Public Procurement is Big Business!

Public procurement, the purchase of goods, services and works by governments and state-owned enterprises is increasingly used by governments as a strategic tool to deliver on their mandates and achieve broader policy objectives. It is an essential component of government expenditure. Worldwide, governments spend about US$9.5 trillion—or 15% of global GDP—on contracts with companies to procure goods and services.

Procurement constitutes about 30% of government expenditure in high-income countries and about 50% in low and middle income countries.

Open Contracting

Too many governments appear to be unaware of how much, when and with whom they buy and sell. This puts public contracting by government at risk of corruption. Open contracting can transform public procurement through better data, analysis and engagement with businesses and civil society. It generally refers to the publication of government contracts, from the awarding process, to the monitoring and evaluation of the implementation of contracts.

Open Contracting ensures that the information disclosed is consistent, accurate and reusable across multiple media through the Open Contracting Data Standard (OCDS). Open Contracting involves:

1. Disclosure of open data and documents about the planning, procurement, and management of public contracts;
2. Engagement with various users of information, leading to improved accountability; and
3. Redress by government agencies or contractors by acting on the feedback.

Open Contracting Data Standard (OCDS)

The Open Contracting Data Standard is a user-friendly and flexible tool that structures information about the planning, procurement and implementation of government contracts to encourage publication for reuse and innovation. It describes what, when and how to release data and associated documents at different phases of the contracting process from planning, tendering, awarding, implementation to completion of public contracts.

It ensures that partners across the world can gain access to integrated data, rather than facing silos of disconnected contracting data. The standard enables developers to build tools that will deliver value-added services to the private sector, such as more efficiently matching small business with opportunities, and applications for citizens groups to monitor service delivery.

It also provides a benchmark for good practice in disclosure, offering a framework for government to progressively collect and publish their information. It is not a pass or fail standard but encourages progressive publication and sharing of information. The Open Contracting Partnerships runs a free global helpdesk to assist publishers with producing and sharing this information.
OCDS Mapping

OCDS mapping is the process of ascertaining the level of disclosure of current procurement systems by identifying the disclosed data points and cross referencing them against the Open Contracting Data Standard (OCDS). It helps to identify the available disclosure systems as well as the gaps in disclosure at different stages of the procurement cycle.

Mapping Methodology

The methodology used to conduct the mapping is done using a template based on the OCDS v1.0 schema which focuses on four key questions. It entails mapping out the landscape before planning an OCDS implementation.

Key questions asked during OCDS mapping are:

1. What data systems hold contracting data and documents? And how are they managed?
2. Which data systems hold data on each stage of a contracting process? And what data is currently disclosed?
3. Do the systems hold consistent identifiers for each contracting process, and for the parties to tenders and contracts?
4. What technical resources are available to help in the implementation of open contracting?

First OCDS Mapping in 2018

The first OCDS mapping of disclosure of public procurement information in Kenya was conducted in October 2018. This mapping was conducted on the Kenyan Public Procurement Portal by ICJ Kenya in collaboration with Africa Freedom of Information Centre (AFIC).

Findings:

1. **Disclosed information is historical.** Therefore, most procurement information on the portal was found to be historical. This is because the portal was not updated in real-time and there were no active tenders;
2. **Not all stages of procurement were disclosed.** Full disclosure involves disclosing information from the planning, tendering, awarding, contracting and implementation phase. However, the portal did not have any information from the planning phase;
3. **Very limited information disclosed.** Across the procurement cycle, very limited information was disclosed at each stage. In addition, the tenders and contracts disclosed did not have any supporting documentation.

Second OCDS Mapping in 2020

The second OCDS mapping was conducted on the Kenyan Public Procurement Portal by ICJ Kenya in collaboration with Africa Freedom of Information Centre (AFIC) in February 2020.

Findings:

**No gender desegregated data:**

1. One of the Sustainable Development Goals is closing the gender gap and increasing the opportunities for women and girls in our societies and economies;
2. In 2013, Kenya amended its Access to Government Procurement Opportunities (AGPO) law to reserve 30% of all public procurement for small businesses owned by women, youth and persons with disabilities. In the mapping no data on contracts reserved was found.

**Disclosed data is still mostly historical:**

1. A comparison between the date information was published and the dates for key procurement information showed that most of the published data had been disclosed late;
2. The timeliness of disclosure of information is critical to public procurement if the information disclosed is to be actionable.

**Recommendations**

**Government should embed open contracting in public procurement:**

Government should develop systems to collect, manage, simplify and publish contracting data regarding the formation, award, execution, performance and completion of public contracts in an open and structured format, in accordance with the OCDS.

**Build Capacity building in Open Contracting:**

Government should work with the private sector, donors and civil society to build capacity for all relevant stakeholders to understand, monitor and improve public procurement and create sustainable funding mechanisms to support participatory public contracting. Further, open contracting should be embedded into learning and organizational development in all public entities.

**Empower women, youth, persons with disabilities and other marginalized and minority groups:**

Governments should use public procurement policy to actively promote equality by implementing policies such AGPO.

**Resources**

- https://www.open-contracting.org/what-is-open-contracting/
- https://wiki.p2pfoundation.net/Open_Data
- https://agpo.go.ke/
- https://www.tenders.go.ke/website
- http://ppra.go.ke/category/tenders/

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