

Evaluation of the Effects of Government Procurement Policy Functions

ZHANG Hui

zhanghui@snai.edu



政府采购与绩效管理研究中心



**Government Procurement and Performance
Management Center**

Kunming, Yunnan

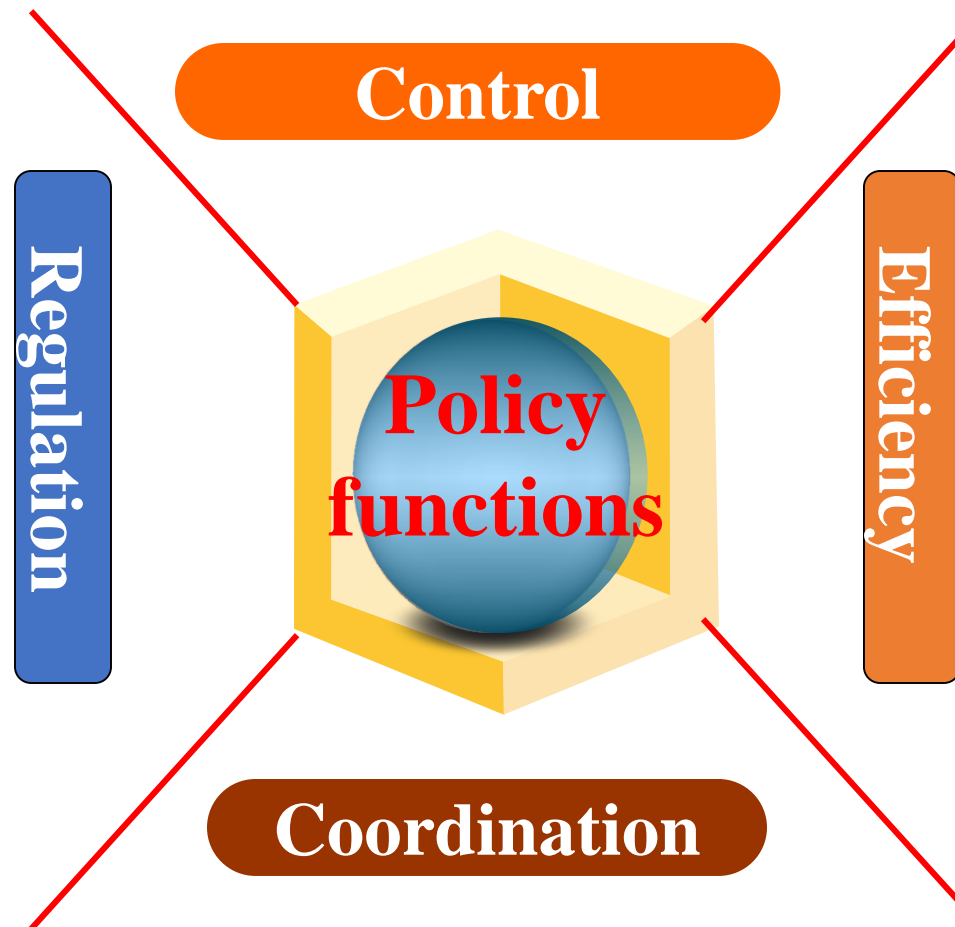
Sep. 3, 2019



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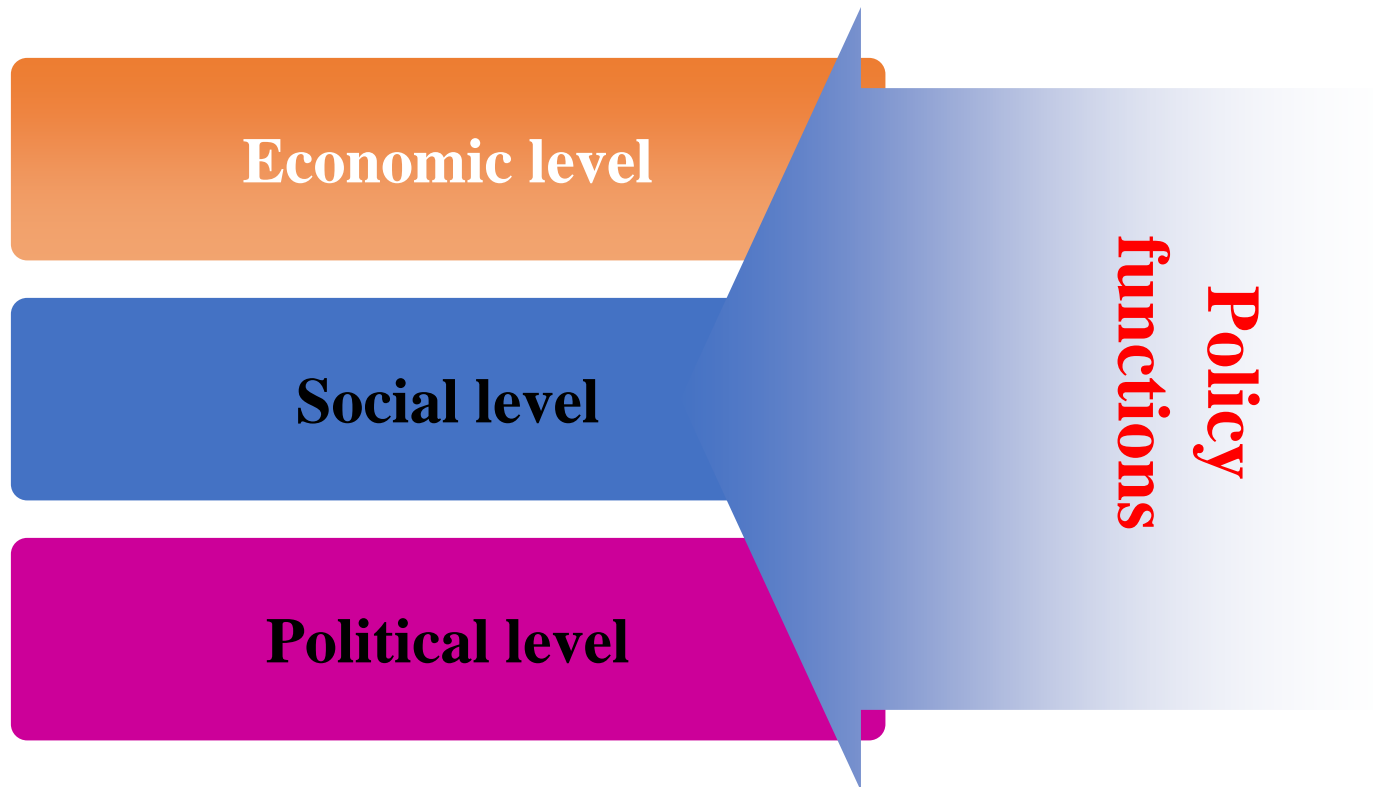
- ❑ **Evaluation reference: Normative Analysis of Government Procurement Policy Functions**
- ❑ **Evaluation instrument: Evaluation Indicators of Government Procurement Policy Functions**
- ❑ **Evaluation application: Effects of Chinese government procurement policy functions**

Evaluation Reference: Normative Analysis of Government Procurement Policy Functions

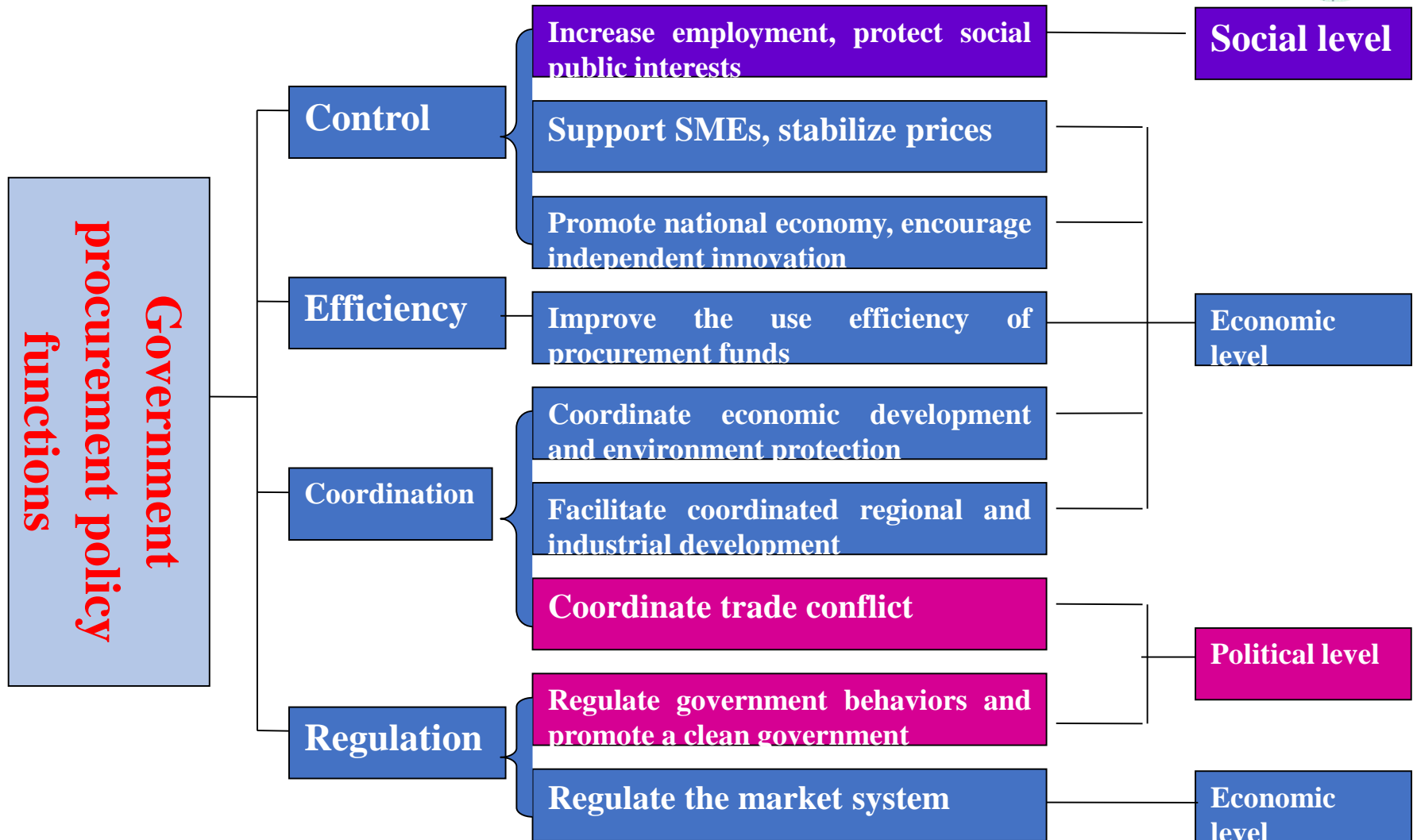


◆ Source: Zhang Hui, “Analysis of the Function System of Government Procurement in Our Country”, *Journal of Zhejiang Gongshang University*, No. 5, 2006.

Three Levels of Government Procurement Policy Functions



System Composition of Government Procurement Policy Functions



Analysis of the “maximum value out of procurement” Principle



□ The “value” in this principle of government procurement is a synthesis of the control, efficiency, coordination and regulation functions, orienting to ensuring the government’s performance of its duties and the public service needs, and carrying a series of government macro policy functions.

□ The meaning of maximum value out of procurement by government is different from that for the private sector.

➤ Source: Zhang Hui, “Comprehensively Understanding Government Procurement Performance Management”, *China State Finance*, No. 9, 2018.

Evaluation Instrument: Evaluation

Indicators of Government Procurement



Policy Functions

- How's the realization of government procurement policy functions?
- In what areas can the government make further improvement in fulfilling procurement policy functions?

A sound understanding can secure a right pathway of government behavior



Construction of the Evaluation Indicators of Government Procurement Policy Effects

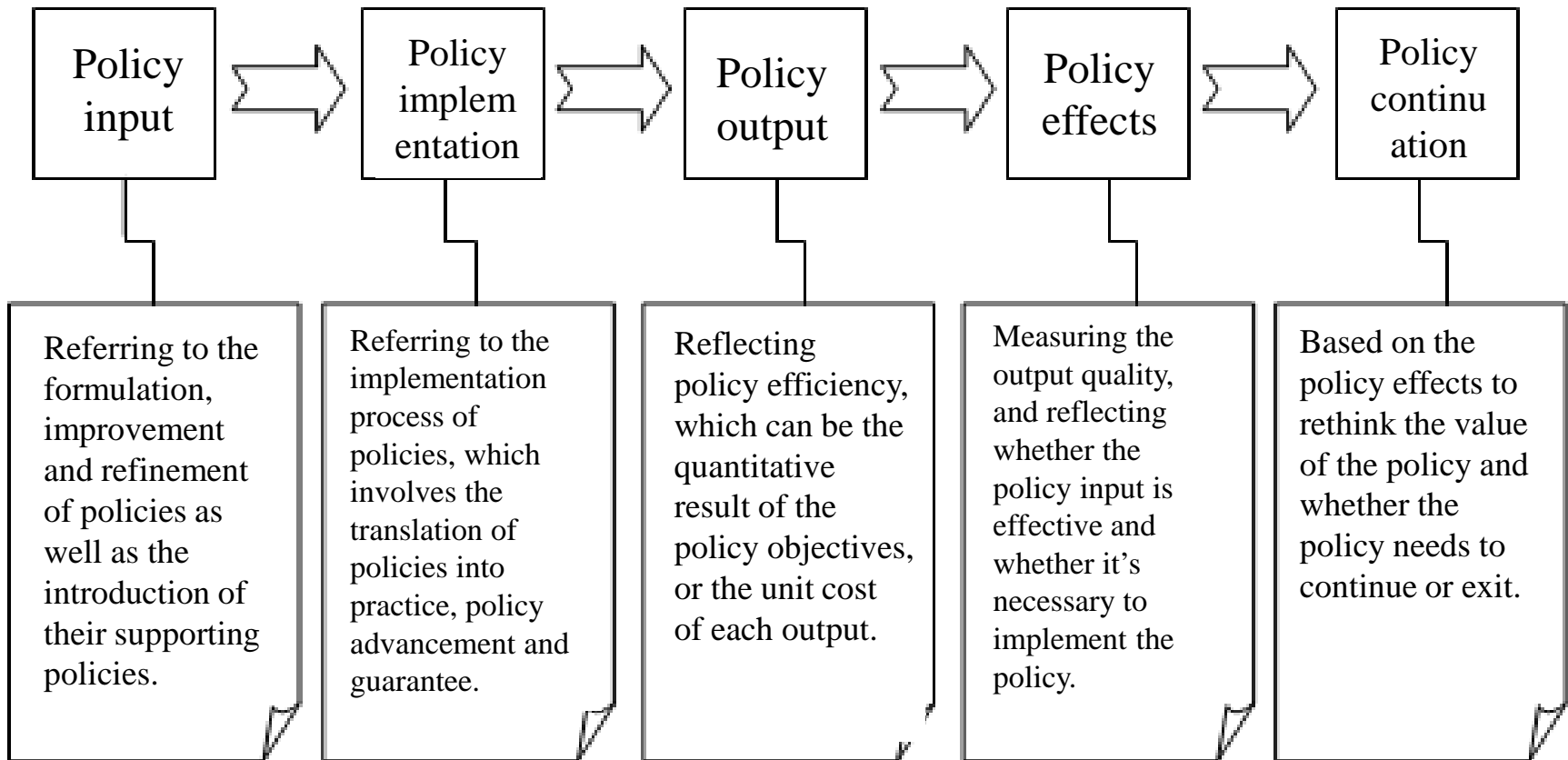


Figure 1 Evaluation “Sections” of Government Procurement Policy Functions’ Effects

Relations between the Evaluation “Sections” of Government Procurement Policy Effects and the Indicators Attributes

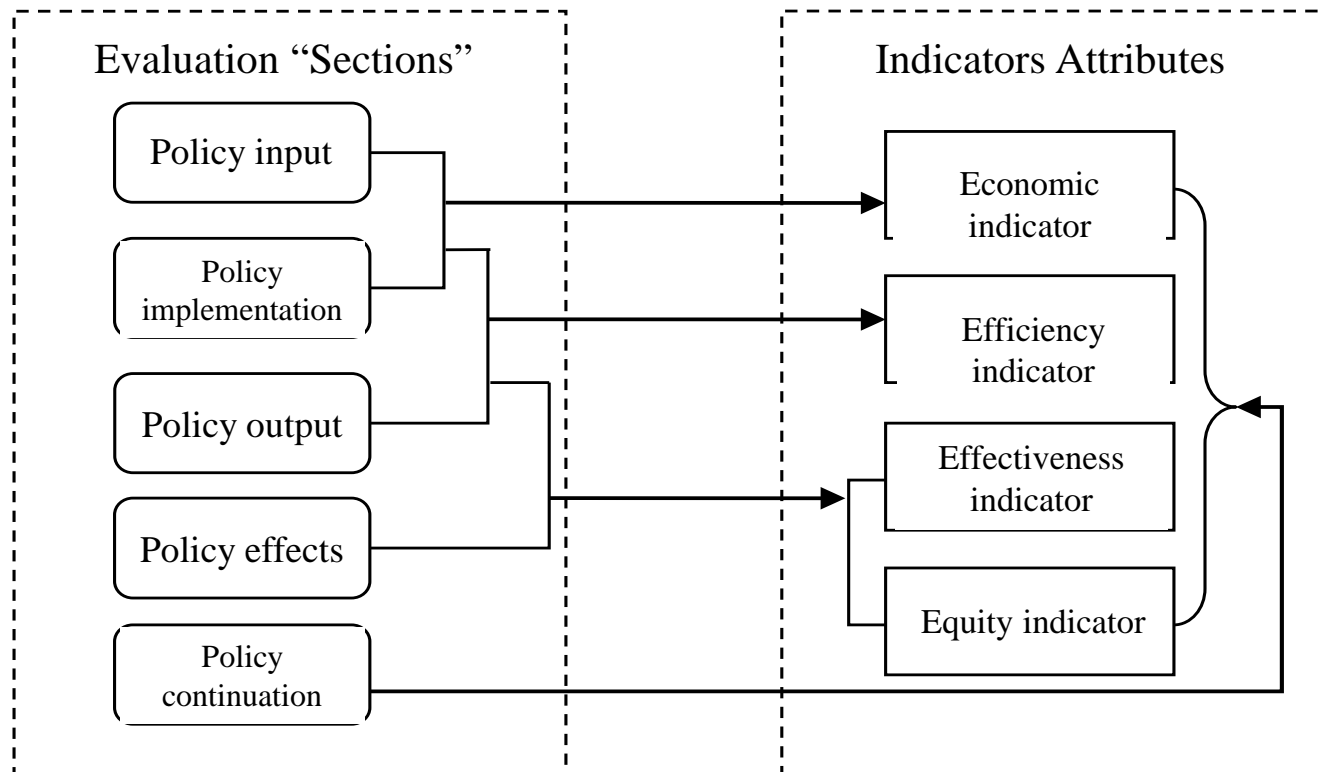


Figure 2 Logical Relations between the Evaluation “Sections” and the Indicators Attributes

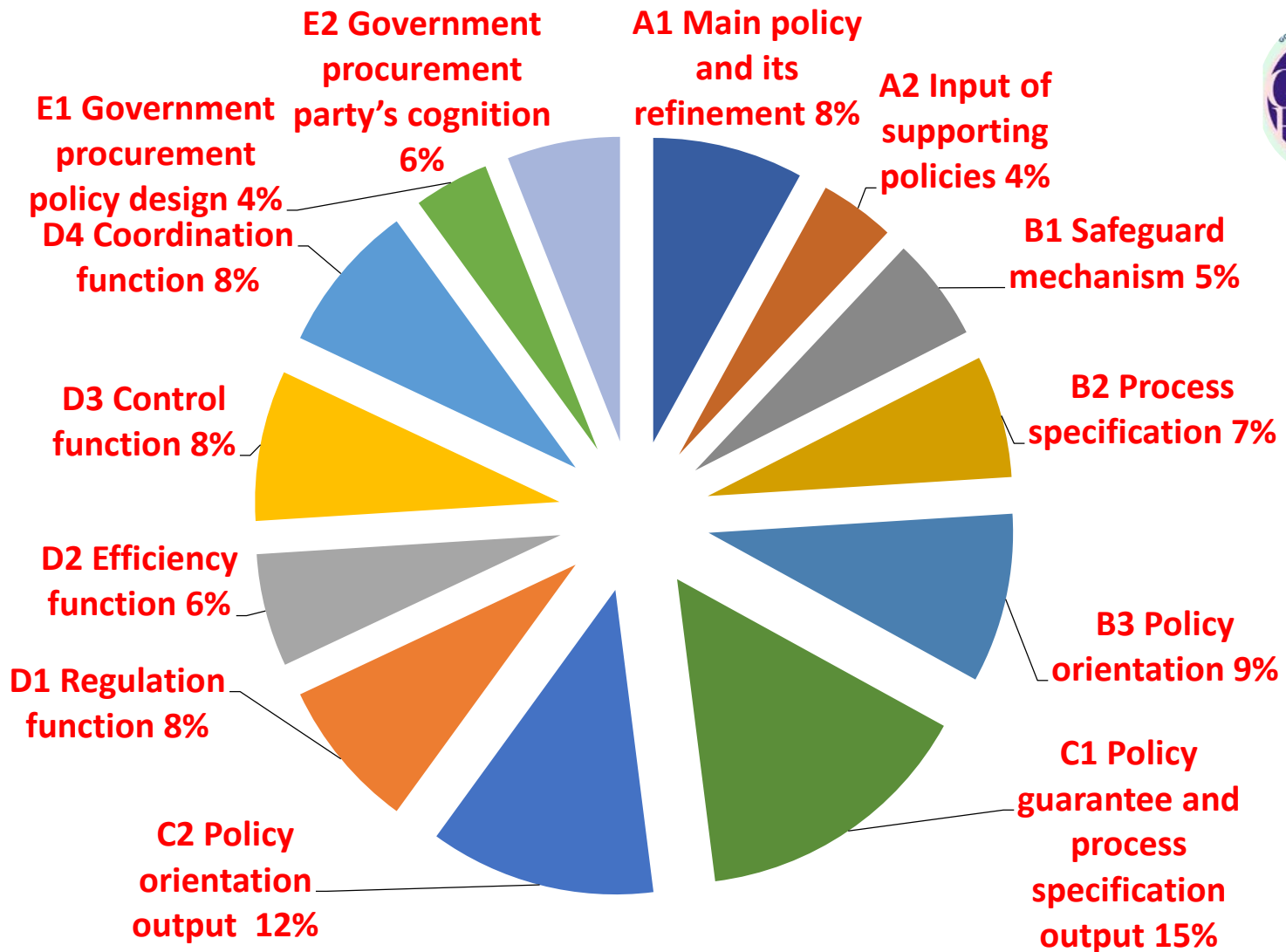


Figure 2 Weight Allocation of the Secondary Indicators for Evaluating the Effects of Government Procurement Policy Functions

Indicators Composition



□ 56 indicators have been designed for evaluating the government procurement policy functions from four perspectives of economy, efficiency, effectiveness and equity.

Evaluation Application: Effects of Chinese Government Procurement Policy Functions



- **Data scope: Chinese government procurement practices 2003-2015**
- **Data selection and indicator scoring: using official data, questionnaire and interview methods to complete the indicator scoring.**

Basic Judgments of the Effects of Government Procurement Policy Functions



□ Comprehensive score-based basic judgment

- ✓ The comprehensive score is 70.24 points, lying in the “pass” class.

Basic judgment 1: Chinese government procurement policy functions were basically realized during 2003-2015, but there’s still a great gap in their effective fulfilment to promote the building of the public financial system and support state macro-control.

Basic Judgments of the Effects of Government Procurement Policy Functions



□ Primary indicator score-based basic judgment

Basic judgment 2: During 2003-2015, the development of Chinese government procurement practices was ahead of the institutional building. In the short term, the government procurement policy output could be better displayed with the cooperation of policy implementation, but it can not achieve the synchronous improvement of policy effects; in the long term, the lag of policy input and the vague or lack of policy implementation basis, will have a negative impact on the continuation of the policy.

Basic Judgments of the Effects of Government Procurement Policy Functions



□ Secondary indicator score-based basic judgment

Basic judgment 3: During 2003-2015, Chinese government procurement activities were regulated by the Government Procurement Law, but the seriously lagging introduction of its implementation regulations, and the imperfect supporting policies adversely affected the policy implementation, such as government procurement budget constraints, process management and acceptance evaluation, and ultimately restricted the performance of the regulation and control functions of government procurement. At the same time, the weak coordination and incompleteness in the design and planning of government procurement policies, as well as the limitation of policy awareness of the parties involved in government procurement, are not only unfavorable factors for the performance of government procurement policy functions in the evaluation period, but also “bottlenecks” for the sustainability of the government procurement policies. On the other hand, the strengthened implementation guarantee mechanism of government procurement, such as “separation of procurement management and procurement implementation”, “full procurement of those that should be procured” and supervision and assessment, has promoted the improvement in government procurement scale, and effectively improved the efficiency of government procurement funds.



Conclusion

- ❑ **As an important part of the modern financial system, the government procurement mechanism naturally shoulders many policy functions that foster political, economic and social development in the region and country.**
- ❑ **Government procurement is not only about procurement, but also a combination of market behaviors and government behaviors.**
- ❑ **Evaluating the effects of government procurement policy functions in a scientific way is of great value to improving the government procurement system and optimizing the effects of government policy functions.**



Thank You !