



OAS Technical Secretariat
INGP

Department of Effective Public Management
More Rights for More People

Inter-American
Network on
Government Procurement

Report of the XIII Conference of High Authorities Inter-American Network on Government Procurement (INGP)

October 3-5, 2017, Santiago, Chile



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I. BACKGROUND

The XIII Annual Conference of High Authorities of the Inter-American Network on Government Procurement (INGP) was held from October 3 to 5, 2017, in the city of Santiago, Chile.

The Conference was opened by Ms. Michelle Bachelet, President of the Republic of Chile, accompanied by Mr. Nestor Mendez, Assistant Secretary General of the Organization of American States (OAS); Ms. Trinidad Inostroza Castro, Director of ChileCompra; Ms. Patricia Peña, Ambassador of Canada to Chile; and Ms. Carolyn Robert, Representative of the Inter-American Development Bank (IDB) in Chile. In attendance at the event were over 300 individuals, including representatives and authorities of the entities responsible for State procurement of 32 Latin America and Caribbean countries, and of Canada; and over 80 international experts and delegations from the OAS, the IDB, the International Development Research Centre (IDRC), the Caribbean Development Bank (CDB), and the Organisation for Economic Co-operation and Development (OECD).

In that context, the President of Chile underscored the achievements being made by that country in public procurement and emphasized that the INGP was the Hemisphere's most relevant network in this area.

The Assistant Secretary General of the OAS underscored the importance of the activities of the INGP in the last 14 years, it being a technical public procurement mechanism and referent. He also noted that public procurement was vital in promoting transparency and combating corruption in the region.

[Video summarizing the XIII Annual Conference of the INGP](#)

II. THEMATIC AREA AND AGENDA—PUBLIC SESSION

The theme of the Conference was “Value for Money in Public Procurement,” emphasizing the need for and importance of adopting this concept as a principle of and approach to all public procurement processes, of a multicriteria approach to different aspects of the quality of a good or service; and of the implementation of sustainability criteria (economic, environmental, and social) in bidding processes.

The agenda consisted of the following six discussion panels:

1. Procurement methods and tools that ensure best value for money in public procurement
2. Open procurement and open data as mechanisms to ensure transparency in public procurement
3. Value to society
4. Is integrity good business in public procurement?

5. The digital economy and the incorporation of technology in public procurement
6. National experiences of obtaining best value for money.

The debate generated during the different panel discussions yielded the following conclusions:

- Best value for money in public procurement is obtained through an optimal combination of effectiveness, efficiency, and economy in public resource use, taking a *net present value approach* to cost factors (price, life cycle, transaction costs, maintenance, and final disposal) and non-monetary attributes (quality, delivery, service, impact, sustainability, and, where applicable, graduality and flexibility).
- Which methods and tools are to be used in ensuring best value for money depends on the complexity and nature of the good, service, or public work to be procured.
- The tools available to procurement officials to ensure best value for money include cost-benefit analysis, cost analysis, financial evaluation of tenders, and cost-effectiveness of tenders.
- Value for money must focus on the delivery and results of public services, rather than on interim results.
- The new value-for-money-based vision of public procurement gives greater weight to the pre- (planning) and post-tender (contract management) phases; whereas the traditional vision overemphasizes or considers solely the bidding process.
- The availability of and access to open information, market awareness, risk analysis, competition, and innovation are fundamental factors in obtaining best value for money.
- From a strategic standpoint, best value for money entails the involvement of suppliers and other public procurement system stakeholders.
- The integrity focus is fundamental in ensuring that societal well-being is achieved. If societal well-being and greater value for money are to be achieved, a strategic vision of public integrity must be employed, one not based solely on probity, but as an aspect of an entire system that must include as key elements commitment, cultural change, continuing education, leadership, accountability, citizen participation, oversight and monitoring, and risk management, among others.
- To improve management, it is important to have transparent and traceable information and to identify risks of collusion and free competition.

III. PRIVATE SESSION – REGIONAL NEEDS AND CHALLENGES IDENTIFIED AND AGREED UPON

During the private session of the Network, the OAS, as its Technical Secretariat, presented the report on its activities and results obtained in fiscal year 2017 (hereto annexed). The participating member countries shared their progress in the public procurement area and engaged in dialogue on regional needs and challenges for coming years.



Through that dialogue, the following priorities were identified:

- Strengthening integrity and transparency in public procurement
- Implementation of open procurement
- Professionalization of public procurement officials
- Inclusion of social, economic, and environmental criteria in public procurement processes
- Institutional strengthening through joint work with comptrollers' offices and courts of account
- Use of technology to promote public e-procurement
- Strengthening of technical dialogue with suppliers and an understanding of market dynamics
- Evaluation of public procurement systems through the use of the OECD's Methodology for Evaluating National Government Procurement Systems (MAPS)
- Identification of different public procurement methods and their appropriate use

IV. NEW INGP OFFICERS 2017-2019

INGP President:

Cecile Maragh, Director, Procurement and Asset Policy Unit, Jamaica

INGP Executive Committee:

Representative for North America: Canada

Representative of the Caribbean: Principal – Barbados; Alternate – Guyana

Representative of Central America: Panama

Representative of the Andean Region: Ecuador

Representative of the Southern Cone: Uruguay

It was decided that Washington, D.C. would be the site of the XIV Annual Conference of the INGP.