









Letter from our Executive Director



Against a very challenging geopolitical backdrop, we made great strides in our mission to open up and transform public procurement in 2023.

Every year we set ourselves hard targets to demonstrate real world impact and change, not only on policies but also on the whole procurement market and on people's lives. We are proud to have met or exceeded those targets in 2023.

Our work with partners to improve flood defenses benefited up to six million vulnerable people in Assam, India; nearly 100% of Lithuania's government procurement used green criteria (from 5% in 2020); we supported heroic reformers building a culture of integrity and economic inclusion in places like the Dominican Republic (where one in four contracts now goes to a women-led business), and much more. On a personal note, I was very pleased to see the UK's new Procurement Act pass with open contracting as a central theme for how my own government will do better procurement in future.

2023 also marked the end of our second five-year strategy. In total, we estimate the reforms that we supported positively impacted 209 million lives and US\$116 billion dollars of public spending. We documented 14 different examples where open contracting resulted in major changes in competition, efficiency, value for money, integrity, innovation, and inclusion, as well as supporting fundamentally better pandemic procurement.

We've just launched our brand new strategy to 2030 inspired by everything we've learnt over the period. As ever, we've tried to model our core values of being open, bold and curious, to go beyond transparency to deliver fundamentally better results from your hard-earned tax dollars spent on public procurement. So we've led with an ambitious vision: by 2030, we want to help one billion people live in more equitable, prosperous and sustainable communities by improving US\$2 trillion in public procurement spending.

2023 already saw us testing out that idea and laying the foundations for scaling our work. The core of our model is to help partners across government, civil society and the private sector to:

- 1. Design goal-driven reforms;
- 2. Build coalitions of change; and
- 3. Co-create digital solutions, powered by open data.

We are unique in bringing these three approaches together and at scale.

We've moved into more transformational reform work, bringing together the digital, organizational and political, to drive better outcomes. For example, as we concluded our long-running engagement in municipal reforms in Colombia, we were able to compare the cities in which we worked with those we didn't. Over the course of the two-year project , the share of digital processes, number of bids and use of open competitive procurement methods were all higher in places where we worked than other cities. It led to impressive real-world changes too, like the women-owned agricultural collective that secured their first ever contracts with local government to provide food for schools. It is not quite a randomized control trial, but it is getting close. So we are becoming increasingly confident that we have the tools in place to make a major difference to the world's largest marketplace and to the lives of citizens everywhere.

2023 also saw us double down on our big bet to support Ukraine's recovery and reconstruction. What started as a more aspirational coalition, turned into active implementation of a radical Digital Reconstruction Ecosystem for Accountable Management (DREAM) accompanied by major institutional and policy reforms. DREAM is rapidly becoming the default vehicle for coordinating the recovery and resilience of the country in the face of Russia's appalling aggression, with more than 1600 projects worth over \$1 billion under its management in its first year and scaling rapidly.

We work in challenging times and not everything goes smoothly. The UN Convention Against Corruption's landmark resolution on procurement wasn't agreed until 4am the morning after the scheduled conclusion of the conference. The French government, who sponsored the resolution, held out for ambitious and progressive language supporting open contracting and won_ through in the end. That feels like the story of 2023: hard work and going the extra mile to get the best results.

Read on as we take you on a tour of how we did that with all our amazing reformers and allies around the world in 2023...

Dr. Gavin Hayman Executive Director, Open Contracting Partnership

2023 in numbers

3

new global norms promoting open contracting in 2023, 11 since 2019

4

new impact stories, 14 since 2019

7

new progress stories, 29 since 2019

open contracting data publishers, 57 since 2019

9

41

28

publishers improving open contracting data quality, 20 since 2019

actors using OCDS data, **78** since 2019

296

local media mentions of open contracting in 2023, 1427 since 2019

110,463 users 0 532,65

users of OCP resources in 2023, 532,659 since 2019

in direct support for our partners through grants & consultancies in 2023, \$5m since 2019

+76

\$1.2M

current Net Promoter Score for OCP

From 2019 to 2023, our work had an indirect positive impact on an estimated 209 million people and \$116 billion of public spending. We documented 43 cases of impact and progress in 34 countries.

14 impact stories from 12 countries

2023: Palmira, Colombia; Dominican Republic; Assam, India; Lithuania

2022: Ecuador, Indonesia; Nuevo Leon, Mexico

2021: Buenos Aires Obras; Chile; Moldova; Ukraine

2020: Colombia; Dhangadhi, Nepal

2019: Prozorro.Sale, Ukraine

29 progress stories from 20 countries

2023: Finland; Des Moines, USA; Ukraine DREAM; Kazakhstan; Ekiti, N<mark>igeria; Uganda;</mark> Paraguay

2022: Kyrgyz Republic; Lithuania; Argentina; Italy; Edo State, Nigeria; Albania

2021: Lithuania; Paraguay; Nuevo Leon, Mexico; Kosovo; Ukraine Ukroboronprom (defense); Mexico City

2020: Ecuador; Makueni County, Kenya, Dominican Republic, Moldova, Afghanistan

2019: Moldova; Kyrgyz Republic, Uganda; Honduras; Paraguay

Open contracting stories of 2023



IMPACT Colombia

Empowering women businesses

Palmira is a lesson in unlocking the procurement market for a city's women and rural farmers. Despite an improving security situation after years of armed conflict, the pandemic further stifled the economy. The government set out to involve more local businesses in key projects such as the school meals program, working with farmers and agricultural cooperatives to remove the participation barriers. They introduced new rules to make procurement fairer and more competitive, held networking events, and built data tools that demystified procurement processes for local producers. The reforms were part of a larger Colombian project supported by OCP that has had an impact in cities across the country.

- For the first time, local farmers won food contracts with the city, receiving 30% of funds spent on school meals and benefiting 200 workers directly.
- Over four years, competition rose from 1.6 to 5.7 average bidders after the city switched to using a more transparent and inclusive e-procurement system for almost all its purchases.
- 37% of contracts included data on the supplier's gender, allowing the city to better monitor its progress in empowering women through procurement.



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Public procurement has strategic value to improve citizens' lives, support the inclusion of women-led businesses and reduce poverty. It's not just an administrative process.

Luz Adriana Vásquez, formerly in charge of Palmira's government strategy and public procurement

IMPACT Dominican Republic

Red light for corruption

Public trust in government procurement in the Dominican Republic was low after a series of high-level corruption scandals. The island's procurement agency faced more than 250 open complaints and allegations of collusion.

The new leader of the island's procurement agency - a prominent anti-corruption activist - sought to turn the situation around. Working with OCP and others, he strengthened institutions, debarred bad actors, and improved transparency and data. He digitized the whole procurement process and introduced risk-based monitoring to spot red flags early so his team could intervene before things went wrong. He also improved coordination among different agencies and fostered more collaboration and monitoring with civil society organizations.

- 60+ suppliers debarred for violations
- More than 20,000 new suppliers registered with the agency
- Competition across the different open procurement processes has increased by nearly 50% since 2018 and supplier diversity is up by 27%

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Building institutional processes and strengthening controls will always make some people uncomfortable when it's easier for them to operate in a messy environment and 'enjoy' public resources illegally. The more eyes, the more we can identify potential cases of corruption.

Carlos Pimentel, Head of the Dominican Republic's public procurement agency Dirección General **Contrataciones Públicas**

IMPACT India

Strengthening climate resilience

Annual flooding causes widespread devastation and damage in the Indian state of Assam. We are proud to be working with CivicDataLab (CDL), one of our Lift impact accelerator partners, to put open contracting strategies to work to inform decisions on how disaster relief and resilience funds are spent.

CDL developed a sophisticated data model to identify the areas most in need of investment. They rate each district based on their flood proneness, preparedness, and losses using a combination of procurement data, datasets from the Assam State Disaster Management Authority, and five years' worth of standardized data on all flood-related procurement from Assam's Finance Department. With support from the Rockefeller Foundation, this approach is now being implemented in two other states, Himachal Pradesh



and Odisha, and has been adopted as the official methodology to allocate assistance in Assam. Building on this engagement, Assam also became one of the first states in India to introduce a green budget, committing US\$2 billion (Rs. 17,195 Cr) for FY 2023-24 towards a state-level action plan on climate change.

- 95% of the latest flood-related budget was spent in districts highly vulnerable to flooding according to CDL's data model, benefiting approximately 6.5 million people
- 78% reduction in effort and time to plan and allocate assistance

IMPACT Lithuania Fast tracking green procurement

Lithuania set a bold target for environmentally friendly procurement reforms, committing to use green criteria in 100% of its public spending by 2023, compared to under 5% in 2020. The Lithuanian Public Procurement Office (LPPO) encouraged swift uptake through measures that included establishing a dedicated sustainability unit, and developing public data-driven platforms to track progress, study what worked and refine their approach. With OCP and Kaunas Technology University, the government is now moving beyond measuring outputs like the use of green criteria to focus on the outcomes from better procurement, such as reducing Lithuania's carbon footprint.

 Green procurement uptake by Lithuanian public institutions rose to 94% by value and 93% by total procedures by the end of 2023

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The way we think about technology is that it has to help public buyers and suppliers conduct business easier... [now we have] a whole other level of granularity and depth of insight. We know exactly what's going on with green public procurement in Lithuania and can offer even more nuanced assistance to contracting authorities based on that.

Kęstutis Kazulis, Principal Advisor for Sustainable Procurement, LPPO

progress Finland

Digitizing government procurement

Prior to 2017, Finland did not have centralized and publicly accessible public procurement data. Inspired by Ukraine's Prozorro open contracting reforms, the central procurement unit Hansel began collecting and publishing granular public procurement and spending data to improve public trust and efficiency.

This digital trail means anyone can analyze government spending down to the invoice level in near real-time. Government reformers are also seeing improved management, reduced overpricing, and better tracking of sustainable procurement.

- Overpricing and inefficient purchasing practices are more easily identified. Civil servants use it to compare prices and identify potential savings.
- Journalists used the platform to hold authorities to account, including for some high-profile investigations into conflicts of interest.

PROGRESS Kazakhstan

Boosting public oversight

Power to the people—the technologists, activists, journalists, and citizens who are fighting kleptocracy and rewriting the story of public procurement in Kazakhstan using technology.

Despite government reforms, corruption and inefficiency still pervade public procurement in Kazakhstan. Yet, the government's adoption of an open e-procurement system has empowered citizens to monitor public contracts, call out corruption and irregularities, promote public debate on government spending, and improve the delivery of government projects and services. They systematically monitor contracting procedures using analytical tools that calculate performance metrics and risks, develop a body of evidence around the most common schemes and violations to train watchdogs, investigate tip-offs or raise red flags about individual corruption cases. Although different civic monitors have different approaches, they run coordinated campaigns to advocate for systemic reforms and share educational resources with the general public and each other. One Kazakh journalist has over 80,000 Instagram followers tracking her exposés.

- 66 criminal cases and 1100 administrative warnings have been given as well as fines worth KZT 244 million (>U\$\$500,000)
- 15 Kazakh CSOs have come together to form a nationwide monitoring coalition



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Millions of public procurements and contracts appear every day, on which there are not enough resources for monitoring both from the state audit committee and from us. So the more people that are engaged in public monitoring, the better.

Didar Smagulov, Head of Adildik Joly

PROGRESS **Nigeria**

Breaking barriers for women businesses

Small and women-led businesses dominate the local economy of Ekiti, a small state in southwestern Nigeria. Yet, these crucial players are often shut out of public procurement due to long-standing cultural barriers, cumbersome bureaucracy, and the sense that they don't have the right "connections" to win public contracts. The Ekiti State Bureau of Public Procurement (EKBPP) is trying to break these barriers as part of our Lift impact accelerator program.

They have increased access through more transparency, simplified processes, better regulations, and old-fashioned radio outreach. The agency improved access to information about upcoming opportunities for these businesses, held capacity-building workshops, installed a dedicated helpdesk, and restructured the bidding process to lower the barriers to submit bids.

- 43% increase in the number of women-led businesses registered in the state's public procurement system
- The number of contracts won increased five-fold to 47
- Changed the public procurement policy manual and guidelines to improve gender-responsive procurement practices.

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The state government's vision for public procurement is to have a more transparent, all-inclusive, efficient, and effective procurement process that supports the participation of small and medium-sized enterprises, especially women businesses.

Egghead Odewale, Director General of Ekiti State's Bureau of Public Procurement

businesses are an important driver in the distribution of wealth in a region. Given their local nature, and that they normally hire locally, they are a vehicle for wealth to be distributed quickly and without many intermediaries, they normally pay their contractors and suppliers faster in relation to large companies.

Juan Pane, Center for Sustainable Development, a member of small business association **ASEPY**

PROGRESS Paraguay

Open for small business

Small businesses make up about 95% of commerce in Paraguay, yet they receive less than 9% of all funds spent on public contracting. With the support of OCP's Lift program, a team of representatives from Paraguay's government, civil society, and the private sector worked to increase their participation and inclusion.

They leveraged Paraguay's high-quality, publicly accessible open contracting data to measure the participation of these smaller businesses and understand their challenges. The team developed a multi-pronged strategy that involved engagement and training for small businesses, simplifying the bidding process, a user-friendly labeling and microsites to find opportunities, and using data-driven to track results. Competition from and market share of small businesses is now rising.

- The share of bids by smaller businesses rose by 9 percentage points across all procurement categories
- The share of unique micro, small and medium enterprise (MSME) bidders rose by more than 7 percentage points
- The share of the value awarded to MSMEs almost double

PROGRESS Uganda

Empowering citizen monitors

The Public Procurement and Disposal of Public Assets Authority (PPDA) of Uganda launched an innovative partnership with civil society and the German government development agency GIZ, to build a digital contract monitoring system to prevent abandoned or incomplete projects, delays, and excessive spending. With training and support, civic monitors are using the new Contract Monitoring System (CMS) to oversee projects using a simple app and report any discrepancies back to the government. OCP is now supporting the reforms to improve up-front information available to local monitors and better risk management and feedback tools for authorities.

- 560+ civic monitors examined 345 projects in one year
- 200 issues resolved at the local procuring entity level and 24 more at the PPDA level.

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This platform is not just about technology; it's about empowering citizens to actively shape the destiny of their communities.

Kusemererwa Ismail, a representative of the CSO Mid-Western **Anti-Corruption Coalition**



PROGRESS Ukraine

Digital and accountable wartime reconstruction

In a powerful act of defiance, Ukrainians are already working to "build back better" from Russia's appalling and illegal invasion. With OCP's support, Ukraine is leveraging its worldbeating open government and open data infrastructure to help deliver open, accountable and digital recovery and reconstruction planning.

Working with the Ukrainian government, especially the Ministry and Agency for Restoration as well as the RISE Ukraine Coalition, OCP is running the team building a Digital Reconstruction Ecosystem for Accountable Management (DREAM) with the support of the UK, US, and German governments.

Our shared vision is to go beyond supporting "just" a transparency and reporting portal for spending to have a digital ecosystem that integrates real-time damage assessments, budgets, project planning, procurement, and delivery. DREAM does this, creating a single pipeline from communities to funders and helping to coordinate all stages of reconstruction project implementation. The same "everyone can see everything" principle that underpins Ukraine's award-winning Prozorro procurement system will be embedded in DREAM: communities can develop projects themselves, the ministry and other Ukrainian government agencies, as well as donors, can identify and act on bottlenecks to improve project preparation and delivery. The Minimum Viable Product of the system is up and running, unveiled at June 2023's Ukraine Recovery Conference hosted in London and is scaling very quickly to become the default mechanism to coordinate the recovery.

- By the end of 2023, 1500 government users and 1300+ projects and project ideas covering \$1 billion in spending were in the system from 24 regional restoration services and 300+ municipalities
- Open data analytical tools and donor profiles are now tested and deployed
- Institutional strengthening, standardized templates for procurement, and policy improvements are ongoing. Procurements run by the Agency for Restoration achieve considerably more competitive and better value than similar tenders run by other authorities.

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We really wanted to build a compelling example of smarter, more open government to inspire people as much in the reconstruction as our brave soldiers and citizens have done during the war.

Viktor Nestulia, Head of DREAM Project Office

Buying local, inclusive, and green

The City of Des Moines in Iowa, USA, aimed to enhance equity and sustainability through procurement, but it realized that its current procurement processes and tools were insufficient. The procurement process was not user-friendly for new vendors, which resulted in low levels of competition and bidder diversity. Furthermore, the city lacked good data to understand its footprint, market engagement and its results.

As part of our Lift impact accelerator program, the city undertook an ambitious and comprehensive reform project to digitize and open up procurement as well as to integrate equity and sustainability into the process. They implemented an electronic bidding platform, piloted new forms of vendor outreach for high-priority purchases, and incorporated bonus point questions for sustainability and equity in all of their requests for proposals (RFPs).

- Vendor registrations increased by 200% in one year with local businesses now representing 21% of their suppliers, 9% women-owned, and 6% minority-owned
- Increased transparency throughout the process as all bids can now be found online
- Increased efficiency and ability to better track equity and sustainability goals with some notable successes, like procuring a greener bus fleet that reduced greenhouse gas emissions by up to 95%.

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When we contract with businesses that align in values, we're able to catalyze the movement towards a more equitable and sustainable city.

Scott Sanders, Des Moines City Manager

2023

January

- We present the G20 Smart Cities Model Policy on open contracting at Open and Agile Smart Cities in Brussels.
- We share our <u>10</u> recommendations to fix the UK's procurement bill.

February

Our new open contracting <u>Data Registry</u> is launched, allowing users to search open, reusable, and standardized datasets on public procurement.

March

- We launch our Open Contracting <u>Quickstart</u> <u>Guide for Medicines Procurement</u> with 10 tested strategies for improving the full procurement cycle for medicines.
- We launch our <u>impact story</u> on how the open contracting strategies of Palmira and other cities in Colombia are empowering more small business suppliers including women-led cooperatives.
- With the Open Government Partnership, we train open contracting <u>reformers in the Asia-</u> <u>Pacific region</u> through the Open Government Leadership Collaborative.
- We co-sponsor and participate in the <u>East</u> <u>African procurement forum in Kampala</u>, Uganda, gathering reformers across Africa to discuss open contracting for sustainable development.

April

- We participate in the <u>Mastercard Global Inclusive</u> <u>Growth Summit</u> in Washington, D.C., sharing how technology and open data can be used to improve equity and inclusion in public procurement markets.
- We document how Finland's <u>Hansel</u> is creating a digital trail of state spending.
- We co-host the international workshop Public Procurement for Recovery and Beyond at the

Korea Public Procurement Expo (KOPPEX), organized by the Public Procurement Service of the Republic of Korea.

 With our partner, CivicDataLab, we shared our work from Assam, India, as a key case study at the World Sustainable Contracting Day organized by the WorldCC Foundation.

May

- In Paraguay, OCP works with small businesses to launch Vigia, a tool that helps them find public procurement opportunities and fight unfair practices.
- At <u>Open Gov Week</u> 2023, OCP highlights the role of public-private partnerships in making public procurement transparent and open contracting approaches at work in Indonesia.
- We host our first sustainability funders roundtable and share <u>5</u> takeaways on procurement's role in curbing climate change and building resilience.
- DREAM the digital ecosystem to ensure a transparent, accountable, and efficient reconstruction for Ukraine — built by OCP and the Ministry of Restoration in Ukraine wins the People's Choice award at the Copenhagen Democracy Summit.
- At the <u>Code for America Summit</u> we share how governments can leverage public procurement data and technology solutions to make informed purchasing decisions, attract diverse vendors and measure outcomes effectively.
- Open contracting champion David Riveros García addresses the World Bank and other key actors at the inaugural GovTech Global Forum on "What we're getting wrong about accountability and citizen empowerment."

June

- <u>DREAM</u> is featured on the main stage and in the Communique of the London Ukraine Recovery Conference, becoming a key tool for Ukraine's recovery and resilience.
- With UN Women, we host a webinar on gender-responsive public procurement reforms in West Africa.
- OCP participates in the UNCAC CoSP Vienna meetings to discuss advancing procurement reform implementation within the framework of UNGASS and UNCAC, emphasizing the need for collaboration among governments, audit institutions, CSOs and UNODC to combat corruption effectively.
- We co-host the <u>Open and Sustainable</u> Procurement Europe conference in Tirana, Albania, bringing together over 100 key actors from across Europe.

We participate in the World Bank's Anticorruption for Development (AC4D) Global Forum.

🖕 July

We document how the City of <u>Des Moines</u>, <u>USA</u>, is transforming its procurement to support local businesses, sustainability, and equity by embracing digital tools and targeted outreach.

August

- We launch the third generation of our Lift impact accelerator program supporting 10 teams from Brazil, Chile, Lithuania, Philippines, Senegal, Thailand, Uganda, UK, and US to use open contracting to fight corruption, boost inclusive competition and promote sustainability in public procurement.
- OCP and the <u>School of Applied Research in</u> <u>Public Procurement</u> train leaders across Central Asia to be watchdogs against corruption in government spending.

September

- We join high level discussions at the <u>OGP Summit</u> in <u>Estonia</u> on turning anti-corruption pledges into action through government and civil society collaboration.
- We document OCP's works with civil society and government reformers in Assam on a <u>new data-driven</u> approach for disaster management and climate resilience by enabling evidence-based decisions in flood-related funding allocation.
- We support Ukraine to launch a closed beta testing of DREAM with 157 local municipalities.

October

- As part of the Mastercard Strive Community project, we launch CREDERE in Bogotá to provide micro and small businesses that have won government contracts with access to credit.
- We document Kazakhstan's open contracting approach empowering civil society to <u>monitor</u> <u>public spending</u>, resulting in savings of millions from corruption and wasteful spending.

November

- OCP participates in the Africa Public Procurement Network (APPN) conference in Abidjan, Côte d'Ivoire, where we connect with leaders and discuss how to boost the participation of womenowned businesses in public projects and the potential of e-GP for African procurement.
- We launch our story on Ekiti State's progress in increasing the participation of women-owned businesses in government contracts in Nigeria.
- With CivicDataLab, we grew our community at <u>CivicSabha 2023</u>, a green public procurement workshop bringing together multistakeholders in India.

December

- The UN adopts its first-ever resolution on public procurement at the 20th Conference of States Parties to the UNCAC in Atlanta. The resolution picks up the core asks of 113 organizations from over 60 countries in an open letter on better, more accountable procurement coordinated by OCP.
- We document how <u>Lithuania used open</u> <u>contracting approaches</u> to increase its use of green criteria in public contracts to nearly 100% within three years.
- We share our impact story on how the Dominican Republic used data-driven monitoring, capacity building, and collaboration strategies to increase transparency, reduce corruption, and enhance public trust in procurement processes.
- DREAM's new user-friendly business intelligence dashboard adds an additional layer of transparency to Ukraine's reconstruction projects.

The status of open contracting

Global progress

In 2023, we built a coalition of anti-corruption advocates from government and civil society to secure a new global norm on best practices for public procurement through a <u>UN resolution to</u> the Convention Against Corruption (UNCAC).

The first ever resolution on public procurement at UNCAC raises the bar for procurement reforms to include open data, digitization, automated risk indicators and analysis for all 190 states parties to the UNCAC. It also breaks ground by drawing a clear link between better public spending on public procurement and the achievement of the UN's Sustainable Development Goals.

In line with our new strategy, we have moved **sustainability** to the heart of our global project work. We saw great examples of that shift in 2023 including:

- reducing greenhouse gas emissions in buying green goods and "buying local" to reduce mileage or building low carbon infrastructure as in Des Moines, USA and Lithuania;
- helping people adapt to the worst effects of climate change through <u>building climate</u> resilient infrastructure that protects people from natural disasters illustrated in our story from Assam; and
- protecting the environment and ecosystem services through building infrastructure that protects wildlife and natural capital as detailed in our new guide <u>Red Flags for</u> <u>Conservation</u>. The methodology will inform our Lift-supported project in the Brazilian Amazon.

As part of that shift, we have also expanded our infrastructure portfolio in 2023 to more than ten countries from Asia to the Americas and by diversifying topics from inclusive infrastructure to climate resilience to conservation, green vehicles and bike lanes.

In Buenos Aires, Argentina, we scaled our inclusive infrastructure project with local partner ACIJ to two additional informal settlements and developed a methodological guide to give voice to residents in these communities. Through Lift, we are developing a comprehensive sustainable infrastructure framework in Chile. We also supported the update of the Open Contracting for Infrastructure Data Standard (OC4IDS). Toolkit to enable better tracking of sustainability information.

Through Mexico's Infraestructura Abierta initiative, we supported Mexican states in opening up infrastructure projects and procurement data, while forming strong multi stakeholder coalitions.

Finally, we embedded an open contracting vision for transparent, accountable, and inclusive procurement in the Inter-American Development Bank Transparency for Infrastructure Principles (TIPS).



Digital tools highlights

CREDERE

Small businesses participating in public procurement often face liquidity issues when asked to put up guarantees or payments are late. Powered by open data, <u>CREDERE</u> simplifies the credit application process by allowing small businesses that have been awarded public contracts to:

- Automatically access credit products via email;
- Browse and compare financial products to find the most suitable option;
- Get pre-filled information from open public procurement data to simplify the credit application process.

With the support of Mastercard Strive, we have started piloting the tool in Bogotá, Colombia.

Vigía

SMEs represent about 95% of businesses in Paraguay but less than 5% participate in public procurement. We designed Vigia to connect entrepreneurs to government contracts, and to provide real-time high-quality feedback about irregularities to the government. The user-driven tool incorporates:

- Open data from the API of the public procurement agency;
- An SME-oriented search engine for contract opportunities;
- A functionality that allows users to ask questions on active tenders;
- A formal complaints system for bid or award irregularities;
- A solid community that acts on complaints and provides support to SMEs to increase their chances of success.

Within just three months of its launch, Vigía had more than 3,000 users, and over US\$300,000 had been awarded to small businesses.

Red flags dashboard

Identifying corruption risks in real time is critical to better, more efficient and accountable public procurement processes. Building on our red flag methodology, we created a data-driven corruption risk monitoring system as an "Early Warning System."

The <u>dashboard</u> integrates 21 indicators for the most common red flags, for example on ties between suppliers and politicians, large contracts that have been broken up into smaller ones to undercut thresholds, and links to prohibited practices.

With support from Microsoft, we implemented the dashboard in the Dominican Republic. It now covers 300 daily procurements by more than 500 buyers engaging 111,000 suppliers.

Implementing and developing the Open **Contracting Data Standard**

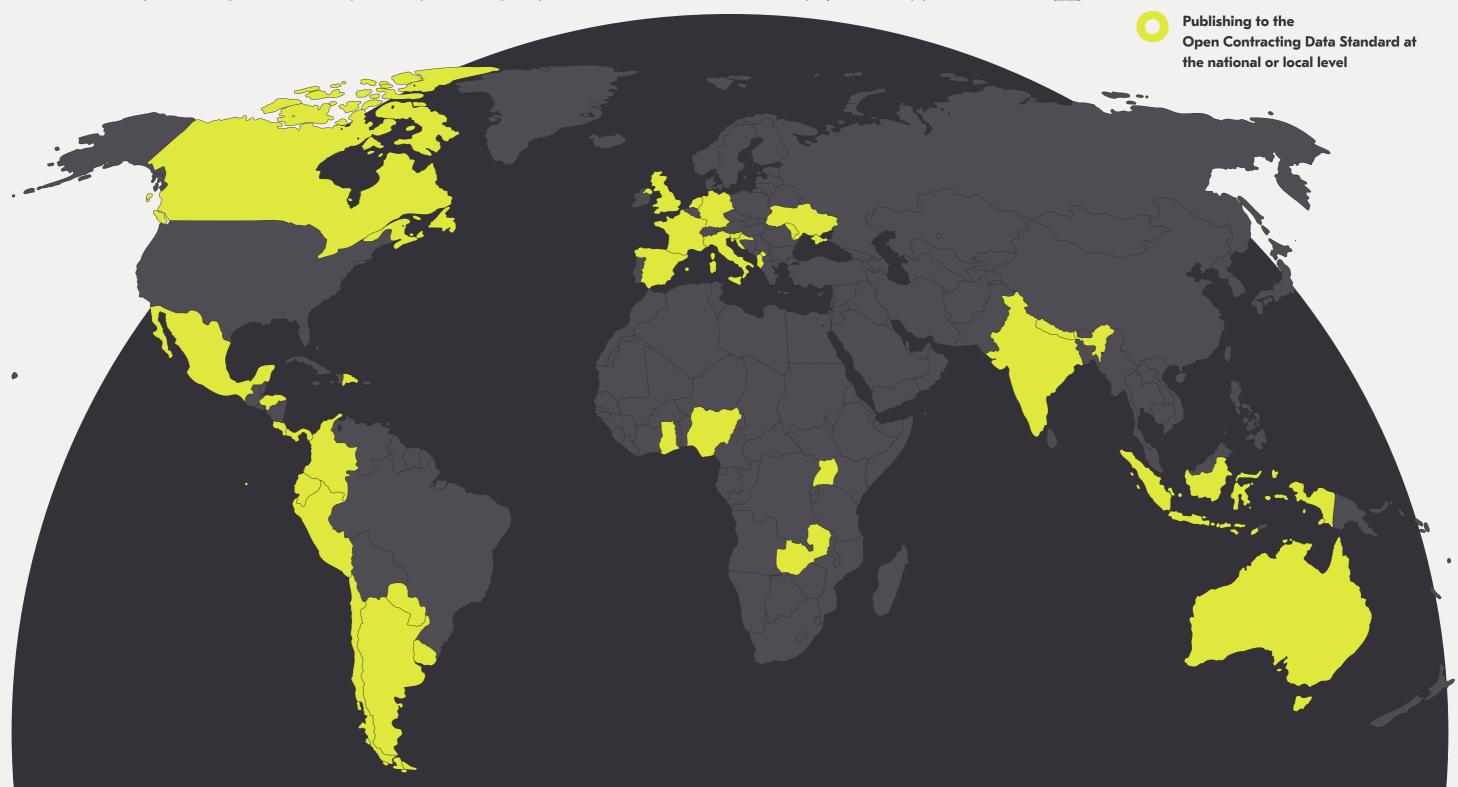
In 2023, we documented 57 publishers of the Open Contracting Data Standard (OCDS) and OC4IDS worldwide, with 20 improving the usefulness of their publication. For example, the United Kingdom's Find a Tender Service started publishing award documents, budget breakdowns, and links to previous notices, allowing users to better track procurement processes.

Moldova is now also publishing award items and contract metrics.

Useful and high quality open contracting data is helping researchers conduct cross-topical investigations. In Italy, Bracciale et. al. published a striking paper in Nature that performed a cybersecurity vulnerability analysis of medical

devices purchased by national health services, using OCDS data from over 36 countries across 12 years, searching 92 million public administration purchase records for potentially vulnerable medical devices.

User research has been integral to our software projects for many years. We described our



approach to user research and condensed three years of learning into our Discovery Toolkit, a collection of resources that guides practitioners through conducting user research for open data portals and data visualization tools.

Lift

Lift is OCP's competitive impact accelerator program that helps visionary reformers harness the power of procurement for stronger and more sustainable communities. Through these locally-led engagements, we support teams from government and civil society to tackle big challenges like climate change adaptation, rebuilding trust in government, tackling corruption, and increasing economic inclusion.

The Lift program helps improve lives at scale. Since 2019, we have supported 22 Lift teams from 17 countries including teams from Argentina, Brazil, Chile, Ecuador, France, India, Lithuania, Philippines, Mexico, Moldova, Nigeria, Paraguay, Senegal, Thailand, Uganda, the United Kingdom and the United States.

In 2023, Lift had:

- 150+ applications from more than 65 countries.
- 10 teams selected from around the globe
- 420+ hours of OCP technical support provided
- \$350,000 of direct financial support dedicated to Lift teams.

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We are proud to work with frontline visionaries who want to use procurement as a lever to achieve broader social impact goals.

Kathrin Frauscher, Deputy Executive Director, OCP





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Our participation in the Lift program allowed us to benchmark how we were using our data. It helped us recognize that proper management of the public procurement system needs to be data-driven and how that data can improve the ecosystem.

Paul Proaño, Analysis Tools Director, SERCOP, Ecuador.

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Through Lift, we learned that women's inclusion and participation in public procurement is very possible and achievable, and introduced policies and reforms to increase women's inclusion in public procurement. Ekiti State, Nigeria.

Americas

Despite Latin America facing economic, political, and environmental turmoil, we were able to partner with governments, civil society, and businesses to fix procurement by fighting corruption, boosting inclusion, and delivering better public services.

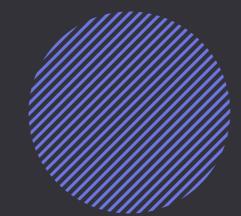
Our partners leveraged actionable data insights to prevent corruption. In the Dominican Republic, the national procurement agency developed an early warning system that helped remove bad actors and is helping regain the trust of the private sector (with 50% more competition). Through Vigía, we empowered small businesses in Paraguay to flag suspicious tenders before trouble starts.

From Chile to Mexico, we revamped legal frameworks, streamlined processes, and built technology to open doors for small and women-owned businesses in public tenders. In the Colombian city of Palmira, female farmers now supply school meals with local produce, a success story informing national policy. Through <u>CREDERE</u>, small businesses can now access financing to deliver public contracts. We unlocked new markets in Mexico City with an online e-GP module for small vendors, and in <u>Paraguay</u>, where 95% of businesses are small, public contracts awarded to them nearly doubled thanks to our support.

Through our Lift program in Brazil, we are empowering citizens and control institutions to use newly available data to identify and fix overpricing in medicine procurement.

In 2024, we're co-designing an open-by-design e-GP system in Nuevo León, a potential model for efficiency and accountability in subnational spending across Mexico. In Chile, we'll support their e-GP expansion with open contracting principles at its core. Additionally, we're harnessing company data and beneficial ownership data to fight corruption – regulating conflicts in Chile and tackling collusion in the Dominican Republic.

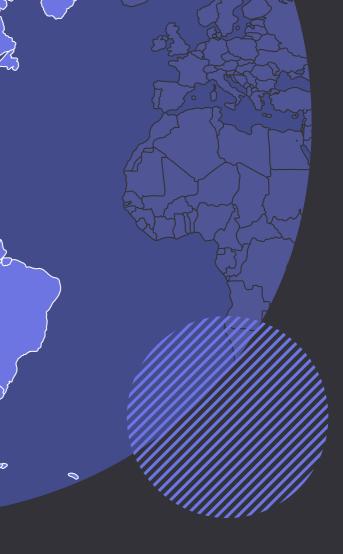
Finally, partnering with Chile's Ministry of Public Works (through Lift) and Amazonian states, we'll promote resilient infrastructure through updated sustainability policies and conservation-focused investments.



USA

We see a huge need and opportunity for open contracting in the United States, especially around supporting more equitable and sustainable communities through procurement.

In 2023, we demonstrated that better procurement can serve the environment and historically disadvantaged businesses through our work with partners under the Lift program, including the City of Des Moines, as well as our new engagements with the cities of Portland, Oregon, and Boston, Massachusetts. In addition, with support from Results for America, we assisted a cohort of communities from the Bloomberg Cities What Works Cities program, including the City of Newark, with digital procurement for more inclusive outcomes.



We also saw an emerging multi-sector effort to improve how residents access social safety net programs, and we advocated for procurement reform as a critical aspect to unlocking better government services. As part of these efforts, we deepened our relationships with other nonprofit, philanthropic, and government partners across local, state, and federal levels. For example, we supported Code for America's cohort of states through leaning sessions and advice with ensuring that a results-and data-driven procurement process support their important safety net reforms.

We also participated in the working groups from the Aspen Institute Financial Security Program and Facing a Financial Shock Life Experience Interagency Team on procurement and vendor management trying to make procurement more people-centered, and presented at the Code for America Summit to an overflowing room.



In 2023, we focused on making public procurement more inclusive, by increasing opportunities for disadvantaged groups such as women-led businesses. We built on the strong interest of our partners in improving opportunities for women in public procurement, evidenced through our Lift impact accelerator program, where the majority of proposals from Africa were geared towards this topic, as were the projects of the two selected Lift teams from Uganda and Senegal. Our work in Uganda builds from a two year action research project that identified the barriers facing women-led businesses and advocated for implementation of concrete recommendations in five East African Countries that we undertook with Africa Freedom of Information Centre and The Institute for Social Accountability, and funded by the Canada's International Development Research Centre.

We continue our support to digitalizing procurement systems, building on the lessons from our 2022 e-procurement report on how to get better outcomes from the major investments in reforms across Africa.

At the country level, we kicked off a strong partnership with the Rwanda Public Procurement Authority (RPPA), a regional e-procurement leader to better track internal efficiency and red flags for corruption.

In Uganda, in addition to our Lift project, we worked with the Public Procurement and Disposal of Public Assets Authority (PPDA) to upgrade their Contracts Reference Portal. The web platform now publishes better information on existing contracts, powering up a highly impactful procurement monitoring coalition in the country. Next we will be working to improve the decision-making process during contract award, including identifying potential red flags as well as enhancing the capability of the procurement authority to collect gender-disaggregated data to support women-owned businesses.

At the regional level, we promoted open contracting approaches through platforms such as the Africa Public Procurement Network, the East Africa Public Procurement Forum, and the UNODC Southern African Development Community Anti-Corruption Conference.

Europe

The European Commission and country partners strengthened the EU procurement data architecture as it rolled out its eForms format (a way to exchange data about big contracts across the EU). As EU governments began implementing eForms, we launched new guidance on how to publish the information collected through eForms as machine-readable, structured and standardized open data in the OCDS, resulting in new publishers such as Germany. In the Netherlands, we worked with the Ministry of Interior and TenderNED to make Dutch procurement data more accessible and user-friendly. Albania is now publishing structured information on its public complaints.

Making public procurement a channel to implement sustainable policy objectives, including environmental and social inclusion was another key area of support. We assisted Lithuania in fast-tracking the use of green criteria in almost 100% of its tenders in under three years. We are now supporting their efforts to scale to other areas of sustainability, including social procurement reform, through our impact accelerator Lift. We expanded our support to make procurement greener to Poland and Latvia.

At the EU level, as stewards of the Open Spending EU Coalition, we focused on advocating for the EU Open Data Directive to be updated to mandate all EU countries to



publish procurement data as open data. This would be a pivotal move in making the EU's procurement data architecture even more robust and complete.

2024 is about making procurement in Europe work for the environment and social inclusion as we continue to support our partners. Together with the Italian Anti-Corruption Authority (ANAC), we will host all champions for the third Open and Sustainable Procurement Conference in Rome in September. We're keeping our eye on the launch of Public Procurement Data Space, an effort to centralize unprecedented amounts of procurement data across the EU.

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Eastern Europe and Central Asia

2023 was a challenging year for Eastern Europe and Central Asia as Russia continued to expand its influence in Central Asia, leading to restrictions in spaces for civil society and independent media. We saw this in Georgia, Kazakhstan, Kyrgyzstan and other countries so we focused our work onon strengthening civic partners in Central Asia, especially on improving their procurement monitoring capacities, by creating massive open online courses (Kazakhstan, Kyrgyzstan), and developing a procurement monitoring methodology in Uzbekistan.

We strengthened procurement monitoring coalitions of Kazakhstan, Kyrgyzstan and Uzbekistan by developing two community platforms and conducting a School of Public Procurement in Uzbekistan. We supported the development of analytical infrastructure in Uzbekistan and Kazakhstan, to equip a community of data users with analytical tools. We also created opportunities for the media to conduct journalist investigations in Central Asia countries.

We deepened our work in Kazakhstan, showcasing how the availability of procurement data, analytical infrastructure, and vibrant civil society can prevent wasteful governmental spending. We helped to deeply analyze the procurement environment and respective challenges in Tajikistan, Uzbekistan, and Kyrgyzstan, paving the road towards productive advocacy.

Ukraine

Our work supporting Ukraine's recovery and resilience has transformed over 2023. Working with amazing Ukrainian government and civil society partners and with generous support from the UK, US and Germany, we are taking the lead on building and developing Ukraine's Digital Restoration Ecosystem for Accountable Management (DREAM). We've been able to assemble an extraordinary team to assist the government, including some of the team behind Ukraine's award-winning Prozorro procurement system and Diia, Ukraine's globally recognized e-government phone app. By the end of 2023, the DREAM system had 1500 government users, along with 1300+ projects and project ideas covering \$1 billion in spending, from 24 regional restoration services and 300+ municipalities.

Asia

In 2023, we saw some of our key projects in the region come to fruition.

In Assam, India, building on our impact implementing open contracting for <u>flood-re-</u> lated procurement, together with our partner CivicDataLab, we strengthened our partnership with the Assam State Finance Department to help drive the green transition. Our recommendations are summarized in a Green Public Procurement Guide. Assam has now introduced a Green Budget for the very first time, allocating US\$2 billion to climate action in 2023.

In Indonesia, our collaboration with Indonesia Corruption Watch (ICW) helped secure the inclusion of a comprehensive open contracting commitment in the Open Government Partnership national action plan. We stepped up our work in Kupang City and Maros Regency to improve government oversight and internal audits by training CSOs and citizens who scrutinized over US\$800,000 in public contracts, and auditors to use opentender.net in government audits. We continued to support the country's procurement agency LKPP to open up additional datasets, adding more than 4.6 million procedures from the planning stage, e-catalog and Swakelola programs, as well as data related to tenders.

We also saw a notable increase in Lift applications from Asia resulting in two exciting teams joining the cohort from Bangkok, Thailand and the Philippines. We now have an exciting collective of open contracting implementers and advocates working on diverse use cases and topics which demonstrates the breadth of reform potential in the region.



Our team

It is always a pleasure when we do our Annual Reports to look back and see how much we have grown individually and collectively over the years.

Our team is composed of passionate, smart and innovative professionals working with frontline reformers worldwide to deliver radically better outcomes from the trillions of dollars spent on procurement every year.

When our previous strategy began in 2019, we were 15 people in seven countries. At the end of 2023, we are now a team of 32 across 17 countries with most of our growth (outside of our major project in Ukraine) being in Latin America, Asia and Africa. As our team becomes ever more global, we continue to invest in understanding and further developing our Diversity, Equity, Inclusion and Belonging practices. We can proudly say that our team includes brilliant women at every level with women comprising 50% of our managers and 67% of our directors. Our priority remains having a team of talented individuals where everyone feels empowered, included and, ultimately, that they belong and can do great work here at OCP.

We offer our heartfelt thanks to our Governing Board whose leadership, passion and commitment have been instrumental in steering us towards continued success and impact, and to the champions in government, civil society, the media, academia and more who make up our vibrant open contracting community. You continue to inspire us every day.



Our partners

To really get to scale and to see sustained impact, we work with and through partners to both capacitate and fund the open contracting community. We are the Open Contracting *Partnership*: we know that we can't do this work alone.

We would not have seen the cascade of global impacts that we are celebrating here without our amazing funders. Thank you for your financial support, your engagement, and for pushing us to work even smarter.

We would especially like to thank:

- Agency for Technical Cooperation and Development
- BHP Foundation
- Chandler Foundation
- Deutsche Gesellschaft f
 ür Internationale Zusammenarbeit GmbH
- Hewlett Foundation
- International Development Research Centre
- International Institute for Sustainable Development
- Microsoft Center for Inclusive Growth
- National Endowment for Democracy
- Open Data Institute
- Results for America
- The Rockefeller Foundation
- Schmidt Fund
- United Kingdom Foreign, Commonwealth and Development Office
- United Nations Office of Drugs and Crime
- World Bank Group

We also joined the Anti-corruption for Development (AC4D) Global Partnership, GovTech Global Partnership, Global Partnership for Social Accountability Green Accountability Initiative Network, hosted at the World Bank. Under our new strategy we'll be engaging more with multilateral development banks and other key actors through these and other platforms to further spread the impact of open contracting reforms.

We are excited to continue working together to reach scale and have even more impact for people and the planet through our new strategy.

And we would be remiss if we did not give a particular shout-out to the BHP Foundation and the UK Foreign, Commonwealth and Development Office (FCDO) for their rapid and ongoing support of our crucial work to build back better in Ukraine.



Our finances

Due to strong fundraising, our 2023 revenue of \$8 million was up significantly from \$3.4 million in 2022. This was due to the signing of new multi-year grants and contracts with major partners such as the Foreign Commonwealth Development Office (FCDO), BHP Foundation, and Hewlett Foundation. A breakdown of our revenue by category can be found in the chart below.

Our \$6.3 million of expenditure in 2023 was up from \$5.5 million the previous year. Most of this difference was due to spending on our major new support project in Ukraine.

In terms of expenses by category, Data Products & Support Services decreased by 16% this year to \$1.3 million as we brought more of this work in-house. Implementation expenses increased by 44% from FY22 to \$3 million in FY23, mostly due to our increased work in Ukraine. Advocacy & Communications and Community Building and Research both increased by 18% from the previous year due to the growing demand for our work across all regions and in local communities. We are pleased to note that of our total spend in 2023, 86% went to programs while only 14% went to general administrative expenses. Last year, the percentages were 82% and 18% respectively. The reduction in the general administrative expenses percentage was due to further streamlining of our fundraising and administrative activities in FY23.

In FY23, our net assets grew by \$1.7 million to \$2.9 million at year end. Included in these net assets is a designated reserve fund which amounted to \$978,485 at the end of 2023, an increase from \$905,182 for the previous year.

Of the \$8 million in revenue this year, \$1.6 million came from our partnerships with the BHP Foundation and FCDO for our work specifically in **Ukraine** working on the Digital Restoration Ecosystem for Accountable Management (DREAM) project.

Revenue

	FY23
Grants & contributions	\$7,891,918
In-kind contributions	\$32,000
Other revenue	\$48,388
Investment returns	\$80,189
Total revenues	\$8,052,495

Expenses

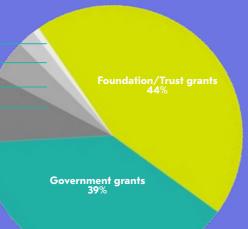
	FY23
Data products & support services	\$1,364,162
Implementation	\$3,001,160
Advocacy & communications	\$654,797
Community building & research	\$436,534
Management & general	\$712,453
Fundraising	\$153,751
Total expenses	\$6,322,857

Net assets

	FY23
Net assets, beginning of year	\$1,132,731
Net assets, end of year	\$2,862,369
Change in net assets	\$1,729,638

Our revenue by origin

Nonprofit Organization grants 1% Non-profit revenue 2% Corporate/Business grants 5% Government agencies 9%



FY22
\$3,372,255
\$24,000
\$11,239
\$7,864
\$3,415,358

FY22
\$1,617,491
\$2,081,848
\$555,160
\$370,107
\$757,014
\$275,352
\$5,565,972

FY22
\$3,374,345
\$1,132,731
\$(2,241,614)



We are delighted to have met or exceeded most of our targets for the year.

Global norm

2023			2019—2023 Strategy		
Objective Target Count 2023 details		Target Tota			
Advocacy asks	2	3	IDB Transparency in Infrastructue Principles; UNCAC resolution on integrity in procurement; East Africa Procurement Forum Resolution	7	11
New robust open contracting mandates	4	9	Chile; Nuevo León, Mexico; Brazil; the UK;	15	34
Open contracting commitments	N/A	16	Nuevo León, Mexico; Abuja, Kaduna, Nigeria; Germany; Kazakhstan; the UK; Chile; Sweden; Honduras; Netherlands; Moldova; Australia; Kenya; California, USA; Colombia; T20 Open data as the backbone for digital public infrastructure; T20 Building a climate data ecosystem for disaster resilient infrastructure and societies	Monitored	109
High level inter- national media mentions	N/A	23	Devex; Economist; Le Monde; Supply Manager; Spotlight South Africa; Data is Plural; Diario Hoy (Paraguay); Apolitical; Kyiv Independent; Apolitical; OCCRP; Forbes MX; Guardian; BBC World News; WIRED; Portafolio; IJF Canada; El Tiempo (letter); Última Hora; ABC TV; DEV.ua; BBC; Devex; BlueRadio	Monitored	106
National media mentions	N/A	296	We have seen regular mentions of open contracting in local media, particularly in coun- tries such as Mexico and Nigeria.	Monitored	1,427

Implementation

2023

2023				2019—2023 Strategy	
Objective	Target	Count	2023 details	Target	Total
Impact stories	3	4	Palmira, Colombia; Assam, India; Lithuania; Dominican Republic	10	14
Impact showing improved equity and sustainability	2	3	Palmira, Colombia highlights increased equity by providing more opportunities to women- owned and -led businesses and cooperatives; Assam highlights how better spending can improve funding to more vulnerable popula- tions; Lithuania green procurement	3	4
Progress stories	8	7	Finland; Des Moines, USA; Ukraine; Kazakhstan; Ekiti; Uganda; Paraguay	30	29
Data use stories	N/A	5	The Netherlands; Central Asia Procurement Monitors; Credere Bogotá; Vigía Paraguay; Mongolia	Monitored	59
Actors using OCDS data	75	78		75	2022: 67 2021: 65 2020: 51 2019: 41
Partners improving the quality of their open data	20	20		20	2022: 17 2021: 19 2020: 11 2019: 9
Unique publishers of OCDS or OC4IDS data	N/A	57		Monitored	2022: 62 2021: 62 2020: 37 2019: 28
OCDS or OC4IDS tools and methodol- ogies that are reused	N/A	16	DNCP Visualizations; INAI: Open Contracting Information Capture and portal tool; Kingfisher database; Mapa de Inversiones; Nigeria BonMaximus OCDS implementation; OCDS Data Review Tool; OCDS Flatten Tool; OCDS Kingfisher Collect; OCDS Kingfisher Process; OCDS Kingfisher Summarize; OCDS Merge; Proactis OCDS Implementation; Red Flags Indicators; TheyBuyForYou; Todos Los Contratos - PODER; Zambia OCDS Reports - European Dynamics	Monitored	2022: 15 2021: 14 2020: 26 2019: 15

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Community

2023			2019—2023 Strategy		
Objective	Target	Count	2023 details	Target	Total
Number of projects, programs & organ- izations that get non-OCP funding for open contracting work	N/A	25		Monitored	126
Network average interconnectivity	N/A	Year -end	This is not a score where a larger number is necessarily better or worse, what's important is that we've stayed within a healthy range between 4 and 20	Monitored	12.2
Number of people & organizations in our wider network who engage in open contracting conversations	N/A	Year -end	This analysis relies primarily on our Twitter network. With the changes to Twitter govern- ance, we will explore different ways of meas- uring this concept going forward.	Monitored	10,522
Average community wide belonging score	7.5	Year -end	On a scale of 1-10	7.5	6.9
Net promoter score	80	Year -end	Measuring the credibility and usefulness of OCP on a scale of 1-100	80	81

Learning

2023				2019–2023 Strategy	
Objective	Target	Count	2023 details	Target	Total
Partners who say they can do more with less OCP support	60	Year -end	51%	60	51
Partners who report high usefulness of key resources	60	Year -end	73%	60	70
Survey averages of CAPABILITY across sessions, workshops, and events held in which OCP had a principal role	N/A	8.49	8.49	Monitored	8.49
Access to key OCP resources	N/A	110,463	OCP key resources: = 8,410; OCDS resources: = 97,957; COVID resources: = 4,096	Monitored	532,659

STRATEGY 2024-2030

BETTER PUBLIC PROCUREMENT FOR PEOPLE AND THE PLANET

Public procurement is where one in every three of our hard-earned tax dollars is spent with companies to deliver the public goods, works, and services on which we all rely. We plan to open up and transform this marketplace to better serve people and protect our planet.

Our vision

Better procurement for people and the planet. We envision a world where the trillions of dollars spent on public contracts better serve people and protect our planet.

Our mission

We open up and transform public procurement to be a smarter, more human-centered, digital public service. We help partners across government, civil society and the private sector to:

- 1. Design goal-driven reforms;
- 2. Build coalitions of change; and
- 3. Co-create digital solutions, powered by open data.

Our 2030 strategy objective

Given its scope and scale, procurement has a vast, untapped potential to address many of the most significant challenges facing our world.

We are setting ourselves a bold new goal: by 2030, we we will have helped one billion people live in more equitable, prosperous and sustainable communities by improving at least \$2 trillion in public procurement spending. To get there, we will need to scale our work in an unprecedented way. We have identified four compelling investments to that end:

- Co-creating digital procurement solutions;
- Deepening our regional communities;
- Building partnerships with international organizations;
- Shaping global norms and practices, especially on e-GP and sustainability.

Read our full 2030 strategy to learn how we will deliver compelling reforms on the ground and how these will jump scale to reach a global tipping point of policy and practice by 2030!



OPEN CONTRACTING PARTNERSHIP

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