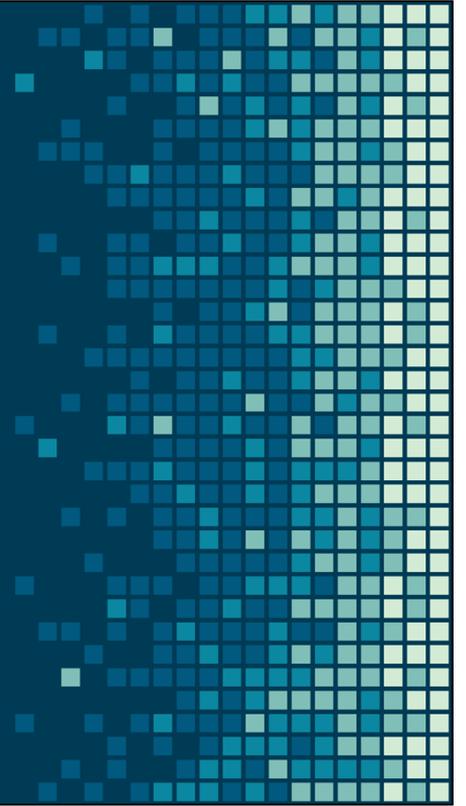


BASE:
PUBLIC
PROCUREMENT
PORTAL

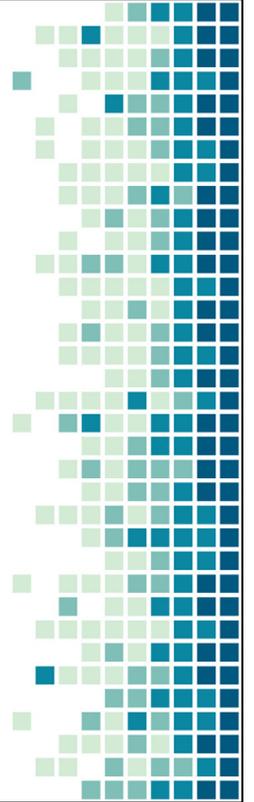




HELLO!

This presentation is about
some Public Procurement
best practices in Portugal.

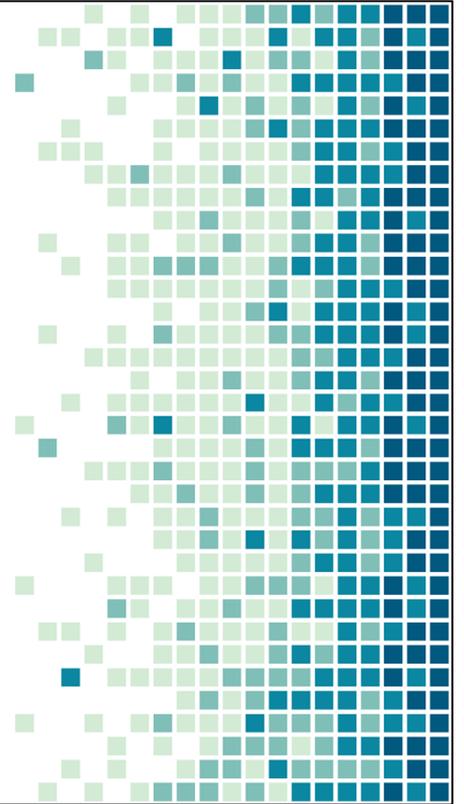
You can find us at
geral@base.gov.pt



My name is João Osório, I work for the portuguese public administration as head of IT on the Public Procurement, Construction and Real Estate Institute – IMPIC.
I'd like to thank the (European) Commision and the Croatian Ministry Of Economy, Entrepreneurship and Crafts for having us here and organising this wonderful event.

1. PUBLIC E- PROCUREMENT

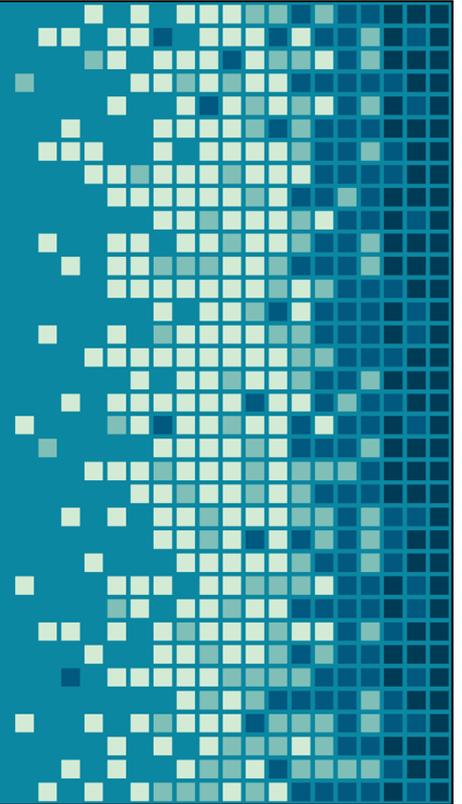
INTRODUCTION OF THE PORTUGUESE
CASE STUDY



To start off on the right foot, we'll briefly go through the regulatory affairs, namely talk about how it all came about until the present day. Maybe it will seem boring but before practice, regulations have to be put in place.

“ *There is not a crime, there is not a dodge, there is not a trick, there is not a swindle, there is not a vice which does not live by secrecy.*

Joseph Pulitzer



I share with you a quote that quite defines the reason why it all began.
(read the quote)

So if we can get rid of secrecy, or at least define a degree of transparency that has to be met, we can avoid most of the bad or illegal practices.

PORTUGUESE PUBLIC CONTRACTS CODE

- mandatory procedures for the formation of public contracts.
- complete dematerialization of public procurement procedures
- provides for the creation of an Internet portal dedicated to public contracts.

Portugal has defined rules for public procurement practices with the law called PPC. Those rules have to be met in order to form contracts between economic operators and contracting public authorities. The procurement process is performed by electronic means. After a contract is signed, the contract information has to be made available to the general public on a government owned Internet portal.

Portugal was a pioneer in Electronic Public Procurement



We can safely state that our country pioneered on eProcurement. Let's see why it is so.

Recital 52 of Directive 2014/24/EU

- Simplify the publication of contracts
- Efficiency and transparency of procurement process
- Enhance participation of economic operators across the internal market

7

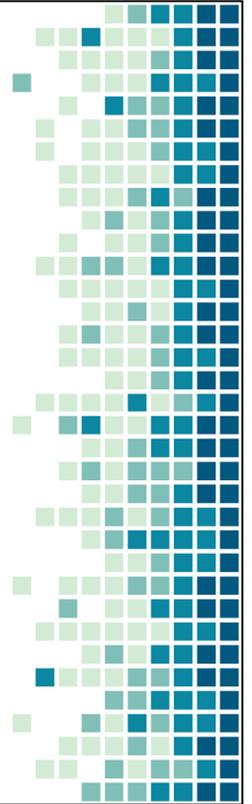
- According to directive 2014/24/UE (recital 52), “Electronic means of information and communication can **greatly simplify the publication of contracts** and **increase the efficiency and transparency of procurement process**.
- They should become the standard means of communication and information exchange in this procurement procedure as they **greatly enhance the possibilities of economic operators to participate in procurement procedures** across the internal market.
- It states that “... **after a transition period of 30 months** - fully electronic communication, meaning communication by electronic means at all stages of the procedure, including transmission of requests to participate and, in particular, the submission of the tenders (electronic submission) should be made mandatory.”

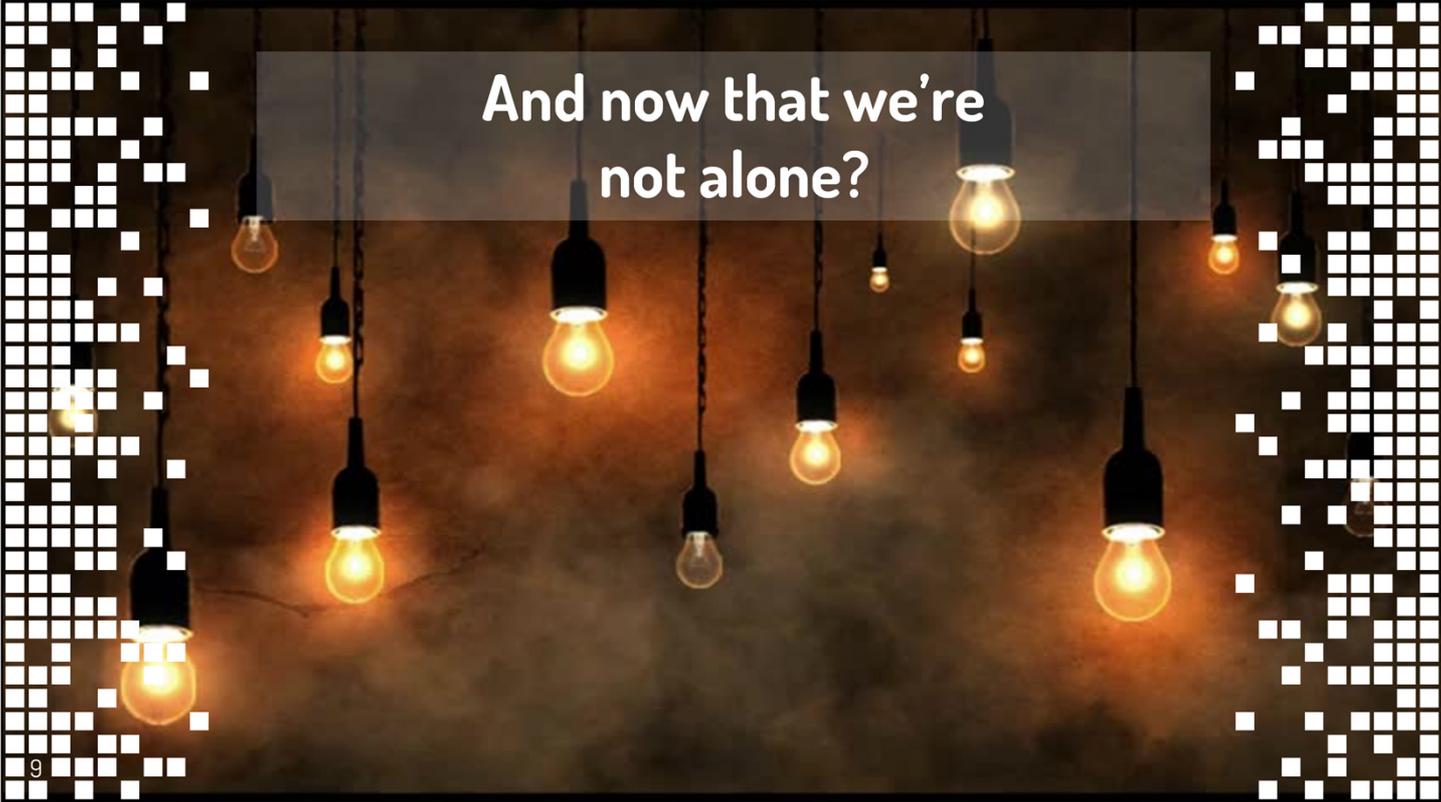
PPC Decree-Law 18/2008

- Simplification of procedural pre-contractual conduct
- Definition of adequate procedural participation by electronic means.
- Public procurement is dematerialized.
- Creation of an alternative system to classical roles

8

- Portugal decided almost 10 years ago to adopt public e-procurement. By 2008, the Public Procurement Code established to pursue the objective of simplification of procedural pre-contractual conduct by investing in new information technologies and dematerialize the procedures.
- The PPC I was talking about earlier appeared in 2008 and it came into force since then.





And now that we're
not alone?

Portugal pioneered in electronic procurement in the EU. But now there are other member states with such procurement platforms and portals. An effort by the commission is being made to insure consistency and best practices.

So how do we evolve? The answer is: a group effort. We're called European Union, not European Stars. Although stars are on the flag, work has to be done collectively to foster global success.

PPC Decree-Law 111-B/2017

- Published in August 31st 2017
- Came into force on January 1st 2018
- Seeks to transpose 3 EU law directives
 1. 2014/23/UE - award of concession contracts
 2. 2014/24/UE - general public procurement
 3. 2014/25/UE - procurement in special sectors

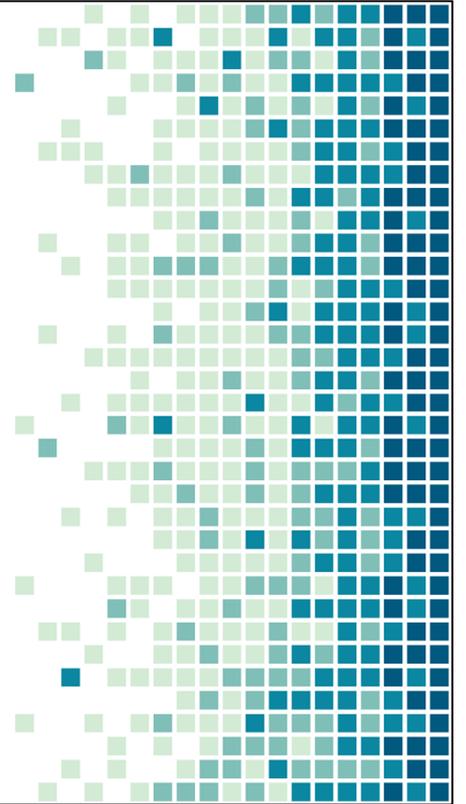
So the current evolution was a revised Public Procurement Code that seeks to transpose the applicable EU directives:

- 2014/23/UE - award of concession contracts
- 2014/24/UE - public procurement and repealing Directive 2004/18/EC
- 2014/25/UE - procurement by entities operating in the water, energy, transport and postal services sectors and repealing Directive 2004/17/EC

2.

THE BASE PORTAL

PORTUGUESE PUBLIC PROCUREMENT
PORTAL



Let's move on to the practical side of the matter, the portuguese public procurement internet portal, called Base.



WHERE IS MY MONEY SPENT?

With the public procurement portal, tax payers can freely access the formed contracts as well as their execution.

We know public funds pay for everything from roads to school cafeterias, social programs to public television. But the specific breakdown of public funds spending is something a lot of citizens give little thought to. However, for the sake of transparency, the Base portal give the Portuguese citizens the tools to search and be informed about public spending. Another great use case scenario is that a contracting authority, seeking to request for tender on a given good or service, can use the same tools the check the current price value on procurement procedure of the same kind.

Contract Details		Contract Execution	
Base publication date	05-04-2018		
Contract Types	Aquisição de bens móveis		
Procedure Type	Ajuste direto		S
Description	Aquisição de Microcateter para Angioplastia - A.D. n.º 2460857		
Fundamentation	Artigo 20.º, n.º 1, alínea a) do Código dos Contratos Públicos		
Justification for need to use direct procedure (if applicable)	Ao abrigo do CCP.		
Contracting Entity - Name, Corp. TAX No.	Hospital Garcia de Orta, E. P. E. (506361470)		
Contracted Entity - Name, Corp. TAX No.		PORTUGAL) (980472024)	
Contract object		Closing date of the agreement	-
Centralized Procedure		Total effective price	-
CPV		Execution time causes of changes	-
Date of signing of contract		Causes of changes contract value	-
Contract Value	7.400,00 €		
Term of Execution	386 dias		
Place of Execution - Country, District, Municipality	Portugal, Setúbal, Almada		el)
Competitors	-		
Notices	-		
Increases of more than 15%	-		
Documents	HGO.NE#2798617.pdf		t-
Observations	-		

- Information available on the public procurement portal:
- Base publication date
- Contract Types
- Procedure Type
- Description
- Fundamentation
- Justification for need to use direct procedure (if applicable)
- Contracting Entity – Name, Corp. TAX No.
- Contracted Entity - Name, Corp. TAX No.
- Contract object
- Centralized Procedure
- CPV
- Date of signing of contract
- Contract Value
- Term of Execution
- Place of Execution – Country, District, Municipality
- Competitors
- Notices
- Increases of more than 15%
- Documents
- Observations



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Contract transparency should have no boundaries

- Guidelines as put in place so that contracts made available to the general public are stripped of personal information.
- This stripping is performed by the contracting authority before uploading the file in PDF format.
- An accountability term is accepted by the end user stating that they accept the responsibility of that data removal, according to n.º 6 of article 12 on national regulation n.º 57/2018.

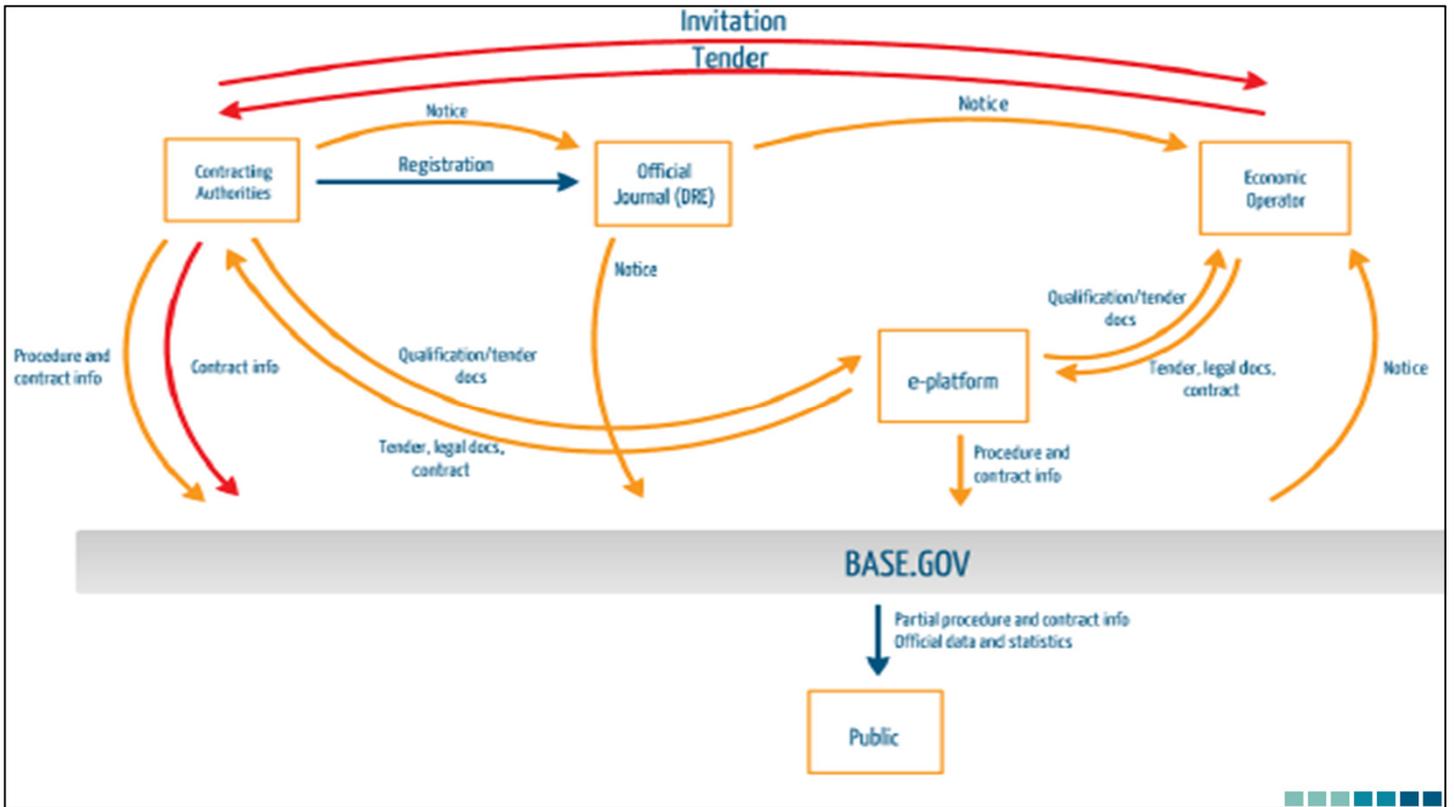


HOW IT WORKS

How do contracting authorities perform their procurement and publish contracts

15

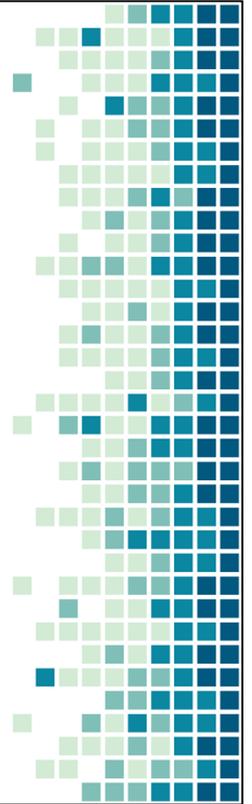
We've been through the public tools of the Base portal, now lets talk about the whole procurement process done by electronic means and identifying the various stakeholders.



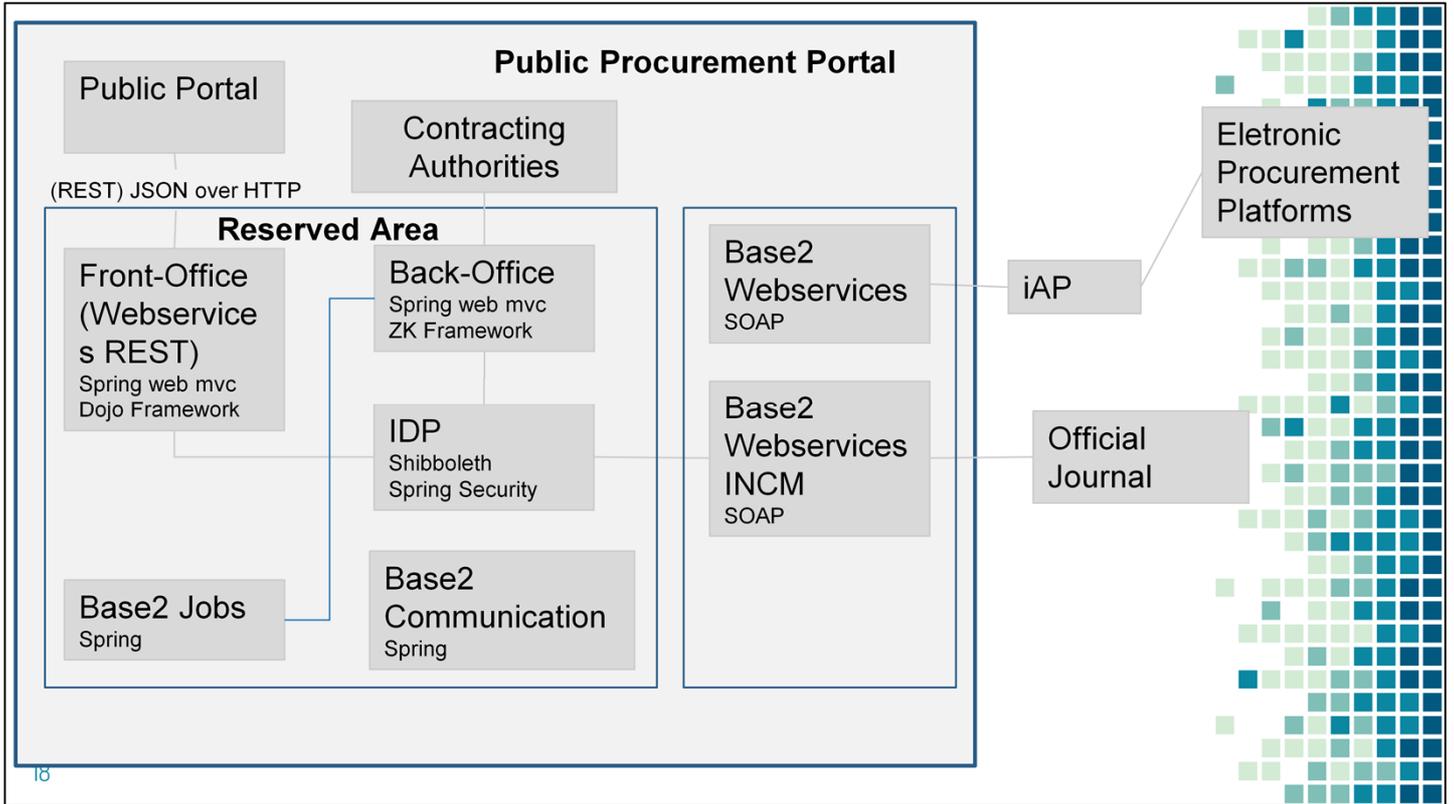
- Red arrows regard direct awards
- Orange arrows are competitive procedures

What is the Portal

- Central Database
- Web portal for free public searches
- Restricted area for contracting authorities
- WS for electronic platforms
- WS for national official journal
- WS for contracting authorities



Technically the Base portal stack can be enumerated as presented.



The software developed to support the portuguese public procurement portal is FOSS. It uses Apache, Tomcat, Java and JS frameworks. It uses modern day interoperability protocols through REST and SOAP. The authentication mechanism is a federated authentication managed through the Portuguese Mint which is also responsible for the Official Journal. For interoperability with the privately operated Electronic Procurement Platforms, communications are performed via the centralised platform managed by the Public Modernisation Agency (AMA).

Why should the Portal exist?

- Transparency in all types of procedures (since January 2012)
- State data ownership
- Contracting authority (is the only) responsible for data registration
- Expenditure monitoring
- Transparency in contracts performance (since August 2013 for all types of contracts)
- Copy of signed contracts is also publicly available since August 2013
- Public Administration accountability

So let's recap what we've seen so far about the portal and why it's worth it to maintain such an effort.

Transparency is all type of procedures: every procedure that results in a written contract has to be published.

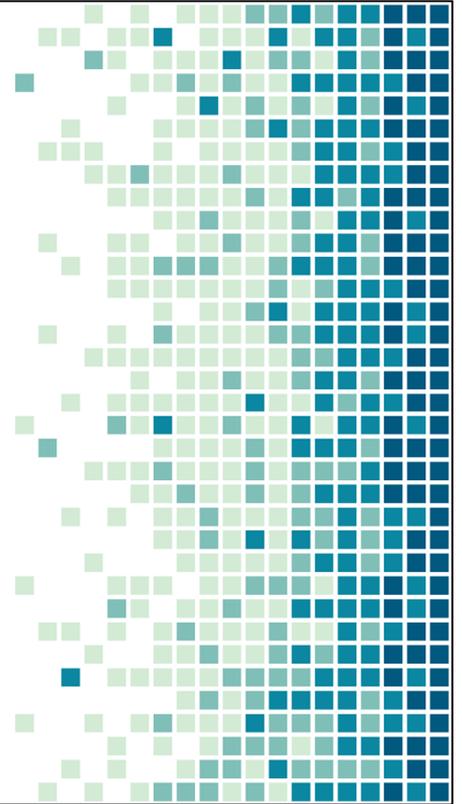
State data ownership is, of course, governance on public procurement data.

Each contracting authority registers its own procurement procedures therefore they are accountable for that information.

Contract performance is also registered to record the final outcome of the procedure.

3. KPIs

EXPLORING PUBLIC PROCUREMENT
DATA



After gathering all the information on public procurement for the sake of transparency and expenditure monitoring, the next stage is to seek governance by analyzing the activity on which the information translates to.

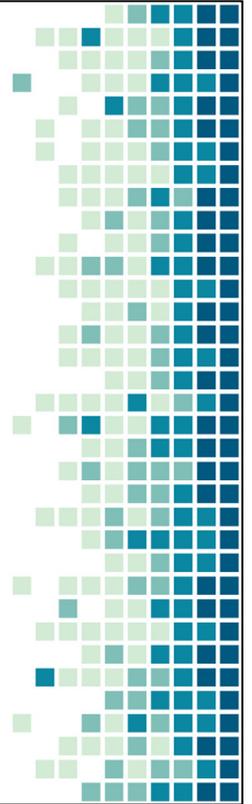


ANNUAL REPORTING

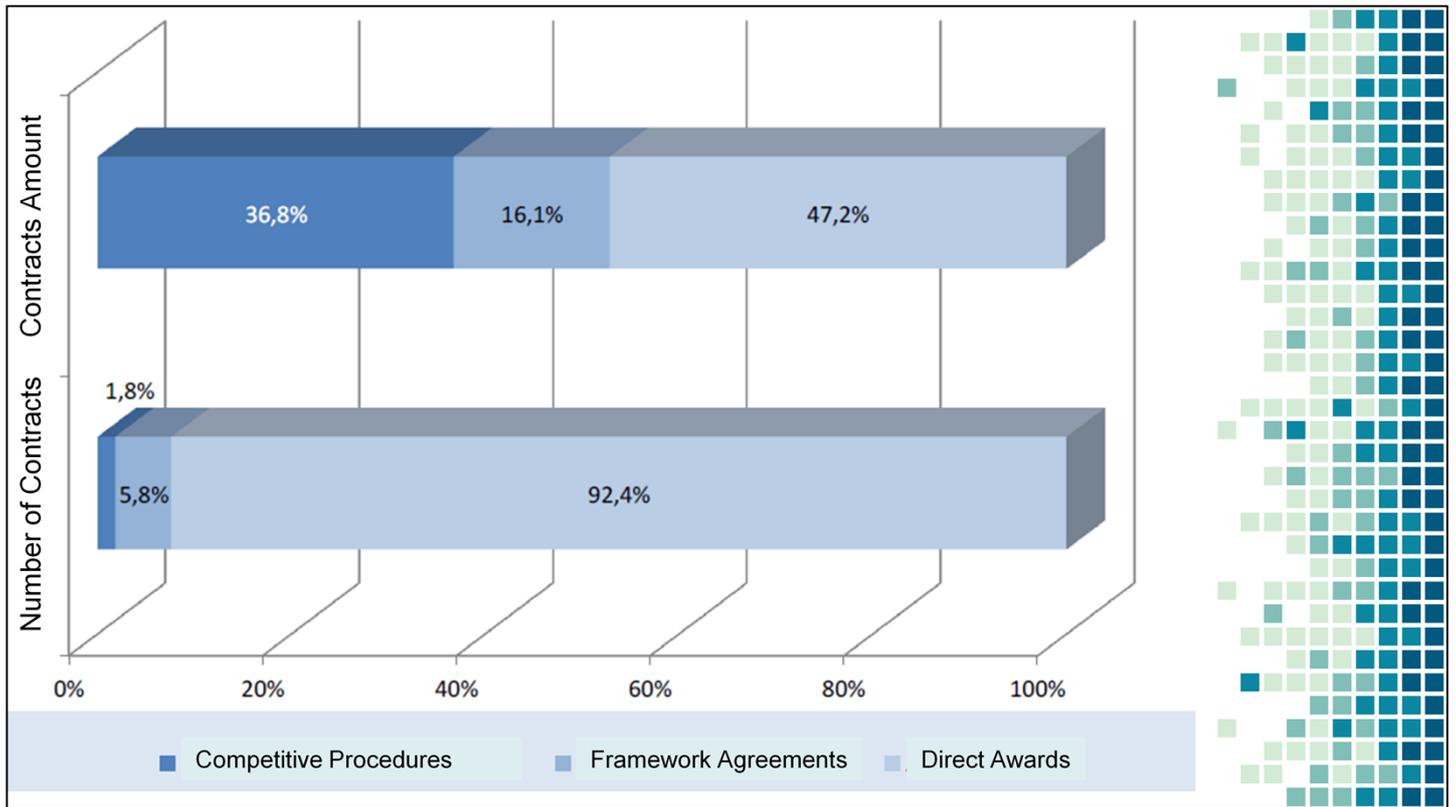
In 2010, the first Annual Report on Public Contracts Information was PUBLISHED.

The reports are available for download;

The report is based on data from the portal and provides an overview of public procurement in Portugal.



- In 2010, the first Annual Report on Public Contracts Information was launched.
- The parameters have increased in variety over time;
- The reports are available for download;
- The report is based on data from the portal and provides an overview of public procurement in Portugal.



- The weight of contracts preceded by competitive proceedings in 2016 was 1.8%, in terms of number of contracts, but 36.8% in terms of contractual amounts. Contracts preceded by direct awards procedures accounted for 92.4% of the total number of contracts, as well as 47.2% of contractual amounts entered into in 2016.

This is one of the issues addressed by the revised Portuguese PPC, that came into force this year. The thresholds have been changed so that most procedures formerly performed with a direct settlement to one economic operator will no longer be possible. And this KPI is the tool that allowed us to take evidence on the issue and from now on monitor the evolution.



MINISTERIAL DECLARATION

approved unanimously on
24 November 2005, Manchester, United Kingdom

**Meeting in Manchester on the occasion of the Ministerial eGovernment Conference
“Transforming Public Services” of the United Kingdom Presidency of the European Council
and of the 1**

Accession Sta *By 2010 all public administrations across Europe will have the capability of carrying out 100% of
(EFTA) Cour* *their procurement electronically, where legally permissible, thus creating a fairer and more
Jim Murphy,* *transparent market for all companies independent of a company’s size or location within the single
for Informati* *market*

*By 2010 at least 50% of public procurement above the EU public procurement threshold will be
carried out electronically*

*Over the period 2006-2010 Member States will focus their efforts on delivering those high impact
services in Europe which will contribute most to the achievement of the Lisbon Agenda*

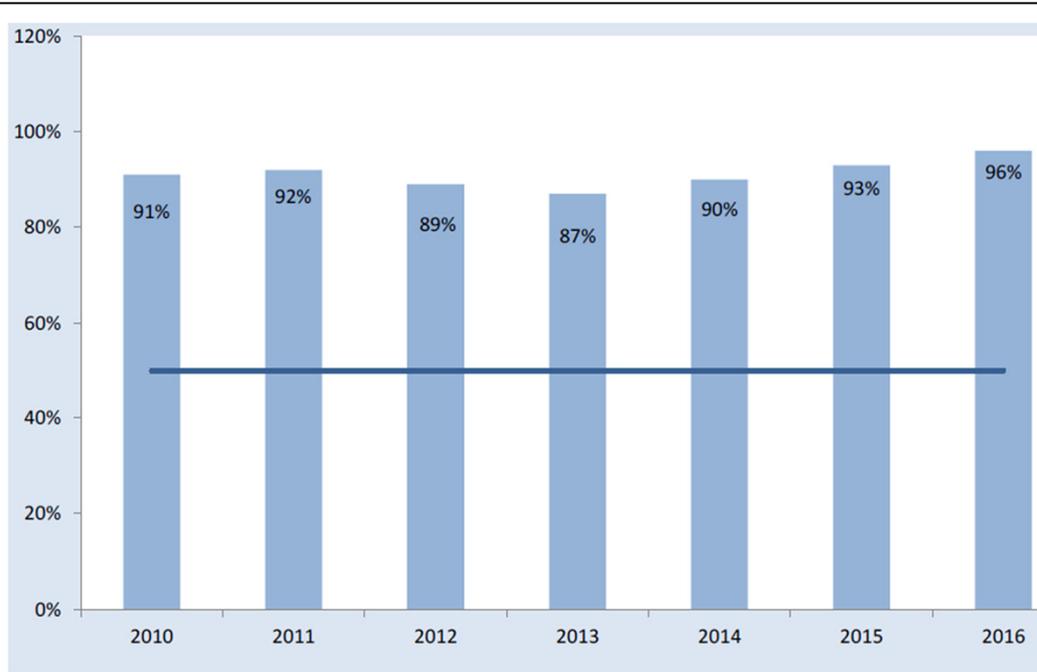
- Having a central repository of public procurement data allows governance over performance indicators regarding EU policies. Let’s take the case of what we call the “Manchester Index”
- EU law sets minimum harmonised rules for tenders whose monetary value exceeds a certain amount and which are presumed to be of cross-border interest. The European rules ensure that the award of contracts of higher value for the provision of public goods and services must be fair, equitable, transparent and non-discriminatory. For tenders of lower value however, national rules apply, which nevertheless have to respect general principles of EU law.

THE MANCHESTER INDEX (2016)

Contracts Amount	
Contracts Published on JOUE	1.933.769.212,00 €
Awards Above threshold not performed on eProcurement	71.376.297,00 €
Manchester Index	96%

24

Again, on the annual report, we present how well we performed on abiding the Manchester Ministerial declaration. The procurement procedures above the EU threshold of cross-border interest have to be announced on JOUE. And from those cross-border procedures we take into account the amount not performed by electronic means. As we can see, most we're performed on eProcurement.



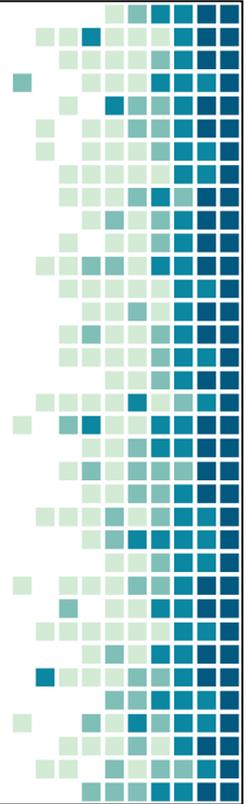
THE MANCHESTER INDEX (evolution)

- Also, we keep record of the evolution since the first report was published. The goal line is at 50%, it's well surpassed.

Some of the KPI on the report

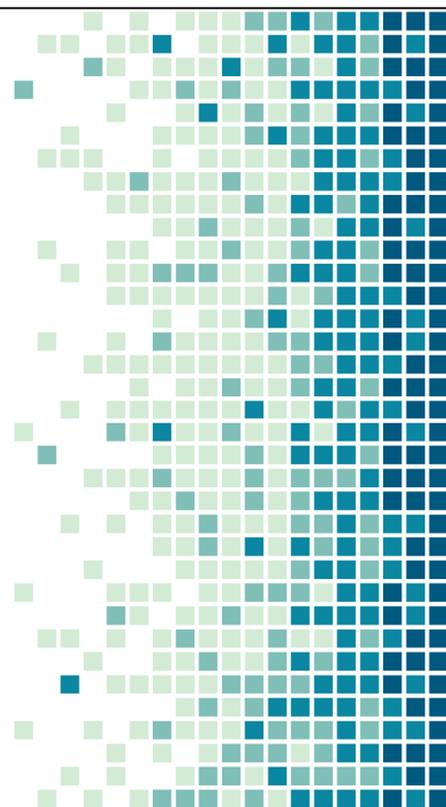
- Launched procedures vs Concluded contracts
- Public procurement per type of contract
- Contracts per year of the decision to contract and per average length of procedures
- Contracts per year of the decision to contract
- Breakdown of concluded contracts per month
- Contracts per type of procedure
- Competitive procedures vs direct award procedures

- Just a quick example of other KPI that can be found on the report.



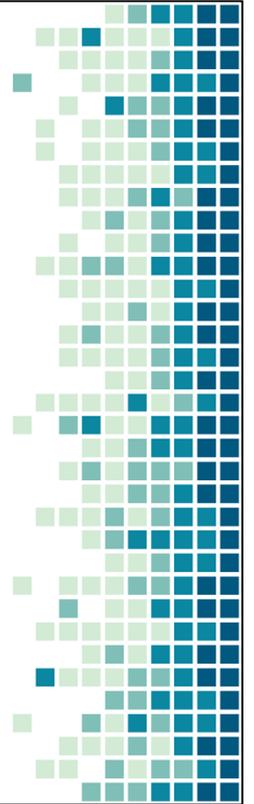
4. GOVERNANCE BODIES

And their roles on public procurement



IMPIC

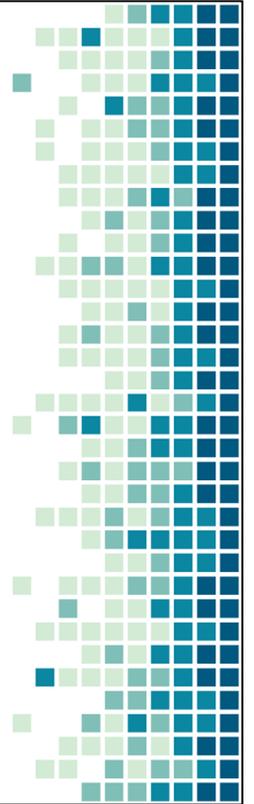
- Public Procurement Portal Management
- Governance Reports Publishing
- eProcurement Model Definition
- Best Practices guidelines
- Regulation of Electronic Procurement Platforms
 - Licensing, surveillance & auditing
 - Complaints Analysis





Other Governance/ Auditing Bodies

- GNS
- ESPAP
- IGF
- APA
- AdC
- PGR



The GNS is the National Security Office and has the role of accrediting the electronic procurement platforms that are candidates for public procurement handling. The ESPAP is the portuguese shared services entity and provides for aggregate procurement such as framework agreements. IGF and AdC are government auditing authorities. One regarding finances and the other internal market competitiveness. Since the begining of 2018 those authorities have access to the Base portal information system, for auditing purposes. Another entity with auditing access available is the PGR which is the portuguese attourney general. Finally, an example of a governance body is APA, the portuguese environemental agency. Public Procurement procedures should have environmental criteria. What is called green procurement. Those criteria have been prioritized and goals have been set. The Base portal is the only tool available to measure performance on those goals.

4. LESSONS LEARNED



An iceberg floating in a blue ocean under a blue sky. The top part of the iceberg is above the water, while the much larger bottom part is submerged. A semi-transparent blue rectangular box is centered over the submerged part of the iceberg, containing white text. The entire image is framed by a decorative border of white squares on a dark blue background, with the squares arranged in a pattern that tapers towards the center.

**Transparency changes
People behaviour!**

A photograph of a man with glasses looking at a computer screen. The image is overlaid with a white grid pattern. A semi-transparent white box contains the text.

The contract register system is a vital tool for monitoring public contracts

A close-up photograph of a person's hand holding a pen, poised over a laptop keyboard. The laptop screen displays a document with a colorful pie chart and some text. The image is framed by a decorative border of white squares on a dark background. A semi-transparent text box is overlaid on the center of the image.

It is a valuable tool for auditing and inspectorate entities, namely, in planning their activities.

Data Quality.



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- Public servants have additional work to register all the required data of public procurement procedures. In some cases they might be filling it wrong and not know about it.
- The people that process the information have to be sure the data is accurate so the reporting is trustworthy.
- Too much required data results on public procurement having additional difficulties. But it has to be enough to insure proper expenditure monitoring and governance.

THANKS!

Any questions?

You can find us at:
geral@base.gov.pt

