

Electronic government procurement (eGP) refers to the use of information and communication technologies (e.g. the Internet) to enable a more efficient and transparent exchange of information, and interactions and transactions between government and suppliers of goods and services.

Digital technologies are being increasingly adopted to achieve standardisation and consistency, which, in turn, speed up the public procurement process. Furthermore, the use of these technologies is contributing to greater transparency, efficiency, and effectiveness in public spending by enabling more open, innovative and accountable public entities. Finally, eGP facilitates the simplification and/or elimination of repetitive and redundant tasks resulting in cost and time savings throughout the procurement cycle.

Over two thirds of the surveyed LAC countries have implemented e-procurement systems, often in the form of a central platform, supported by different modules focusing on different tasks and steps of the procurement process, compared to 100% in OECD countries with available information. In general, eGP is less common in Caribbean countries such as Anguilla, Barbados, Belize, Guyana, Saint Lucia and Turks and Caicos Islands. In those LAC countries with an eGP system, respondent countries reported having on average five out of the seven functionalities specified in the survey (i.e. announcing tenders, e-submission of bids, provision of tender documents, online catalogue, e-auctions, notification of award and e-submission of invoices), with Colombia, Costa Rica and Ecuador reporting to have them all. However, in the case of Ecuador, the electronic submission of invoices is only observed in the e-procurement systems of specific entities.

Announcing tenders is the most common functionality of eGP systems in LAC reported by all respondents that have implemented e-procurement (14 countries). Furthermore, 93% of the LAC countries with eGP systems use them to notify contract awards. These are widely implemented functionalities of the e-procurement systems in the OECD countries, where 97% of countries use eGP to announce both tenders and notify contract awards.

Additional functionalities mentioned include online catalogues (71%), electronic submission of bids (64%), and electronic reverse auctions (64%). Finally, only 36% of LAC countries, including Chile, Colombia, Costa Rica, the Dominican Republic and to a lesser extent Ecuador, have enabled electronic submission of invoices, compared to 57% in OECD. Honduras has also implemented the Open Contracting Data Standard for releasing public procurement data on its eGP platform.

The integration of public procurement into overall public financial management, budgeting and service delivery processes could lead to better utilisation of public resources through improved information transmission, standardisation and automation. Of the twenty LAC countries with available information, 14 have established an eGP platform, of those 10 have achieved some levels of integration with other government systems and half reported measuring efficiencies generated by those systems. Integration with other systems includes budgeting systems

(8 countries), financial systems for payment (7 countries), tax registries (6 countries), social security databases (6 countries) and business registries (5 countries) (see online Table 10.9). Chile has recently integrated its eGP with the financial management system of the State.

Countries are expanding their eGP systems through the implementation of additional functionalities and integration with other government technologies to fully take advantage of the benefits of digitalising the public procurement cycle. However, only half of the 14 LAC respondent countries with eGP systems indicated that they measure the efficiencies generated by the use of eGP systems.

Methodology and definitions

Data were collected through 2018 OECD-IDB Survey on Public Procurement that focused on strategic public procurement, e-procurement, procurement regulatory bodies, public procurement at regional levels and procurement on infrastructure projects. Twenty LAC countries responded to the survey. Respondents to the survey were country heads of procurement, delegates to Inter-American Network on Government Procurement (INGP) responsible for procurement policies at the central government level, and senior officials in public procurement regulatory and monitoring agencies. Data for OECD countries are from the OECD 2016 survey on public procurement.

E-tendering is designed to electronically enhance the processes of public tendering for the procurement of specialised works, goods, and consulting services that are of high value and low volume.

E-contract management is the electronic enhancement of the management of receivables, payments, contract settlements, contract variations, bid securities, and auditing and control activities. A transactional portal is a system that provides information on everything related to the procurement cycle.

Further reading

Benavides, J. et al. (2016), "Public procurement in Latin America and the Caribbean and IDB-financed project: A normative and comparative study", IDB Technical Note IDB-TN-1162, Inter-American Development Bank, Washington, DC.

OECD (2019), *Reforming Public Procurement: Progress in Implementing the 2015 OECD Recommendation*, OECD Public Governance Reviews, OECD Publishing, Paris, <https://doi.org/10.1787/1de41738-en>.

Figure notes

10.9. (Interoperability of electronic government procurement platform, 2018) is available online in Annex F.

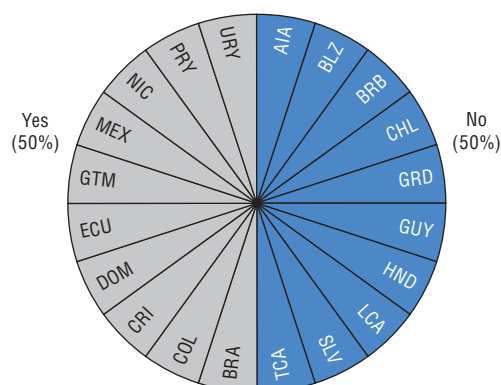
10.6. Functionalities of the e-Procurement System, 2018

	Announcing Tenders	E-submission of bids	Provision of tender documents	Online catalogue	E-auctions	Notification of award	E-submission of invoices
Anguila	○	○	○	○	○	○	○
Belize	○	○	○	○	○	○	○
Brazil	●	○	●	●	●	●	○
Barbados	○	○	○	○	○	○	○
Chile	●	●	●	●	○	●	●
Colombia	●	●	●	●	●	●	●
Costa Rica	●	●	●	●	●	●	●
Dominican Republic	●	●	●	○	●	●	●
Ecuador	●	●	●	●	●	●	○
Grenada	●	○	○	○	○	●	○
Guatemala	●	●	●	○	●	●	○
Guyana	○	○	○	○	○	○	○
Honduras	●	○	●	●	○	●	○
Saint Lucia	○	○	○	○	○	○	○
Mexico	●	●	●	○	●	●	○
Nicaragua	●	○	●	●	○	●	○
Paraguay	●	○	●	●	●	○	○
Ecuador	●	●	●	●	◆	●	◆
Turks and Caicos islands	○	○	○	○	○	○	○
Uruguay	●	●	●	●	●	◆●	○
LAC							
● Yes, in a national central e-procurement system	14	9	13	10	9	13	4
◆ Yes, in e-procurement systems of specific procuring entity (ies)	0	0	0	0	1	1	1
○ No	6	11	7	10	10	7	15
OECD							
● Yes, in a national central e-procurement system	29	21	26	11	11	29	10
◆ Yes, in e-procurement systems of specific procuring entity (ies)	1	3	4	5	5	1	7
○ No	0	6	0	14	14	0	13


Source: OECD-IDB (2018), Surveys on Public Procurement.

StatLink  <https://doi.org/10.1787/888934093196>

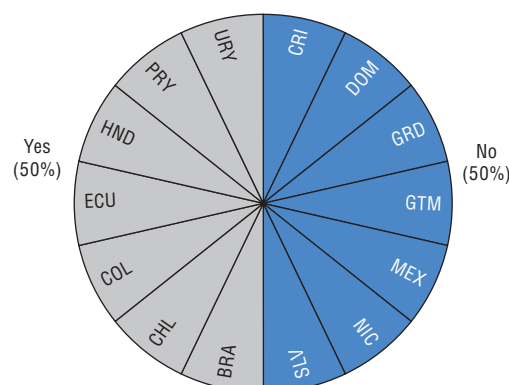
10.7. Integration of the e-procurement system(s) with other e-government technologies, 2018



Source: OECD-IDB (2018), Surveys on Public Procurement.

StatLink  <https://doi.org/10.1787/888934093215>

10.8. Measuring of efficiencies generated by the use of e-procurement system(s), 2018



Source: OECD-IDB (2018), Surveys on Public Procurement.

StatLink  <https://doi.org/10.1787/888934093234>



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