



Mexico's Federal Competition Commission recommendation on subcontracting and modifying agreements



Public Procurement Principle: **Access, Transparency**



Procurement Stage: **Tendering**



Audience: **Policy maker, Procuring entity, Private sector**

Description

On its Competition Agenda for Public Procurement, Mexico's COFECE singles out specific recommendations for further strengthening competition in public procurement processes. The recommendations made for subcontracting and modifying agreements do not require legal reforms but could imprint considerable changes for transparency and efficiency in public procurement, as well as for promoting economic competition through opening information on subcontracting and modifying agreements.

- i) Prevent the negative effects of subcontracting and joint bids, through their correct identification. Issue a presidential decree, or modify the regulations of LAASSP and LOPSRM, to oblige contracting authorities to require contractors to disclose in advance to whom they plan to subcontract, for what, and why.
- ii) Increase the scrutiny for the approval of modifying agreements. COFECE recommends that information relative to modifying agreements made to contracts be made public in the CompraNet system. Ideally, all modifying agreements should be preserved, indicating the date and time of each update, as well as the name of the public official responsible for the information.

Source: OECD (2019), [Follow up Report on Mexico's CompraNet Reform: Improving e-procurement through stakeholder engagement](#), OECD publishing, Paris