E-PROCUREMENT FORUM: ENHANCING PUBLIC SPENDING
Experience of Consip

Vienna, 3rd December 2015
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2. Consip role and activities

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ITALIAN PUBLIC ADMINISTRATION: AN HETEROGEOUS SCENARIO

ITALY
- Population: ca 60 mln
- PA employees: 3.400.000
- Contracting Authorities: 32.000
- Expenditure on G&S in 2014: ca. €90 bln
- New tenders related to G&S launched in 2014: ca. €70 bln
- Overall n. contracts: ca. 1500K (85% below EU threshold)

INDUSTRY
- Enterprises: > 4.000.000, 98% are SMEs

CENTRAL PA
- Ministries: 15
- ca. 20 Central Governing Bodies

LOCAL PA
- Regions: 20
- Provinces: 110
- Municipalities: 8.101
- School system: Universities: 94
  Schools: >10.000
- Health Sector: >300

Public Spending Optimization through
A. **DEMAND AGGREGATION (CONSIP and CPB NETWORK)**
B. **EPROCUREMENT**

1. The Italian Public Procurement context
CONSIP CORPORATE PROFILE AND MAIN ACTIVITIES

Consip SpA is a public stock company set up in 1997 and owned by the Italian Ministry of Economy and Finance (MEF), its sole shareholder.

Consip’s mission is to make the use of public resources more efficient and transparent, by providing tools and skills, to public administrations, in order to allow them to perform public purchases and at the same time stimulate a competitive participation of enterprises to public tenders.

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1. Implementation of the “Program for the rationalization of public spending on G&S”
   CENTRAL PROCUREMENT

2. Support to individual administrations
   VERTICAL PROCUREMENT

3. Respond to specific tasks assigned by law such as the Digital Administration
   OTHER AREAS

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2. Consip role and activities
THE ePROCUREMENT SYSTEM: a Comprehensive Set of Purchasing Tools

Eprocurement portal - www.acquistinretelepa.it

- Framework Contracts (FC)*
  - Purchases within frame contracts
    - Large volumes
    - Demand aggregation
    - Standardized goods
    - Low price volatility

- On line FC

- e-Marketplace - MEPA
  - Direct order or RFQ
    - Low cost goods
    - Spot purchasing
    - Highly fragmented offer
    - ecatalogue

- FA and DPS**
  - On-line tenders in a structured and managed environment (two-stage procedures)
  - Standardised procedures for commonly used goods & services with customisation

Consip as CONTRACTING AUTHORITY

- Framework Contracts
- Framework Agreements

Consip as MARKET MAKER

- MEPA
- DPS

Above/Below OJEU Threshold

- Below OJEU threshold
- Above/Below OJEU

* Framework contracts: Framework Agreements - 1 supplier, all terms fixed
** FA: Framework Agreements; DPS: Dynamic Purchasing System

Classification: Consip public
### SOME HIGHLIGHTS

**Framework Contract + Framework Agreement**

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>PUBLICATIONS</td>
<td>~ 30/y</td>
</tr>
<tr>
<td>TRANSACTION VALUE 2014</td>
<td>3.3 B €</td>
</tr>
<tr>
<td>CONTRACTS</td>
<td>~ 18 K</td>
</tr>
</tbody>
</table>

**MePA – PA Electronic Marketplace**

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<tr>
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<tbody>
<tr>
<td>TRANSACTIONS 2014</td>
<td>~ 500.000</td>
</tr>
<tr>
<td>TRANSACTION VALUE 2014</td>
<td>1.5 B €</td>
</tr>
<tr>
<td>ON LINE SUPPLIERS</td>
<td>~ 31 K</td>
</tr>
<tr>
<td>ON LINE CATALOGUES</td>
<td>~ 48 K</td>
</tr>
<tr>
<td>ON LINE ITEMS</td>
<td>~ 5.442 K</td>
</tr>
<tr>
<td>ACTIVE BUYERS</td>
<td>&gt; 32 K</td>
</tr>
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</table>

**SDAPA – PA Dynamic Purchasing System**

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<tr>
<td>TURNOVER 2014</td>
<td>~ 796 MLN €</td>
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</table>
Consip manages the «DataWarehouse» that tracks at a detailed level the life cycle of the contracts awarded by Consip itself and the contracts awarded by the Contracting Authorities using the tools provided by Consip e-procurement platform (MEPA, DPS).

The database holds an high information content derived from a large granularity of information. These informations are used also to improve the new tenders edition (continuous improvement).
Consip, for its role in public procurement, has access to a significant portion of the information / data contained in the **BDNCP - National Database of Public Contracts** of the National Anti-corruption Authority (ANAC) and is one of the largest users of BDNCP itself, acting as the national central procurement body.

The BDNCP has been established in 2010 with the **aim of ensuring the effectiveness, transparency and monitoring of the procedures run by the Contracting Authorities** for the procurement of works, services and goods.

The BDNCP collects data on public tenders and contracts **throughout the entire life cycle** of procurement process and, throughout the use of a “CIG” (Tender Identification Code), BDNCP data can be related with other systems where the same code is used (e.g. e-invoicing data base).

Over time, the Authority has introduced new features and services in BDNCP, such as the system for online verification of the requirements for participating in the procurement procedures, called AVCPass (Virtual Company Dossier) and the **transparency portal** that allows open access to all citizens to PA spending data.

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**3. Some performance indicators**
In order to ensure the public procurement transparency, ANAC makes public, through its portal – Transparency Portal - the data and information communicated by contractors in a manner that enables the search of the timely information, as well as those aggregated ones (http://portaletrasparenza.avcp.it/microstrategy/html/index.htm)

3. Some performance indicators
BDNCP – SOME HIGHLIGHTS

126\textsubscript{k}

N CIG (Contracts) > 40 k €

<table>
<thead>
<tr>
<th>AMOUNT STAGES</th>
<th>CIG (Contracts)</th>
<th>AMOUNT (€)</th>
</tr>
</thead>
<tbody>
<tr>
<td>≥ € 40.000 ≤ € 150.000</td>
<td>69,839</td>
<td>5,759,677,069</td>
</tr>
<tr>
<td>&gt; € 150.000 ≤ € 1,000,000</td>
<td>45,645</td>
<td>16,359,430,122</td>
</tr>
<tr>
<td>&gt; € 1,000,000 ≤ € 5,000,000</td>
<td>8,856</td>
<td>18,874,624,966</td>
</tr>
<tr>
<td>&gt; € 5,000,000 ≤ € 25,000,000</td>
<td>1,966</td>
<td>19,594,317,989</td>
</tr>
<tr>
<td>&gt; € 25,000,000</td>
<td>401</td>
<td>40,813,440,612</td>
</tr>
<tr>
<td>TOTAL</td>
<td>126,707</td>
<td>101,401,490,758</td>
</tr>
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56,737

N. Economic Operators

101 MLD €

Procurement procedures overall value of an amount equal to or greater than 40,000 euros in all areas

Data for 2014 contracts for works, services and supplies

3. Some performance indicators
### SOME PERFORMANCE INDICATORS

<table>
<thead>
<tr>
<th>INDICATORS</th>
<th>DESCRIPTION</th>
<th>EVALUATION (IMPACT)</th>
</tr>
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<tbody>
<tr>
<td>Share of Consip transaction value in Italy</td>
<td><em>The Consip public procurement transaction value compared to the Italian total transaction value for goods and services, as per BDNCP data</em></td>
<td>A. Demand aggregation</td>
</tr>
<tr>
<td>N. Orders (Contracts) per year (vs. previous year)</td>
<td><em>N. of orders (contracts) managed throughout Consip platform</em></td>
<td>B. eProcurement</td>
</tr>
<tr>
<td>N. Active Buyers per year (vs. previous year)</td>
<td><em>N. of active buyers (at least one contract managed throughout Consip platform during the observed year)</em></td>
<td>B. eProcurement</td>
</tr>
<tr>
<td>N. Online Suppliers (vs. previous year)</td>
<td><em>N. of online suppliers (acting throughout Consip platform during the observed year)</em></td>
<td>B. eProcurement</td>
</tr>
<tr>
<td>«Covered» expenditure</td>
<td><em>Impacted expenditure by Consip action (Consip as «benchmark» for autonomous purchases)</em></td>
<td>A. Demand aggregation</td>
</tr>
<tr>
<td>Unit Price Savings (from demand aggregation)</td>
<td><em>The average saving % calculated every year by the Ministry of Economy and ISTAT (Italian Institute of Statistics) by comparing the prices of the goods and services offered by Consip framework contracts (FC) and the average price payed for the same goods and services by Public administrations not using Consip FC.</em></td>
<td>A. Demand aggregation</td>
</tr>
</tbody>
</table>
SAVINGS from demand aggregation – MEF/ISTAT SURVEY

• The statistics methodology provided by ISTAT allows a comparison of average prices obtained by Consip framework agreements with the similar goods and services purchased in other manners by public bodies. In the last two editions, the category of “copy paper” available on the Consip Electronic Market was also analyzed.

• The collected data are elaborated following a statistical methodology divided in 4 steps:
   I. Comparability
   II. Standardization of items
   III. Exclusion of anomalies
   IV. Average price calculation

• 23 Goods and Services (2014) selected on the basis of:
   i. significance of total expenditure
   ii. diffusion amongst administrations
   iii. degree of standardization
   1. Cars for sale
   2. Cars for rental
   3. Meal vouchers
   4. Fuel (on site delivery)
   5. Fuel (from fuel filling stations network)
   6. Paper
   7. Telephone switchboards
   8. Electricity
   9. “Green” Electricity
   10. Photocopiers for rental
   11. Natural gas
   12. Oil-heat
   13. Desktop
   14. Notebooks
   15. Intranets
   16. Entry and Midrange Servers
   17. Public street lighting
   18. Laser printers
   19. Software Microsoft GOL
   20. Software Microsoft Enterprise Agreement
   21. Fixed telephony
   22. Mobile telephony
   23. Business trips
THE WAY FORWARD

- Consip manages **Procurement platform over which tender are launched**.
- It contains high information assets

- Law. 244/2007 **obligation of electronic invoicing** to the PA
- Invoices transmission occurs through the **Electronic Invoicing System** of the Ministry of Economy and Finances
- CIG must be **compulsory indicated** in the invoices

The interconnection and interoperability of systems (BDNCP, in the e-Procurement platforms and in the Electronic Invoicing System) allows the monitoring of contracts and guarantees the **transparency, traceability and performance of the public procurement system**

3. Some performance indicators
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