Interamerican Network on Government Procurement

Trinidad Inostroza
President
October 2016
Interamerican Network on Government Procurement

- Established in 2003 by the countries of the Americas as a mechanism for regional technical cooperation
- Composed by the directors of the national governmental institutions that have the highest responsibility regarding the regulation, management and modernization of government procurement
- 32 member countries of Latin America and the Caribbean, who handle 10 to 15% of their country’s GDP through the public procurement systems
Interamerican Network on Government Procurement
OBJECTIVES

- Facilitating the exchange of experiences and best practices among its members,
- Training human resources from national entities responsible for government procurement,
- Generating and disseminating knowledge,
- Promoting the incorporation of information and communication technologies as tools for efficiency and transparency
- Promoting regional coordination and harmonization in key aspects of national procurement systems
Interamerican Network on Government Procurement

**Statutes of constitution** approved by the members in 2008.

**Structure** comprised by:

- A Presidency: which is led during the next two years by Chile, elected by countries;
- An Executive Committee integrated by the 5 geographical regions of the hemisphere:
  - North America, led by Puerto Rico,
  - The Caribbean, by St. Lucia and Belize,
  - Central America and Dominican Republic, by El Salvador,
  - Andean Region, by Colombia,
  - Southern Cone, by Paraguay
- The **Organization of American States** (OAS), as technical secretariat of the INGP.
- The **Inter-American Development Bank** (IDB) and the **International Development Research Center** (IDRC) of Canada, have also supported the Network since its existence by providing institutional, technical and financial resources.
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June 2016, the Network was recognized as a mechanism of the Inter-American system for horizontal cooperation between the OAS member states in Government Procurement.
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4 areas of action:

- To facilitate political and technical dialogue within the member countries.
- To contribute with the capacity-building of the institutions by providing civil servants with technical training on government procurement.
- To generate knowledge products that can be point of reference to the region.
- To give technical assistance based on specific requests made by the countries.
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Main topics:
1. Transparency
2. TICs.
3. Sustainable procurement composed by social inclusion, economy and environment criteria.
4. Professionalization of Public Procurement.
5. Institutionalization of GP
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Results of the INGP:

• + than 200 spaces for exchanging of good practices and lessons learnt.

• 11 Annual Conferences in 9 countries = Aprox. 7,000 participants (Public and private sector, national and international experts, civil society, academia)

• 45 workshops in GP in more than 30 countries = Aprox. 3,000 participants

• Information tools: Website (www.ricg.org), Virtual Library, Base of experts, virtual community, Observatory of the INGP (final phase)

• 4 online courses developed in GP: + than 2,000 civil servants virtually trained since 2012

• More than 50 studies/publications elaborated in the framework of the INGP.
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Benefits to be part of the INGP:

• Managers from countries in the Americas are provided opportunities to cooperate in the analysis of lessons learned and best practices from leading institutions, strengthen their capacity to define strategies, as well as implement programs and projects to modernize government procurement.

• The network seeks to help reduce the time, cost and risk of implementing initiatives, while increasing the quality and impact of the solutions adopted by each country by the creation and dissemination of information, access to experts, the organization of workshops, conferences, cooperation between institutions, training of public officials and mobilization of technical support.
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Funds
- INGP do not have funds to finance their activities. It has been a complex issue within the network.
- IADB, IDRC and the OAS have financed the activities of the INGP since 2004.
- One of the challenges of the INGP is to achieve auto-sustainability of the network: the possibility of countries contributing.
<table>
<thead>
<tr>
<th>Date</th>
<th>Activities</th>
<th>Place</th>
<th>Participants</th>
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</thead>
<tbody>
<tr>
<td>18th and 19th August 2016</td>
<td>Workshop on Professionalization of public procurement</td>
<td>Montevideo, Uruguay</td>
<td>12 INGP member countries representatives Aprox. 30 participants</td>
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<tr>
<td>12th and 13th July 2016</td>
<td>Workshop on Innovation on public procurement</td>
<td>San Salvador, El Salvador</td>
<td>10 INGP member countries representatives Aprox. 70 participants</td>
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<tr>
<td>13th to 15th June 2016</td>
<td>III Sub-Regional Caribbean Public Procurement Conference of the INGP</td>
<td>Bridgetown, Barbados</td>
<td>11 INGP member countries representatives 120 participants</td>
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<tr>
<td>5th and 6th April, 2016</td>
<td>Workshop on Sustainable Public Procurement</td>
<td>Bogota, Colombia</td>
<td>21 INGP member countries representatives</td>
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<tr>
<td>24th and 25th February, 2016</td>
<td>Workshop on Market concentration, collusion and identification of abnormally low tenders</td>
<td>Asuncion, Paraguay</td>
<td>19 INGP member countries representatives</td>
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<tr>
<td>Date</td>
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<tr>
<td>24th and 25th September 2015</td>
<td>Workshop on Price Assessment and Quality in the Procurement of the INGP (Best Value for money)</td>
<td>Managua, Nicaragua</td>
<td>12 country representatives INGP 60 civil servants from Nicaragua</td>
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<tr>
<td>17th and 18th September 2015</td>
<td>Regulation of Government Procurement INGP Workshop</td>
<td>Lima, Perú</td>
<td>13 country representatives 20 civil servants of the OSCE of Peru</td>
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<tr>
<td>26th and 27th May 2015</td>
<td>Promoting Inclusive Growth: Increasing the Participation of Women in Public Procurement</td>
<td>Washington DC, USA</td>
<td>12 heads of procurement entities</td>
</tr>
<tr>
<td>5th May 2015</td>
<td>Workshop in open data and procurement</td>
<td>Santiago, Chile</td>
<td>11 country representatives 200 State buyers and suppliers</td>
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<tr>
<td>21st and 22nd January 2015</td>
<td>Procurement of drugs, medical equipment and other health supplies</td>
<td>San José, Costa Rica</td>
<td>13 country representatives</td>
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ChileCompra
Context Chile?

Population 17,819,054

Per capita* ≈ 22,000 (49th)

Public Procurement PP (*)
12,155 MM

What does Chile export?
Products exported by Chile
- Refined Copper: 23%
- Copper Ore: 21%
- Grapes: 2.4%
- Fish Fillets: 3.3%
- Wine: 2.5%

What does Chile import?
Products imported by Chile
- Cars: 5.5%
- Delivery Trucks: 2.8%
- Crude Petroleum: 7.9%
- Refined Petroleum: 7.7%
How is ChileCompra organized?

- Director
  - Research and Business intelligence
  - Legal area
  - Observatoriy
- Intersectorial Networks Coordination
- Framework agreement Division
- Technology and Business Development Division
- Users Service Division
- Human Ressources and Institutional Management Division
How is ChileCompra organized?

State Budget

140 staff Public Servants includes 16 regional offices

Total annual Budget US$ 11 millions

Ownership model: Independent agency under the overall supervision of the Ministry of Finance

Director decides with the support of Heads of Division
ChileCompra Mission

- Efficacy
- Transparency
- Integrity
- Facilitate procurement processes to the public agencies
- Inclusion
- Access
- Competition
- Efficiency
- Integrity
- Access
- Inclusion
- Competition
Public Procurement System

- **125,000** Providers
- **$US12 billion** per year
- **$US837 million** Savings
- **15,000** Public Servers (Buyers)
- **850** Public Entities

ChileCompra
MercadoPublico.cl
Simple and flexible regulatory framework

- First level: Procurement Law 19.886
- Second level: Procurement Regulation
  - Regulation is enacted and modified by the Executive branch
  - ChileCompra elaborates guidelines and recommends best practices
Procurement officers training

184,865 civil servants have been trained

15,350 civil servants certified
Suppliers training

137,000 suppliers have been trained, through online + classroom courses
E-procurement process

- It covers the whole procurement process through a **transactional platform**
- **Free and easy** access
- Continuous improvement on the **reduction of access barriers**
Transparency and integrity

**Analiza**: on line platform offering information about public procurement processes

**Observatorio**: it monitors the bidding process and suggests improvement recommendations
User focused actions

- **Timely payment to suppliers**: Active management with government agencies to improve payment times
- **Work groups** with suppliers associations
- **Permanent support** through the Help Desk and 16 regional offices
ChileCompra platforms

www.mercadopublico.cl
www.chilecompra.cl
www.formacion.chilecompra.cl
www.analiza.cl
Evolution to Open Data...

Generating communities!
## ChileCompra and the Interamerican Network on Government Procurement

<table>
<thead>
<tr>
<th>WHEN</th>
<th>COUNTRY</th>
<th>TOPICS</th>
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<tbody>
<tr>
<td>September 2014</td>
<td>Dirección Nacional de Contrataciones Públicas de Paraguay (DNCP)</td>
<td>Training about ChileCompra system</td>
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<tr>
<td>February 2015</td>
<td>COMPRASAL, El Salvador</td>
<td>Training visit: regulation, framework agreements and suppliers registry</td>
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<td>Since 2014</td>
<td>OSCE, Perú</td>
<td>Collaboration agreement</td>
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<tr>
<td>May 2015</td>
<td>RICG member countries</td>
<td>International workshop on Open Data and Public Procurement</td>
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<tr>
<td>May 2015</td>
<td>Buenos Aires, Argentina</td>
<td>Collaboration agreement, Training visit on framework agreements,</td>
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<tr>
<td>December 2015</td>
<td>Panamá</td>
<td>Electronic system, Framework agreements</td>
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<tr>
<td>March 2016</td>
<td>El Salvador</td>
<td>Observatorio</td>
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