The total aggregated value of the public procurement market is estimated to be 15% of the world GDP and plays a relevant role in economic and development policymaking.

However, the information on the international component of public procurement is very limited.

Digitalisation of the procurement procedures and the deployment of transparency policies are enabling large amount of publicly available heterogeneous microdata on contracts awarded by the general governments and SOEs.

The International Public Procurement Initiative (IPPI) in a nutshell

The EC has launched the IPPI initiative with a twofold objective:

Methodology

To develop & test scientific methodologies for procurement flows and barriers collection to reap the benefits from major digital transformation in global public procurement markets.

Policy

To provide a better empirical evidence to support informed policy making in international public procurement.

The IPPI ran from 2017 to 2019 and covered 9 countries.
The IPPI Methodology, through a comprehensive legal assessment and analysis of publicly available data, has developed:

- Mapping of the legal and institutional frameworks of public procurement
- Surveys to suppliers awarded with public contracts
- Quantification and characterisation of the procurement market from official statistics and the IPPI-HDS
- Estimation of the local and foreign sourcing shares of public procurement
- Quantification of the economic impact of these barriers
- Identification, acquisition, harmonisation and enrichment of data on awarded contracts, to feed a consistent database containing around 40 million contracts
- Quantification and characterisation of international procurement flows corresponding to direct, indirect and commercial presence procurement
- Analysis of EU companies access to public procurement markets
- Identification and classification of 364 barriers for foreign companies to access public procurement contracts abroad
- Estimation of the local and foreign sourcing shares of public procurement

IPPI is the first successful attempt to produce harmonised flows and a barriers’ database on public procurement from an international perspective.

The IPPI Methodology can be applied in different countries and extended to provide a reliable global picture of public procurement.