



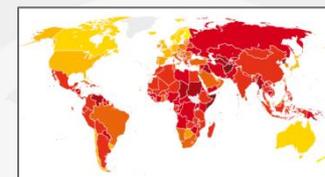
Operational excellence for results that matter

Transparent and competitive procurement processes

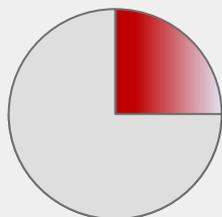
**Anna Spindler, Deputy Director
Sustainable Procurement Operations
5th Conference of States Parties to the
UN Convention against Corruption
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Governments spend 5-25% of their GDP on procurement - it is a vital field for anti-corruption efforts

- **Corruption** continues to be one of the **greatest obstacles to** economic **development** around the world



5-25% of
GDP



- Countries spend between **5-25% of their GDP** on **procurement - corruption** can increase **costs by up to 20%****
- Due to the high volume of **procurement** transactions, **anti-corruption** efforts in this field can have a **strong impact**

- The UN **procurement principles** of **Transparency, Fairness and Competition** are applied along the whole spectrum of our procurement activities

→ **Transparency is key to ensure accountability, which promotes competition and minimizes opportunities for fraud. Its inclusion in the Call for Action is vital**

* Transparency International Annual Report 2012

** World Bank, OECD, Transparency International, EU

How do governments leverage transparency for the *Call to Action* Agenda?



1 Ensure transparent practices in procurement process

- Publish **procurement policies**
- Give access to **procurement plans**
- Advertise **tender notices**
- **Disclose evaluation criteria** in solicitation documents
- Publish **contract awards** and **prices paid**
- Establish clear **protest mechanism**
- Implement financial and **conflict of interest disclosure** requirements for public procurement officials
- Publish **supplier-sanction lists**

How do governments leverage transparency for the *Call to Action Agenda*? (cont.)

2 Empower oversight organizations in civil society

- **Enable civil society organizations** to hold public officials accountable
- Allow and **broaden access** for these organizations
- Support **open data and transparency initiatives** such as International Aid Transparency Initiative (IATI) or Extractives Industry Transparency Initiatives (EITI)

3 Foster a competitive business environment

- **Prevent supplier collusion** through competitive business environment
- Promote **transparent business practices** among industry sector partners
- **Build capacity** by encouraging practitioners to get professional qualifications such as from the Chartered Institute of Purchasing and Supply (CIPS)
- **Support international liberalization initiatives** such as the WTO Agreement on Government Procurement (GPA)
- Work to **eliminate grey areas** that might induce mismanagement

E-procurement systems are an effective way for governments to reduce possibilities for corruption

Benefits of e-procurement systems

- Improve **transparency**
- Increase **efficiency**
- Assure **consistency** across public agencies
- Ensure **compliance** with regulations
- Use intelligence-software for **analysis** and informing **policy decisions**
- Widening **supplier market**

The United Nations Global Marketplace (UNGM) is a powerful tool to enhance transparency and competition

UN procurement



UNGM - The common procurement portal for the UN

- The UNGM acts as a single window, through which potential suppliers may register with 24 different UN organizations.
- These organizations account for over 99% of the total 15.4 US\$bn of UN procurement spend.

UNGM has a United Nations General Assembly mandate to:

- **Enhance transparency** and increase harmonization of UN procurement practices.
- Simplify and streamline the registration process for vendors.
- Increase procurement opportunities for vendors from developing countries.
- Create one common UN global procurement portal.

The UNGM promotes transparency in the UN's procurement process in several ways

Ensuring uniform access

- **Harmonized portal** across UN organizations
- **Easy registration** process

Setting standards for vendors

- **UN Supplier Code of Conduct's** foundation is based on ensuring respect for fundamental human rights, social justice and human dignity, and the equal rights of men and women.
- Addresses environmental awareness and anti-corruption.
- Vendors to the United Nations are expected to **agree** with and **promote** these values.
- Strongly encourages all vendors to join the **Global Compact**.

Enhancing competition

- **Open data** on procurement awards >30,000 US\$
- **1,600** new vendor registrations monthly, **25** procurement notices posted daily, **300** active procurement notices at any time
- **Extensive information** on UN procurement provided to vendors

→ UNGM improves transparency, increases efficiency and ensures consistency across agencies.

Joining together in the *Call to Action*,
we give a voice to the cause.

