

## INGP ACTIVITIES REPORT 2014-2015



### Eleventh Annual Conference on Public Procurement of the Americas

Santo Domingo, Dominican Republic  
October 28th to 20th, 2015

[www.ricg.org](http://www.ricg.org)



Organización de los Estados Americanos  
Organização dos Estados Americanos  
Organisation des États Américains  
Organization of American States



## INGP ACTIVITIES REPORT - 2014-2015

The following report contains descriptions of the activities carried within the INGP through its supporting organizations, the OAS, IDB and IDRC. Including details of all the activities taken place from the last annual conference in Asuncion, Paraguay held on October 2014 to the present Annual Conference to be held in Santo Domingo Dominican Republic scheduled for October this present year. This document consists of an executive summary of this year's management of the Network, as well as other activities headed by the leaders the Project and to be presented in the private sessions of the INGP Annual Conference. Additionally, for a more detailed account of the activities carried out by the members and supporting agencies, visit the INGP website [www.ricg.org](http://www.ricg.org) for further information.

### I. Activities completed 2014-2015

After the completion of the Tenth Annual Conference of the INGP in October 2014, the supporting organizations of the INGP have followed with the execution of their programs and maintained a permanent coordination between members. The activities are as follows:

#### 1. Eleventh Annual Conference of the INGP

The INGP and the General Directorate of Government Procurement of Dominican Republic, along with the support of the Organization of American States, International Development Research Centre (IDRC) and the Inter-American Development Bank (IDB) have jointly organized the Eleventh Annual Conference of the INGP entitled "Challenges of Government Procurement in the Americas" to be held in October 28<sup>th</sup> – 30<sup>th</sup>, 2015 in Santo Domingo.

Within the public session of the Conference the following awards are to be presented. The decision process for awarding all initiatives proceeds accordingly:

1. **Sixth Edition of the 'Joseph François Robert Marcello' Leadership Award**, the award will be given to a candidate who has significantly contributed in the implementation of modern and developmental systems of public procurement and has demonstrated outstanding leadership in the promotion and practice of these principles between countries of the region. We have received 6 nominations for the Leadership Award.
2. **Fourth Edition of the Award Innovation in Public Procurement** is given to those institutions that have introduced new and high impact solutions on government procurement.

#### Categories:

- **First: Innovation in the implementation of new information technologies on government procurement** that uses technology in order to generate an impact in the modernization of electronic systems on government procurement. Only one award will be given for this category.

- **Second: Innovation in institutional reform and/or regulatory framework** that is marked by its political support and regulatory framework. Only one award will be given for this category.

Towards the end of the nomination period the following profiles were pre-selected:

1. **Chile:** [ChileCompra, Política de Datos Abiertos](#)
2. **Paraguay:** [Portal de Datos de Abiertos de Contrataciones Públicas](#)
3. **Peru:** [ALERTAOSCE](#)
4. **Dominican Republic:** [Democratización del Acceso a las Compras públicas por Medios Móviles y Redes Sociales](#)
5. **Dominican Republic:** [Estrategia para la implementación y reforma del marco normativo y regulatorio de las Compras Públicas en la República Dominicana](#)

Additionally, the Private Session, which is scheduled exclusively for INGP members, and international organizations, where topics of the internal operations of the INGP are discussed, as well as the developments and achievements of INGP members will be shared among participants. Furthermore, the challenges and goals of INGP members will be established for the next management year where new public authorities for the period 2015-2016 and the new host of the Twelfth Annual Conference in 2016 will be chosen.

## 2. In-Site and Virtual Training Workshops

### a) Workshop on Price Assessment and Quality in the Procurement of the INGP (Best Value for money)



The Workshop took place in Managua Nicaragua on the 24<sup>th</sup> and 25<sup>th</sup> of September 2015. The objective of the workshop was to understand and analyze the different perspectives in ‘value for money’, to discuss the typical rules for offer evaluation and share best practices implemented on the subject in Latin America and the Caribbean. The workshop had an attendance of 12 country representatives of the region and 60 civil servants in charge of procurement from different institutions of the State of Nicaragua.

The workshop concluded with the assumption that all countries in the region apply the criteria for best value for money, even though in some cases the development of preferences and price around the region are less developed than others considering their legal framework. In effect there appears to be a consensus over the importance on implementing the logic of “best value for value” and analyzing other factors over price. Following the closing of the activities it is expected that civil servants are more inclined to use different evaluation methods, such that the procurement cycle can include other variable besides price and take into account other transactional costs.



## **b) Regulation of Government Procurement INGP Workshop**

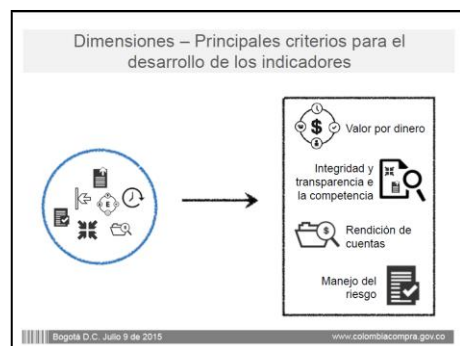


The workshop took place in Lima on the 17th and 18th of September 2015. The goal of the activity is to understand and analyze throughout the region the regulation of public services, goods and infrastructure, as well as their management.

In addition, best practices were shared on the subject. Throughout the workshop there was a participation of 13 country representatives and 20 civil servants of the OSCE of Peru.

The workshop offered a space for understanding and analyzing different practices and models used by countries in the region on the topic of procurement regulations held by the national agencies of INGP members. After discussing the topic, it was established that the state makes the effort to comply with the public interest in order to tackle obstacles; and even though many countries have different regulations, such as various dispute mechanisms that differ from country to country and which also depends on the nature of the procurement agency and the government. Given the aforementioned, it was also established that although there are many differences in the region on how this subject is handled, in order to have an appropriate functioning of procurement regulations, the institution must be independent of political and economic interests.

## **c) Fourth Virtual Workshop on Indicators for Government Procurement**



The Workshop was completed through virtual manner at the national offices of the IDB on July 9<sup>th</sup>, 2015, with the objectives of closing the final report of the working group, analyze the availability of information necessary for the elaboration of proposed indicators and mechanisms for its relocation, as well as generating a common proposal. The workshop had a participation of nine different procurement agencies of the region.

In conclusion, the activities on the working group created a good exercise within the procurement agencies of each country and created an atmosphere for sharing good practices from those countries that have already developed indicators in the subject. The exercise also marked the stepping stone for creating a regional consensus on indicators for procurement agencies of the region.

## **d) Seminar: Promoting Inclusive Growth: Increasing the Participation of Women in Public Procurement.**



The Seminar took place on the 26<sup>th</sup> and 27<sup>th</sup> of May 2015, at the headquarters of the IDB along with the objective of discussing among the countries of the region how to increase the participation of women owned businesses participating in procurement. The workshop had a participation of 12 heads of procurement and had a participation 200 people. Concluding the seminar the countries

pledged through a declaration to promote public procurement as mechanisms for empowering women in accessing public procurement opportunities.

As a result the event marked an important step in introducing this topic in each country, as well as the INGP included the topic to its agenda and it was also recommended to include the topic in the action plan of the INGP, such that countries can have previous knowledge in the practice as well as they can continue advancing and contributing to the matter and identify favorable conditions and topic related in order to generate further action.

**e) INGP International Seminar / Workshop in open data and procurement**



The Seminar was held on May 5th, 2015, in Santiago de Chile. The goal was to review the case studies from different countries and analyze the use of technology, as well as the main standards on co-creation and citizen language and technological applications applied to public procurement for both for buyers and suppliers of the state. The seminar had a participation of the representatives of the national public procurement offices from 11 countries in the region, national and international speakers, and over 200 buyers and

suppliers of the state.

We shared important experiences and lessons learned from countries in the region and international experts in the field. We also highlighted the importance of continuing work on the issue of open data in government procurement in future INGP activities.

**f) INGP Workshop on the Procurement of drugs, medical equipment and other health supplies**



The Workshop was held in San José, Costa Rica on January 21<sup>st</sup> and 22nd, 2015. The goal was to understand, analyze and debate procurement strategies and negotiation techniques used by the governments in the procurement of drugs. In addition, we shared best practices implemented by Latin American and Caribbean countries. The workshop was attended by 13 countries in the region.

It was concluded that the purchase of medicines is a complex issue that requires a continuous and in-depth analysis. Many of the problems and challenges identified are common throughout the region, including the lack of planning, mismanagement of drugs purchased by decentralized management, failure of the logistics supply, lack or mismanagement in the disposal of expired medicines and the dispersion and variety of prices. The country representatives mentioned to begin a proposal in order to create a project for the entire hemisphere so that the prices of drugs could be compared. To do so, there has to be a defined methodological common criterion to determine how, when

and how much is the costs of every purchase and how to make these numbers comparable. As a suggestion to begin this task, countries should identify one or two drugs with relatively limited suppliers.

## **II. Publications and Implementations in Pilot Tenders**

Based on the agreement with the International Development Research Centre (IDRC) of Canada, the following publications were launched in 2015:



### ***Handbook for Public Procurement Officers***

<http://www.iisd.org/publications/handbook-ingp>

Developed by the International Institute for Sustainable Development (IISD)



### ***Measuring the impact and progress of sustainable public procurement in LAC.***

<http://www.ricg.org/medicion-del-impacto/Ebook%20Medicion%20web.pdf>

Text developed by Páginas Verdes.



### ***Towards greener and more competitive SMEs: public procurement as a driver for sustainable development***

<http://www.ricg.org/pyme-mas-verde/pyme-mas-verde.pdf>

Text developed by CEGESTI.

As part of the activity “Pilot Tenders”, Mexico and Dominican Republic have been identified as suitable countries to implement the Handbook recommendations.

The program is accompanied by the International Institute for Sustainable Development (IISD) in order to perform the purchase of a good or a service, selected by the country, in a more socially or environmentally responsible manner.

This handbook will be an important tool for implementing SPP in the Latin American and Caribbean region, with aim of guiding government procurers on the design of procurement policies and preferential purchasing programs that will crowd-in SMEs, minority suppliers and women-owned enterprises. It will integrate environmental and social criteria across the public procurement cycle, from supplier qualification to technical

specifications, award criteria and contract conditions.

### **III. Online Training for Public Officers**

The online course "*Public Procurement Management*" has been implemented in order to improve the qualifications of human resources working in the public procurement area. It is managed by the OAS and conducted through its *Virtual Campus*. Guided by expert tutors in the subject of public procurement, the course offers the opportunity to learn the concepts applicable in the daily tasks of procurement and develop strategies to solve complex situations in their institution. The OAS is currently updating the information and the platform and the course is expected to be conducted during the first half of 2016 .

During 2015, 100 officials from 16 countries in the region have received training, with a total of USD \$22,500 in partial scholarships.

#### ***New online courses in the area of public procurement:***

The INGP along with the support of the OAS and the IDRC is developing the online course on "Sustainable Procurement" based on the Handbook: IDRC/OAS Project: 2016. It will be available in English and Spanish.

In addition, thanks to financial support from the IDB and the MIF, agreements, the following courses will be developed in Spanish:

- SMEs in Public Procurement: 2016
- ICTs and Public Procurement: 2016
- Value for money or Drugs procurement (TBD): 2017

In 2016 the OAS will offer the courses on the Virtual Campus and 200 scholarships will be granted to civil servants in public procurement form offices in the region.

### **IV. Activities of the Inter-American Development Bank (IDB)**

#### **Fiscal and Municipal Management Division:**

The following activities were undertaken by the Fiscal and Municipal Management Division of the Inter-American Development Bank from October 2014 to September 2015.

- 1. Reform initiatives.** Specialized technical assistance up to USD \$ 250,000 was conducted. Additionally, comprehensive projects were implemented such as investment or policy loans that exceeded USD \$ 5,000,000 each.

Topic	Countries	Type of Activity
Institutional / Operational Strengthening	Argentina (Federal), Bahamas, Barbados, Belize, El Salvador, Guyana, Jamaica, Dominican Republic, Suriname, Trinidad and Uruguay.	Specific assistance and Investment loan
Strengthening of Regulatory Framework	Bahamas, Barbados, Guyana, Surinam and Trinidad.	Specific assistance and Investment loan
Strengthening of Electronic Systems	Bahamas, Barbados, Colombia, Jamaica, Surinam and Trinidad.	Specific assistance and Investment loan
Regional initiatives	Latin American Region	Technical Assistance
Regional initiatives	Caribbean	Technical Assistance

**2. Working Groups and Networks.** Participation in the following working groups and networks:

- OECD working group for updating MAPS methodology
- OECD working group of expert leaders in public procurement
- Working Group to promote the participation of women in public procurement
- E-procurement network coordinated by the Asian Development Bank
- Federal Network in Argentina
- Sub-national Network in Brazil

**3. Research.** This includes the preparation and information gathering for different knowledge products including:

- Survey for the preparation of the joint publication with the OECD "Government at a Glance 2016" Latin America chapter.
- Information gathering for the diagnosis of electronic systems at national and sub-national level 2015-2016.
- Information gathering on the state of the procurement reform in the Caribbean 2015-2016.

**4. Training and conferences.** This area includes workshops, seminars and conferences on subjects that support the strengthening of functional and strategic skills of procurement officers in the region, such as:

- Incrementing the participation of women owned enterprises in public procurement
- Annual Conference of public procurement in Dominican Republic
- Brown Bag lunches – workshops on: Role of public procurement in market integration, OECD general principles for public procurement and business intelligence models
- Certificate Training for officers by the Chartered Institute of Procurement & Supply (CIPS) in Barbados and Belize (regional)
- Workshop on contract management in Argentina
- Training workshop of public administration in Cordoba

**5. Other.** Two IDB funded programs have been approved, led by the Fiscal Management Division, that will be exclusively dedicated to train public officers and will be implemented by the Technical Secretariat of the Inter-American Network on Government Procurement (INGP) for a total of USD \$ 400,000.



Administrative Services and Corporate Procurement Division (FMP):

As part of the activities of the Procurement Division of the Inter-American Development Bank, during the period 2014-2015, the following activities took place:

During the **2014-2015** period, the Procurement Division of the Inter-American Development Bank supported 9 countries of the region to **strengthen their national systems** through **technical assistance**, related to the training public procurement officers, developing government procurement portals, the promotion of new award mechanisms (framework agreements, reverse auction, etc.), among others. Public officers from 3 countries received support to participate in **international bodies of knowledge transfer**. Also 4 countries benefited from the promotion of **south-south cooperation activities** among procurement offices.

**Five diagnostics** on public procurement systems were conducted during the period, 4 of them used the MAPS methodology of the OECD/DAC. Additionally, regional funding was granted for 4 **technical studies** related to the state of E-GP outside of the region, analysis of the different institutional models of Central America, mechanisms to promote specific sectors through public procurement and methodology proposals for calculating savings in public procurement are currently being edited to be published among the members of the INGP.

FMP also participates actively in the working groups of the OECD with the goal of updating the MAPS methodology and the leaders in public procurement.

Description	#	Countries
Technical Assistance	10	Ecuador, Belize, Jamaica, Guatemala, Paraguay, Uruguay
Knowledge Transfer	4	México, Chile, Perú
South-South Cooperation	2	Colombia- Costa Rica, Honduras, Guatemala/ Paraguay-Chile
Diagnostics	6	Costa Rica, República Dominicana, Uruguay, Colombia, Panamá y Argentina.
Studies	4	<ul style="list-style-type: none"><li>- E-GP</li><li>- Instructional Models</li><li>- mechanisms to promote specific sectors through PC</li><li>- Savings calculation in PC</li></ul>

## **V. Governing bodies 2014-2015**

### **Presidency**

**Yokasta Guzman**  
General Director  
Public Procurement  
**Government of Dominican Republic**

### **Executive Committee (Representatives elected by countries):**

**Alejandro Luna**  
Representative of North America  
Public Procurement Policy Unit  
Ministry of Public Administration  
**Government of Mexico**

**Cheryl Mathurin**  
Representative of the Caribbean  
Ministry of Sustainable Development  
**Government of St. Lucia**

**Edelmira de Molina**  
Representative of Central America  
Chief of Procurement Legislation Office  
**Government of El Salvador**

**Magali Rojas**  
Representative of Andean Region  
Executive President  
State Procurement Office (OSCE)  
**Government of Peru**

**Trinidad Inostroza**  
Representative of Mercosur and Chile  
Director  
Purchasing and Public Procurement  
**Government of Chile**

### **Representatives of support institutions:**

**Organization of American States (OAS) –Technical Secretariat of the INGP**

E-Government Program, Department for Effective Public Management, Secretariat for Political Affairs

**Steven Griner**

INGP Technical Secretariat  
Coordinator, E-Government Program  
April 2014-Present

**Helena Fonseca**

Coordinator of the INGP Technical Secretariat  
Project officer, E-Government Program

**Sofía Quiñonez**

INGP Technical Secretariat Management Team  
Consultant, E-Government Program

**International Development Research Centre - IDRC**

**Ben Petrazzini**

Senior Specialist  
*Senior Program Specialist 'Support to Inclusive Growth'*

**Inter-American Development Bank – IDB**

*Administrative Services and Corporate Procurement  
Division*

*Fiscal and Municipal Management Division*

**Javier Dávila**

Senior Procurement Specialist

**Roberto Laguado**

Procurement Specialist

**Mariana López**

Consultant

**Leslie Elizabeth Harper**

Modernization of the State Specialist

**Daniel Sánchez**

Senior Consultant

**Ana Cristina Calderón**

Senior Consultant