Measuring public procurement impact in Finland

Public Procurement Principle: **Evaluation**

Procurement Stage: **All stages**

Audience: **Procuring entity, Policy maker**

Description

The OECD has worked with Finland to identify a path forward to measure the impact of public procurement on achievement of specific policy outcomes:

- Unlocking innovation
- Increasing access and competition from SMEs
- Increasing exports and employment
- Pioneering clean technology

An OECD report identified gaps and further work required in collecting data to demonstrate that the outcomes have been achieved. A productivity framework was defined. As part of this framework, a set of performance indicators were suggested including some for measuring the impact of public procurement on achieving the goals related to secondary policy objectives. Examples of the performance indicators are set out below:

- SME participation: Number of bids submitted for tenders by businesses categorised as SMEs.
- Reduction in energy consumption: Comparison of energy consumption of historical goods and services bought by the government and new goods and services selected using Most Economically Advantageous Tender (MEAT) criteria or other criteria.
- Reduction of emissions: Comparison between emissions from historical goods and services bought by government and new goods and services selected using emissions as criteria.
- Improvement in air/water quality: Comparison between impacts on air/water quality of historical goods and services bought by government and new goods and services selected using environmental considerations as criteria.

- Incorporation of social considerations in government contracts: Ratio of public contracts pursuing social objectives (including the aggregation of social outcomes secured through public contracts).
- Skills/jobs creation: Number of jobs/training qualifications generated through public procurement.

Source: OECD (2020), Integrating Responsible Business Conduct in Public Procurement, OECD Publishing, Paris