



Cooperation and Integration, the path to Government Procurement Development in the Caribbean, April 12-13 2011

Modernising public procurement law –
the UNCITRAL approach

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Why procurement modernisation?

Public procurement law reform
Good governance (MDG Goal 8, Target 12)

Impact across all Goals and most Targets
(more products and services (e.g., vaccines, medicines, education materials)
reach more people and faster; trade; SMEs; transfer of technology)

And also: savings available for development
Aid effectiveness

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Procurement reform

Objectives

- Accession to GPA or other TA; MDB/donor requirements
- Improve performance of system (national)
- Compliance with international agreements (UNCAC)

Context

- Stage of development
- Geography, political system, economy
- Legal system and traditions

Appropriate model?

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Reform of UNCITRAL Model Law

- Update the law (1994)
 - Introduce e-procurement
 - Apply experience in implementation and use
 - No change to key principles and features
- Started in 2004
- Revised law to be issued June 2011
- Consensus approach

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Common procurement objectives

No change in UNCITRAL objectives

- Value for money/economy and efficiency
- Participation, competition
- Fair treatment
- Integrity and public confidence
- Transparency

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Scope of revised Model Law

Remains

- A framework text
- Subject to other international agreements
- Regulates selection of suppliers
 - Not procurement planning
 - Not contract administration
- *Expanded* to include “defence” procurement

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Parameters of revised Model Law

- Reflect developments in procurement
 - *From* rules and compliance
 - *To* management and performance
 - Anti-corruption vs value for money?
 - Use of discretion and the toolbox approach

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Consistency with other texts

- WTO GPA
 - 1994 and revised text 2006
- Other regional and trade texts
- MDBs' Guidelines
- UN Convention Against Corruption
 - Preventive measures on procurement (art 9)

Introduction to UNCITRAL and its work in procurement

Main issues for harmonization

- Objectives and principles the same
- Some differences as regards
 - Procurement methods
 - Use of procurement for other policy goals
- Differences reflect capacity issues
- Model Law designed to be flexibly applied *and* to allow for development

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Legal reform is just the start

- Law needs to be supported by
 - Regulations (the details)
 - Guidance (how to use)
 - Capacity-development (training)
 - Institutions
 - Political will
 - Suppliers and civil society
- *Otherwise, law may be good, but system poor*

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THANK YOU

Details of UNCITRAL's work on
procurement

www.uncitral.org