GPA: Developmental and Trade Significance, **Changing Context and Future Prospects**



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Agenda

- Importance of promoting integrity
- What leads to corrupt practices in procurement
- How GPA supports integrity
- How UK supports integrity
- Work of the Organisation for Economic Co-operation and Development (OECD)



Importance of Promoting Integrity in Government Procurement Systems

- Need for procurement processes to be <u>open, non-discriminatory</u> and <u>transparent</u>
- Best value requires open competitive markets
- Public accountability; responsibility for use of public funds



What Leads to Corrupt Practices in Procurement

The Purchaser

- Attempt to purchase artificially cheap
- Attempt to further personal career
- Attempt to favour family/friends

The Supplier

- Personal gain in wealth/career
- Opportunity to sell inferior quality goods/services

Lack of Transparency



How GPA Supports Integrity

- Procuring entities must not discriminate in any form
- Methods such as open, selective and limited tendering
- Electronic procedures use IT systems to combat corruption i.e. establishment of time of receipt of tender and prevention of inappropriate access
- Exclude suppliers on grounds of bankruptcy, false declarations, serious crimes professional misconduct etc
- Transparency of procurement information e.g. publication of award information, domestic review procedures



How UK Supports Integrity

- EC Treaty requires non-discrimination, fair treatment, transparency etc
- EC Directives include mandatory exclusion for convicted suppliers
- Disclosure Scotland/Criminal Records Bureau unspent/spent convictions
- Corporate exclusion
- New UK Bribery Bill



Work of OECD

- Anti-Bribery Convention establishes legally binding standards to criminalise bribery of foreign public officials
- 38 signatory countries agreed measures to prevent, detect and investigate foreign bribery
- Principles include: transparency; good management; prevention of misconduct; accountability and control
- Launch of a Public Procurement Toolbox
- Public Procurement Reviews



