

**THIRTY FIRST MEETING
OF THE STANDING COMMITTEE
OF CARIBBEAN STATISTICIANS**

SCCS/2006/31/11

**Port of Spain, Trinidad and Tobago
6-8 November 2006**

23 October 2006

COMPILATION OF STATISTICS ON GOVERNMENT PROCUREMENT

1. Introduction

At the Thirtieth Meeting of the Standing Committee of Caribbean Statisticians (SCCS), Member States were informed that the CARICOM Secretariat was executing a Project to establish Government Procurement Frameworks in Member States which would lead to the establishment of a Regional Best Practice Regime for the full operation of the CARICOM Single Market and Economy. The Project comprised three components:

Component 1: National Government Procurement Frameworks: Analysis, Comparison and Recommended Improvements. This component consisted of a diagnosis of the existing legal and institutional government procurement frameworks for each CARICOM Member State;

Component 2: Collection and Analysis of Government Procurement Statistics. This component entailed the collection of Government Procurement Statistics in each of the 15 Member States of CARICOM; and

Component 3: Recommendations for a regional Best Practice Regime for Government Procurement. This component included the preparation of a report

containing a set of recommendations on methods by which countries could move towards a Regional Best Practice Framework for government procurement, covering all relevant institutional and organisational aspects.

The data to be collected during the execution of Component 2 were as follows:

- (i) The composition and value of government procurement of goods, services and works by procuring entity (central, sub-central);
- (ii) The procurement modality used, the type of merchandise, etc.;
- (iii) The composition and value of intra-regional and extra-regional trade derived from government procurement.

The Component was expected to provide the following outputs:

- (i) 14 National Statistical Reports on government procurement, including the completed questionnaire which incorporated the FTAA questionnaire on government procurement;
- (ii) A regional analysis of the size and scope of government procurement activities including related trade in CARICOM;
- (iii) An electronic database containing all available statistics on government procurement;
- (iv) Recommendations to improve the system of data collection on government procurement.

2. Status of Work of the Statistical Component

Effectively, work on this component has been completed.

- (i) The Secretariat has received 14 national reports from the Team Leader, which subsequently underwent extensive revision before final submission to the Inter-American Development Bank (IDB) and Member States;
- (ii) The electronic database was effectively completed by the Consultant and submitted to the Secretariat. Data collected from Member States during the data collection phase of the project are to be uploaded to the system;
- (iii) The regional report was prepared by the Secretariat in collaboration with the Consultant. The national reports previously prepared by the Consultants and Secretariat were utilised during this process as well as all the data that were collected.

3. Difficulties, Limitations Conclusions and Recommendations

Major Difficulties

Inadequate time for Data collection;

Classification and Coding Challenges;

Data Accessibility;

IT Challenges;

Failure of Communication and National Coordinating Mechanism;

Low Priority ascribed to the Project by Entities; and

Coverage Issues.

Major Limitations

Under or Over-estimation of Government Procurement Expenditure;

Data Inconsistency by Procurement Entity and Commodity;

Misclassifications/ Inability to Classify Items of Expenditure;

Data Comparability over Time - Changes in Government Ministries within and across years;

Inability to obtain all relevant characteristics;

Unequal Collection of data for the relevant years including the base years;

Conclusions and Recommendations

- (i) A public relations programme is recommended for this area of statistics in order to effectively sensitise all stakeholders -government procurement officials, statisticians, IT personnel- involved in government procurement.
- (ii) Given the unfamiliarity with this area of statistics and the attendant difficulty of data collection, there is need for the preparation of a Procedural Manual that can inform a System of Government Procurement Statistics by incorporating a Guide for Statisticians in distinguishing Government Procurement expenditure from other types of expenditure and by addressing other critical issues related to the accessing of relevant data.

- (iii) Related to (2), there is need to incorporate relevant attributes in the production of government procurement statistics into current computerised accounting systems. Incorporation of accurate descriptions, contract award dates, sources, and intra/extra- regional trade and procurement modalities, at data source if possible, are also recommended to enable the ease of production of these attributes.
- (iv) No future work should be undertaken unless the issue of adequate resources is addressed at both the regional and national levels.
- (v) It is necessary to address the issue of procurement statistics from State Enterprises as a priority. Likewise, collection of statistics for Statutory Authorities and Local Government that are not within the Central Government procurement system must also be addressed.
- (vi) The computerisation of government procurement statistics should be inclusive to incorporate the large donor Projects and/or those from external sources of funds that were not computerised in the Government Accounting System.
- (vii) There is need at both the regional and national levels to address the issue of system capacity relative to the IT resources to enable greater efficiency in the manipulation of the sizeable data files so that the relevant data can be easily extracted.
- (viii) Training of the procurement personnel is imperative in order to enable the effective and accurate extraction of the required statistics from the computerised accounting systems. There is also the need to train national and regional statisticians in government procurement statistics to enable identification of government procurement expenditure in trade statistics.

- (x) Further harmonisation of the statistics within and across Member States is required.

ACTION REQUIRED

The **Meeting** is **invited** to -

- : **note** the report on the completion of the project which compiled Government Procurement Statistics in Member States and the production of the expected outputs.
