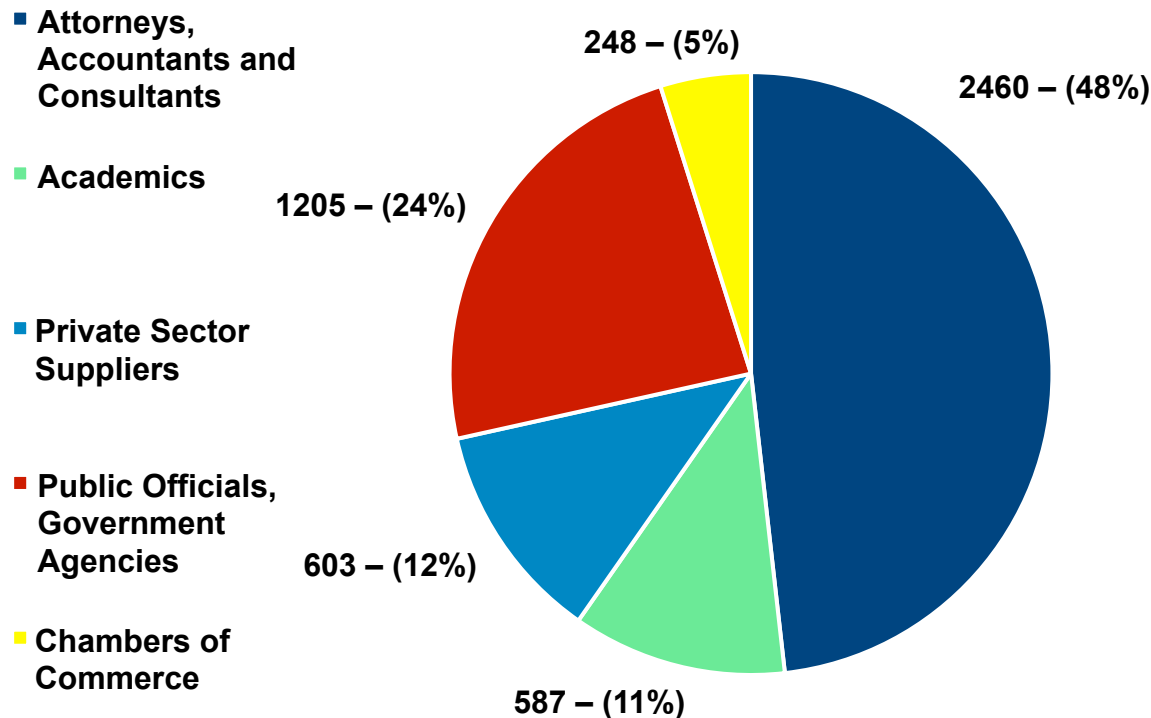
Email: bppindicators@worldbank.org

ANNEX

BPP - KEY FEATURES

- Questions capturing **essential elements of procurement systems for the private sector** were designed following the experts consultation;
- **Surveys** were administered to a global network of local contributors in **77 countries**;
- The BPP dataset is organized under **two thematic areas**: the procurement life cycle and the complaint and reporting mechanism.

BPP CONTRIBUTORS



- ✓ Professionals who routinely administer or advise on the legal and regulatory requirements covered in the project
- ✓ Both public officials and private sector suppliers provide information
- ✓ Respondents have several rounds of interaction with the Benchmarking Public Procurement team, involving conference calls, written correspondence and visits by the team until all data discrepancies are cleared.