

The Open Gov Guide

2024

Open
Government
Partnership





Anti-Corruption

Using Italy's OpenCoesione platform, over 25,000 young people have joined efforts to monitor public spending, an important accountability mechanism that can help increase competition for public contracts. Pictured: Alessandra Costarella and her classmates.

Open Contracting

One in every three dollars spent by governments is on contracts. People should know how well this money is being spent, which can be achieved through open contracting. Opening up the public procurement process can improve government efficiency and effectiveness, which includes combating corruption. However, governments publish open data on approximately less than [three percent](#) of the billions spent on public contracts. When paired with greater public scrutiny and accountability, open contracting principles and data practices can save money, improve public service delivery, and increase competition.

Open Gov Challenge Anti-Corruption

With OGP's [2023-2028 Strategy](#), OGP members are set to work toward a number of aspirational thematic reforms through the [Open Gov Challenge](#). This section of the *Open Gov Guide* addresses Anti-Corruption.

Challenge prompt: Develop or strengthen a whole-of-government anti-corruption strategy or roadmap.

Where strategies or roadmaps exist, improve policy, implementation and interoperability (including through OGP) across the areas below:

- Beneficial ownership
- Open contracting
- Political finance and asset and interest disclosure
- Lobbying
- Extractive industry transparency

Key Terms

- **Open contracting:** Open contracting is an approach to reform public procurement policies and processes (from planning to implementing public contracts) to increase transparency, participation, and inclusivity by using open, timely, and accessible data for decision-making, monitoring, and oversight.
- **Procurement tenders:** This term refers to the solicitation of bids by the central procurement authority or a specific agency.
- **Public procurement:** Public procurement is the purchase of goods, works, and services by or on behalf of the government.

The Evidence

The evidence [shows](#) that publishing open data on each stage of the procurement process (planning, implementation, and monitoring) can enable the government and the public to identify and address inefficiencies and abuse.

- Online procurement portals are associated with improvements to efficiency, which allows governments to save money. For example, Ukraine saved about US [\\$6 billion](#) through its [ProZorro](#) platform between October 2017 and 2021.
- Open contracting regularly increases competition among suppliers, which tends to benefit small businesses and businesses owned by [marginalized groups](#), and can lead to [lower contract costs](#) for governments.
- [Public monitoring](#) of contracts improves public service delivery and combat corruption. [Even the potential threat](#) of external monitoring by civil society can be an effective deterrent.

Reform Guidance

Recommended Reforms

The recommendations below represent reforms that national and local governments, representatives of civil society organizations, and others can consider for their action plans and the [Open Gov Challenge](#). The reforms are categorized according to OGP's principal values: transparency, civic participation, and public accountability. Reforms should be adapted to fit the domestic context, and involve and coordinate with other levels and branches of government.

Reforms across policy areas are also tagged by the estimated degree of difficulty in implementation. Though progress is often not linear, the recommendations have been categorized using these labels to give the reader a sense of how different reforms can work together to raise the ambition of open government approaches.

- **Foundational:** This tag is used for reforms that are the essential building blocks of a policy area. "Foundational" does not mean low ambition or low impact. These recommendations often establish basic legal and institutional structures.
- **Intermediate:** This tag is used for reforms that are more complex and often involve more coordination and outreach, such as with the public, between branches, agencies, and levels of government, or between countries.
- **Advanced:** This tag is used for reforms that close important loopholes to make existing work more effective and impactful. They are often about linking multiple databases or ensuring that oversight authorities can receive complaints from members of the public.

FOUNDATIONS

- Create a legal framework:** [Establish or strengthen](#) the legal environment for open procurement with an emphasis on transparency and accountability, preferably in one central piece of legislation or regulation for clarity and consistent application that responds to any [confidentiality concerns](#).

- Establish or strengthen the mandate for a central standard-setting and regulations body.
- Establish clear authority and responsibilities for open contracting within major agencies.

Transparency

Public Accountability

Legislature

Foundational

TRANSPARENCY

- Open public procurement data:** Publish procurement information online, free of charge, and in a machine-readable format.
 - Adhere to the [Open Contracting Data Standard](#) (OCDS) so that data can be analyzed and monitored by a wide range of users and compared across time and jurisdiction. Ensure data is updated regularly and openly licensed.
 - Mandate the publication of all stages of the procurement process, including: the contract details and amendments (such as the value of the contract, start and end dates, and a description of the goods or services procured) and data on the actual implementation of the contract (such as the actual services rendered for the money spent). Links to contract documentation should also be provided.
 - Require [company beneficial ownership](#) information from companies that bid for all public contracts. This practice is [recommended](#) by the Financial Action Task Force and is especially important to uphold during emergencies.
 - Use a common identifier, like an [Open Contracting ID prefix](#), to link the various stages of a single contract.

- Transparency
- Executive
- Legislature
- Intermediate

- Collect and publish disaggregated data on underrepresented groups:** Collect and share data on procurement bids by small and medium enterprises, as well as by [women](#) and minority-owned businesses. This is necessary to set the baseline for inclusion policies to address underrepresentation in procurement—for example, Open Contracting Partnership (OCP) [estimates](#) that women-owned businesses hold just one percent of public procurement portfolios.

- Transparency
- Civic Participation
- Executive
- Inclusion
- Advanced

- Make data user-friendly:** Create tools and visualizations to make data [more accessible and user-friendly](#).

- Transparency
- Executive
- Intermediate

- Make data interoperable:** Make data interoperable with other databases. Combining procurement data with [beneficial ownership](#) (such as [company beneficial ownership](#)), political finance, [asset and interest disclosures](#), and government spending data is particularly important to deliver stronger policy impact.

- Transparency
- Executive
- Advanced

- Use common identifiers to link public procurement data with [beneficial ownership data](#) (particularly for legal and actual persons) or [corporate registry data](#).
- Require validation of common identifiers at the data entry stage.

OPEN CONTRACTING

CIVIC PARTICIPATION

- Consult the public on legal framework:** Prioritize public consultation when creating or amending open contracting legislation and regulations.
- Consult the public on the usefulness of data and tools:** Consult the public (including the private sector, civil society, and journalists) on data quality, new tools, and processes to understand user needs and ensure inclusive processes.
- Consult civil society and the private sector on improving inclusion in procurement:** Identify targeted policies to better connect women and minority-owned businesses to the procurement market in consultation with women's business groups and relevant civil society organizations.
- Raise awareness of procurement opportunities:** Share information on submitting bids and navigating the procurement process directly with women's business groups and civil society organizations to encourage greater participation of marginalized groups. For example, in [Palmira \(Colombia\)](#), the municipal government worked directly with suppliers to increase the number of bids won by local businesses, including women-owned businesses.
- Train diverse actors on open contracting data:** Encourage public monitoring of public procurement by providing training that will enable a wide range of users (such as businesses, state auditing institutions, civil society, and journalists) to engage with open contracting data. This engagement includes helping identify red flags and integrity risks across the procurement cycle. For example, the public procurement agency in [Indonesia](#) and its CSO partner collaborated to train government auditors, other CSOs, and members of the public.

Civic Participation
Legislature Foundational

Civic Participation
Executive Legislature
Inclusion Intermediate

Civic Participation
Executive Legislature
Inclusion Intermediate

Civic Participation
Executive Inclusion
Foundational

Civic Participation
Executive
Intermediate

PUBLIC ACCOUNTABILITY

- Provide the mandate for an oversight authority:** Mandate an authority such as a supreme audit institution, an ombudsperson, or an independent inspectorate to oversee contracting data within or outside the central contracting agency. Part of the authority's mandate should be to communicate regularly with the public and executive oversight bodies in the legislature.
- Create a feedback and complaints mechanism:** Create a feedback and complaints mechanism to address issues during the procurement process, which can be accessed by suppliers, civil society, and other stakeholders to flag potential cases of corruption or fraud, especially during the implementation phase.
 - Empower the oversight body to acknowledge and act upon complaints and feedback, and to require regular reporting on how well the procurement platform is meeting objectives.
- Conduct public auditing:** Expedite and publish audits of all public expenditures, including spending on [emergency procurement](#).

Transparency
Civic Participation
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Examples of Reforms from OGP and Beyond

The following examples are commitments previously made within or beyond OGP that demonstrate elements of the recommendations made above. Open contracting commitments tend to be more ambitious and achieve stronger early results than the average OGP commitment.

- **Colombia Greater Competition through a Procurement Platform:** [Improved](#) competition through its procurement platform, as seen in an [increase](#) in the median number of bids per contract and an increase in unique suppliers.
- **Ecuador COVID-19 Emergency Procurement Platform:** [Made](#) the procurement process [faster and more efficient](#) for medical supplies during the pandemic, ultimately leading to better value for government money.
- **Finland Open Contracting Data Platform:** [Made available](#) all non-sensitive government procurement data for the first time to the public on an award-winning platform.
- **Indonesia Expanding Access to Open Contracting Data:** [Made several commitments](#) as an OGP member to open up public procurement data, especially by [collaborating](#) with Indonesia Corruption Watch to create an online risk-monitoring [tool](#) and train journalists, auditors, and others to use the platform to detect suspicious activity.
- **Kenya Open Contracting Data Standard Commitment:** [Committed](#) to adopting OCP's OCDS as part of a [series](#) of ambitious commitments related to open contracting.
- **New Zealand Documentation to Interpret Procurement Data:** [Offers](#) documentation to help users [navigate and interpret](#) the data gathered throughout the procurement process.
- **Palmira, Colombia Inclusive Public Procurement Process:** [Implemented](#) policy reforms to increase the diversity of businesses bidding for contracts, which led to contracts being awarded to local producers for the first time, including women-led businesses. Part of a larger initiative to open contracting in [Palmira](#) and Colombia generally (see above).
- **Santa Catarina, Brazil Training on Public Procurement Risk Management:** [Published](#) a Procurement Transparency Protocol and trained public officials in procurement risk management. Also in the process of developing a new public procurement portal.
- **Sierra Leone Open Contracting Data Platform:** [Made](#) information on contract awards and cancellations available publicly online for the first time.
- **Ukraine Interoperable Procurement Database:** [Published](#) public procurement data online (ProZorro), linked to beneficial ownership and the State Treasury databases. Also allows public feedback and investigation requests. (Due to martial law following the Russian invasion, the beneficial ownership database is closed.)

BEYOND OGP ACTION PLANS

- **Albania E-Complaints System:** [Introduced](#) legislation and created an electronic system to enable suppliers to submit complaints online and for the procurement agency to manage the process digitally and openly.
- **Lithuania Emergency Procurement Open Data Portal:** [Created](#) an open data portal for emergency public procurement during the COVID-19 pandemic, which allowed the government, journalists, and civil society to uncover suspicious contracts. Also committed to building a new e-procurement system to standardize data collected under the [OCDS](#).
- **Nigeria Civic Monitors Trained to Use Open Contracting Data:** [Trained](#) civic monitors (such as journalists and CSOs) with the support of the OCP on how to use open contract data to monitor 60 public procurement projects worth US \$120 million at the sub-national level, across three states.
- **Nuevo Leon, Mexico Local Procurement Open Data Portal:** [Collaborated](#) with civil society and the federal government to create a digital, open data public procurement platform, which has seen a high average number of bids per contract and an increase in new suppliers since its launch in 2020.

The Role of Local Governments

Sub-national governments have a clear role to play in ensuring the collection and publication of high-quality, usable data (such as machine-readability, among other characteristics described in the OCDS). The [evidence](#) shows that open contracting can drive competition, increase value for money, and improve local services.

Creating a system to then review the data for red flags is critical to identify fraud, mismanagement, or discrimination in the procurement process. For example, in Ukraine, [Mariupol's](#) centralized system for municipal procurement has made it easier for the Tenders Office to monitor key indicators related to these issues. OCP found that this centralized system, in addition to a process to investigate and refer violations to the prosecutor's office, has played an important role in strengthening the city's management of public procurement. For details, see OCP's [2021 guide](#) and [impact stories](#) on how cities have become champions of public procurement.

Active OGP Partners

The following organizations have recently worked on this issue in the context of OGP at the national or international level. They may have additional insights on the topic. Please note that this list is not exhaustive. If you are interested in national-level initiatives, please contact research@opengovpartnership.org.

- [CoST—Infrastructure Transparency Initiative](#)
- [Development Gateway](#)
- [Extractive Industries Transparency Initiative \(EITI\)](#)
- [G20 Anti-Corruption Working Group](#)
- [Hivos](#)
- [Open Contracting Partnership \(OCP\)](#)
- [Open Data Charter](#)
- [Organisation for Economic Co-operation and Development \(OECD\)](#)
- [The B Team](#)
- [The Institute for Development of Freedom of Information](#)
- [Transparency International](#)
- [World Bank](#)

Benchmarking Data

The [OGP 2023-2028 Strategy](#) sets out the [Open Gov Challenge](#) and aims to provide clear benchmarks for performance through reliable data.

While benchmarks for individual countries and *Open Gov Guide* recommendations are not yet integrated, for this chapter, interested individuals may rely on the following data sets:

- In collaboration with the **OGP Support Unit**, the **Open Contracting Partnership**, and **Transparency International**, the **Data for Development Network's** Global Data Barometer collects information on whether public procurement data is available in open formats. Visualizations of this data are available on the [OGP website](#).
- OGP commitments on this topic can be found on the [Data Dashboard](#).

Guidance and Standards

While the list below is not exhaustive, it aims to provide a range of recommendations, standards, and analysis to guide reform in this policy area.

- The 2022 **OGP Support Unit** report [Broken Links: Open Data to Advance Accountability and Combat Corruption](#) includes a chapter on public procurement reform and the need for interoperability with other key political data. Similarly, the *Global Report* has a [chapter](#) with recommendations and case studies.
- **Open Contracting Partnership** created the [OCDS](#), which is an [international standard](#) for publishing open contracting data. It is a common data model that enables disclosure of data and documents throughout all stages of the contracting process. The OCDS has been implemented by [over 50 governments](#) and endorsed by major international groups such as the G20, the G7 and the OECD. OCP also has several resources to provide guidance on how to implement open contracting reforms—their [Global Principles](#) outlining the types of effective data disclosures, a “[quick start](#)” guide on practical strategies for reform, and a [legislative guide](#) on how different countries have implemented legal reforms for this topic.
 - The CoST—Infrastructure Transparency Initiative collaborated with OCP to create the [Open Contracting for Infrastructure Data Standard](#), which establishes the best practices in open data and data disclosure in infrastructure-related public procurement.
 - For sector-specific resources that can form the basis of training materials, see OCP’s resources on [extractive industries](#), [healthcare](#), [infrastructure](#), and [sustainability](#).
 - OCP also provides several useful resources related to making public procurement [more inclusive](#) and [equitable](#).
- *Open and Sustainable Public Procurement*, a [toolkit](#) created by **OCP**, **Spend Network**, and **PUBLIC** provides planning, implementation, and evaluation standards on how to create procurement practices that take into account economic, social, and environmental factors.
- **Transparency International** created a [guide](#) to curb corruption in public procurement (especially [healthcare procurement](#)), as well as [recommendations](#) on how to include open contracting in OGP action plans, including through [gender-sensitive](#) anti-corruption strategies.
- The **OECD** published a [toolbox](#) for public procurement, which includes checklists (such as for post-award reporting), country cases, and good practices identified by the organization and its partners. Its [Methodology for Assessing Procurement Systems](#) also has guidance for countries to evaluate public procurement systems.
- The **G20 Anti-Corruption Working Group** published a set of [principles](#) to promote integrity in public procurement in G20 countries, with a focus on legal reforms and process improvements to prevent corruption.
- The **Open Data Charter**, with **OpenData**, **Africa Open Data Network**, **Global Integrity**, and **Iniciativa Latinoamericana de Datos Abiertos** collaborated on a [tool](#) to create anti-corruption commitments for OGP action plans, which includes recommendations for public procurement.