Open ContractingFact Sheet

KEY TAKEAWAYS



Open contracting has quickly become one of the most ambitious policy areas for reform among members of the Open Government Partnership (OGP).



With one in four commitments delivering strong results, open contracting ranks as one of the most effective policy areas for OGP reforms.



Next steps for OGP members include raising data quality in terms of scope, machine-readability, and linkages with other datasets, as well as creating feedback loops where governments encourage and act on public comments regarding procurement data.

WHY OPEN CONTRACTING?

One in every three dollars spent by governments is on contracts. However, governments currently publish open data on approximately less than three percent of the billions spent on public contracts. Open contracting consists of disclosure and citizen engagement throughout the entire procurement process, including planning, tendering, awarding, implementation, and monitoring. When paired with greater public scrutiny and accountability, open contracting principles and data practices can save money, improve public service delivery, and increase competition.

STATUS QUO

- → **Higher quality data is needed:** High-quality contracting data is critical in ensuring its usefulness to the public. Less than one-third of OGP countries meet *all* the key elements of open data disclosure for contracting, including being free, machine readable, openly licensed, and available for bulk download.
- → Participatory elements are growing: Public participation is essential in monitoring and improving data quality, improving competitiveness, and evaluating the validity of data. Accountability mechanisms are also necessary for the public to trigger investigations and potential sanctions for violations. Although only one-third of OGP open contracting commitments have participatory elements and only one-tenth are related to public accountability, more open contracting commitments have involved civic participation in recent years.

This fact sheet covers all commitments submitted as of June 30, 2023. As of this date, OGP consisted of 76 national and 104 local members.

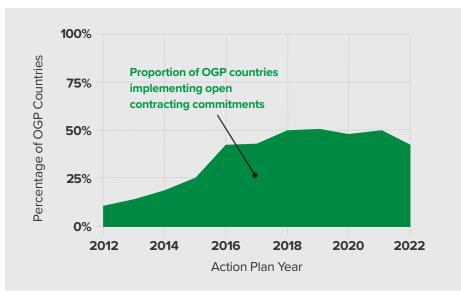
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COMMITMENT PROGRESS

Open contracting has become a much more popular focus among OGP countries in recent years (see figure below*). Over one-third of active national action plans and ten percent of local action plans currently include an open contracting commitment. Altogether, 71 members have made a total of 140 open contracting commitments since OGP was established in 2011.

 * Figure displays commitment trends at the national level due to recent growth in local members.



WHAT ARE OGP MEMBERS DOING?

- → Creating open registries of contractors
- → Implementing the Open Contracting Data Standard (OCDS)
- → Engaging citizens and civil society organizations in monitoring contracting data
- → Making contracting data interoperable with other anticorruption datasets

WHERE TO NEXT

The following recommendations summarize key actions for OGP members to implement:

Information Disclosure

- → Identify and consult stakeholders before developing a contracting platform to understand user demands.
- → Consider focusing open contracting reforms at the sector level to target particular high-risk areas such as extractives and health.
- → Ensure data is open, usable, and complete according to standard guidelines.
- → Make data interoperable with other systems, such as beneficial ownership registries and government spending data.

Civic Participation and Accountability

- → Establish feedback mechanisms for citizens to act on procurement data, such as through audits, flagging systems, or hotlines.
- → Close feedback loops by responding to and acting on citizen feedback.
- → Collect and disclose disaggregated contracting data on women-owned businesses.
- → Collaborate with citizens to design genderresponsive policies related to procurement.

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NOTABLE COMMITMENTS

Recent Results

Ecua

Ecuador - Launching an Open Contracting Platform (2019)

Although its co-creation occurred prior to the outbreak of the

COVID-19 pandemic, Ecuador's 2019 open contracting commitment led to major results in the transparency of pandemic-related procurements. An emergency purchasing platform was established in May 2020, which included information on over 2,000 contracting processes of over 500 entities. Additionally, stakeholders were able to provide feedback prior to the 2021 launch of Ecuador's new open contracting platform, which adheres to the OCDS and allows users to view procurement information going back to 2015.

United Kingdom - Improving Open Contracting Data (2019)

As part of its 2019 action plan, the United Kingdom worked in conjunction with civil society to improve the scope and quality of contracting data. As a result, previously fragmented procurement data has become more comprehensive, and the data is closer to compliance with the OCDS. These improvements have allowed civil society and journalists to better monitor and investigate the use of procurement funds. The United Kingdom's 2021-2023 action plan includes further efforts to open up contracting data.

Commitments to Watch



Armenia - Merging Procurement Platforms (2022)

Armenia aims to merge multiple existing procurement systems into a single platform where procurement information will be published automatically and free of charge. In addition, the platform will be interoperable with the registry of beneficial owners, allowing users to automatically retrieve information about the beneficial owners of companies with government contracts.



Dominican Republic - Measuring Carbon Footprint of Procurement (2022)

As part of implementing more sustainable procurement policies, the Dominican Republic committed to developing a carbon footprint calculator for public procurement processes. The calculator will measure the climate impact of potential contracts and assist with decision-making in hopes of improving climate change mitigation.



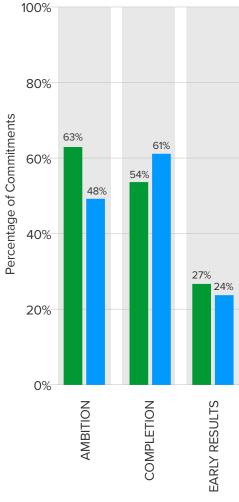
Tarkwa Nsuaem, Ghana - Enhancing Participation in Procurement (2022)

To better involve stakeholders across all stages of the procurement process, Tarkwa Nsuaem committed to publishing timely and relevant information on contracts and giving citizens the opportunity to provide feedback and ensure accountability during contract implementation.

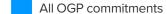
IRM QUICK STATS

According to OGP's Independent Reporting Mechanism (IRM), open contracting commitments tend to have higher ambition and stronger early results than other OGP commitments.

Commitment Performance



Open contracting commitments



Ambition - Ambitious commitments are those that have substantial potential for results, according to the IRM.

Completion - Completed commitments indicate that the commitment was substantially or fully implemented within the action plan period.

Early Results - Strong early results indicate the commitment made significant improvements to government openness.