

Public contract registry

Summary

A public contract registry is an online repository that aims at keeping track of all procurements concluded by the state and making this information available online, thereby providing a basis for monitoring the way in which public money is spent. Establishing contract registries can be a powerful tool to highlight the way in which taxpayers' money is used.

Contract registries should provide open, downloadable, complete, up-to-date and machine-readable information on contracts in order to maximise the usefulness of the information contained therein. Apart from the importance of publishing the full text of the contract, data such as price, signature date, names of contracting parties and description of goods and services should be disclosed in a user-friendly format and must be easily searchable. Setting smart searching functionalities is crucial in order to quickly identify and access contracts that have similar features. For instance, it should be accessible to isolate contracts concluded by the same contracting authority or awarded to the same supplier. Depending on the portal's design and level of development, contract registries can provide more than just contractual information. MS with the most advanced contract registries also provide contract notices, as well as contract orders and deliberations.

There is no EU requirement for publishing either above- or below-threshold contracts.¹ However, MS that have adopted the Right to Freedom of Information² are increasingly making it mandatory in their national law for the content of contracts involving public funds to be published. While some MS make the publication of contracts compulsory depending on the nature of the parties involved, other MS require the mandatory publication of all contracts, regardless of the procedure.

The online publication of detailed and regularly updated public procurement data is a key component of an effective monitoring and transparency system. This can benefit a wide range of stakeholders, from the public authorities, which can use this data to monitor and evaluate their own purchasing activities, to economic operators, that can better assess public-sector markets. Furthermore, the publication of public procurement data helps civil-society groups to conduct their oversight activities on public spending.

Related Good Practices

- Interoperability between e-procurement systems and other government databases
- Transparency platforms

Good Practice Examples

- ✓ Bulgaria
- ✓ Croatia
- ✓ Cyprus
- ✓ Czech Republic
- ✓ Estonia
- ✓ Greece
- ✓ Hungary
- ✓ Ireland
- ✓ Italy
- ✓ Lithuania
- ✓ The Netherlands
- ✓ Poland
- ✓ Portugal
- ✓ Slovakia
- ✓ Slovenia
- ✓ United Kingdom



Impact

Increase transparency



The very essence of contract registries is to make contractual information public, open and downloadable, therefore bringing transparency to the way in which public money is spent. Open data offers opportunities for the oversight community to develop methods for monitoring and evaluation purposes. Transparency platforms can reuse data from the contract registry to perform statistical analysis of procurements or develop tools to detect corruption. So far, concerns over potential risks of collusion between suppliers due to increased transparency have not been justified.

Increase competition



Public contract registries have a twofold impact on increasing competition. On the one hand, more transparency contributes to increase bidders' confidence that procurement procedures are conducted fairly. On the other hand, transparency provides bidders with information on previous similar contracts. This could ultimately reduce market-entry barriers for bidders and increase their participation in public tenders.³

Improve accountability



Because abuses of public money are more likely to reach the public and turn into a scandal thanks to contract registries, contracting authorities tend to act more responsibly, fearing damage to their reputation.

Input

Costs – €€

- Medium set-up costs involving technical infrastructure and personnel
- Low annual operation costs
- Additional costs may include onboarding and awareness raising activities where the publication of contracts is mandatory, and costs related to setting up advanced statistical and analytical modules to monitor public market and contracting authorities' behaviour (financially much more demanding)



Time – Less than 6 months

- Time needed to establish a contract registry that features basic functionalities and to run a pilot phase and an Awareness raising campaign simultaneously so that contracting authorities are well aware of their duties



Complexity – Medium

- Stakeholders' will for public contracts to be disclosed
- Professionalising and creating added value for the contract registry (statistical, analytical and educational functions, and publication of benchmarks and best practices)



Key success factors and potential pitfalls

Structure the database

To make monitoring and analysis possible, it is crucial to provide thorough and high-quality data, and that this data is stored in a complete and comprehensive manner. The database should always disclose metadata, i.e. contract number, economic value, type of procedure, date, name of contracting authority and name of awarded supplier.

Make it user-friendly and enhance search options

To be reusable, the data should be provided in a machine-readable format⁴ so that searching within the text of a contract is possible. In addition, searching for a specific sub-set of contracts, such as contracts awarded within a certain month or awarded to the same supplier, should also be possible. Therefore, creating an intuitive search using multiple filters and keywords is something that should be thought through during the design phase of the contract registry. Finally, displaying the number of results found and allowing the user to go back to the same results page after consulting a specific contract (without losing the filters) saves time and contributes to a user-friendly interface.

Watch the clock

Contract information should be disclosed in a timely manner and should provide up-to-date information, as proactive publication contributes to building trust in the probity of the procurement procedure. In addition, the data published should be updated regularly to make sure that everyone has access to accurate information.

Define the publication scope and content

When establishing a contact registry, defining the scope and level of information that should be published is key. Without a precise specification of what should be published (e.g. all contract annexes or only some), there is less of an incentive for contracting authorities to publish their data on the contract registry.

Use an enforcement mechanism

To ensure that the contract is published in a timely manner, some MS have decided to introduce an enforcement mechanism stating that the contract will be valid and entered into force only once it is published on the central registry. This way, suppliers can put pressure on contracting authorities to publish the contract, thereby minimising delays in contract execution.

Make it interoperable

In addition to contracts, some more digitally advanced MS also display contract notices on their contract registry portals. To do so, they have allowed the central register to be interoperable with other e-procurement platforms. Linking such platforms to the contract registry enables real-time information to be received on new contract notices, centralised and automatically published in the contract registry.

Portugal – BASE Public Contract Registry*

The Portuguese public contract registry, BASE,⁵ was created in 2009 and was spurred by the reform that Portugal undertook to change the way in which it did business. The Public Procurement Code (PPC) Decree-Law no. 18/2008, established provisions for the complete dematerialisation of public procurement procedures. One of these provisions involves increasing accessibility to contractual data by way of electronic publication on the BASE portal.⁶ BASE has been upgraded many times since 2009, with its most recent upgrade occurring in 2014.

BASE is managed by the Institute of Public Markets, Real Estate and Construction (IMPIC) and acts as a single repository of contracts accessible to everyone, but specifically aimed at economic operators wishing to access relevant data on public contracts. Such information not only includes contractual information, but also calls for tenders and subsequent notices, orders and deliberations, and accessory sanctions. Full disclosure of contracts on the BASE portal was initially required for direct-award procedures to provide *ex post* transparency, but now applies to all contracts. However, no control or sanction mechanism exists to enforce publication of contracts except for direct awards, where the contract must be performed or paid.

What makes BASE a particularly advanced contract registry is its interoperable component. The central registry is linked to the five private e-procurement platforms and the national official journal, and is further fed by input from contracting authorities' IT systems. Once the data is received in the contract registry, it is centralised and published to be publicly open and accessible. The data received is both structured and unstructured. The portal's managing entity, IMPIC, further analyses and processes the information in order for it to function as a basis for further studies and statistical analyses.⁷

Beyond its purpose of transparency, the BASE portal also serves to promote and disseminate relevant legislation and technical content. Moreover, it is an instrument for Portuguese citizens to perform oversight of public contracts and contribute to monitor public spending. Finally, the contract registry also provides specific information on public works through the Public Works Observatory (*Observatório das Obras Públicas*), which is a filter for accessing works data from the contract registry.

*Feasibility study on implementing public contract registry - available on the [e-library of public procurement good practices](#).



Contact

Slovakia – CRZ Public Contract Registry*

In an attempt to reduce corruption through increased general public engagement in surveillance and control of public money and in response to the EU Procurement Directives, Slovakia introduced the mandatory disclosure of all public contracts to the Central Public Contracts Registry (CRZ).⁸ Effective since 1 January 2011, the Freedom of Information Act introduces the obligation to disclose public contracts on the central register.⁹ The Government Office of the Slovak Republic manages and monitors the CRZ and provides technical support.¹⁰

All public institutions must publish their contracts on the CRZ, regardless of the type of contract. However, Slovakia introduced several exemptions, mainly for state-owned enterprises, in order to address concerns regarding losing or weakening their competitive advantage by disclosing information. In addition, Slovakia established an enforcement mechanism stating that the contract is not valid unless it has been published on the portal. This allows suppliers to put pressure on contracting authorities to publish the contract, reduce delays in contract execution, and receive payment in a timely fashion. A key feature of the CRZ is that it not only contains contracts resulting from public procurement, but also all contracts concluded in the public sector, such as grants and rents. It is also worth mentioning that the CRZ is interoperable with e-procurement systems, i.e. the Electronic Contracting System (EKS). As a result, all contracts concluded via e-procurement through the EKS are automatically sent to the CRZ for publication, and no action is required from contracting authorities.

In terms of information disclosed, CRZ only provides metadata that can be used automatically: publication date, closing date, effective date of the contract and expiration date, name and contract number, type of procedure, name of the contracting authority and supplier, and duties to be performed. The full text of the contract itself is in PDF format; however, it is not possible to use this data in an automated way and further analyse it.

In the first year of its existence, CRZ was not a resounding success, as only 600 visits per day were recorded on the portal and 110,000 contracts were published.¹¹ Today, however, 1,310,000 contracts are disclosed and one in ten citizens have visited and posted on the website.¹² One of the main benefits brought about by the introduction of the Slovakian contract registry is greater public scrutiny and oversight, in the form of a significant increase in media coverage of procurement scandals and significant citizen engagement in spotting abuse and overpriced purchases.

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¹ Article 83.6 of Directive 2014/24/EU specifies the obligations of contracting authorities regarding access to procurement contracts

² See: <http://www.right2info.org/access-to-information-laws/access-to-information-laws#section-1>

³ Open Society Foundations, "Once Riddled with Corruption, Slovakia Sets a New Standard for Transparency" (2015), see:

<https://www.opensocietyfoundations.org/voices/once-riddled-corruption-slovakia-sets-new-standard-transparency>

⁴ Petr Bouda, Martin Fadrný, Michala Chatrná, "Shedding Light on Public Contracts" (2016), see: <http://www.rekonstrukcestatu.cz/shedding-light-on-public-contracts--the-register-of-contracts-in-public-spending-oversight.pdf> ⁵ See: <http://www.base.gov.pt/Base/en/Homepage>

⁶ European Commission, "eGovernment in Portugal" (2015), see: https://joinup.ec.europa.eu/sites/default/files/egov_in_portugal_-_january_2015_-_v_17_0_final.pdf

⁷ See: <http://www.impic.pt/impic/pt-pt/> ⁸ See: <http://www.crz.gov.sk/>

⁹ Petr Bouda, Martin Fadrný, Michala Chatrná, "Shedding Light on Public Contracts", see: <http://www.rekonstrukcestatu.cz/shedding-light-on-public-contracts--the-register-of-contracts-in-public-spending-oversight.pdf>

¹⁰ See: <http://www.crz.gov.sk/index.php?ID=114367> ¹¹ See: <https://joinup.ec.europa.eu/community/epractice/case/slovakian-online-central-register-contracts>

¹² See: <http://transparency.sk/sk/pozitiva-zverejnovania-zmluv-negativa-iasne-prevysuju/>