# Glossary for the 2024 Survey on Public Procurement

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| Artificial Intelligence (AI) and Machine Learning (ML) | An AI system is a machine-based system that, for explicit or implicit objectives, infers, from the input it receives, how to generate outputs such as predictions, content, recommendations, or decisions that can influence physical or virtual environments. ML is a form of AI that involves the use and development of computer systems that can learn and adapt without following explicit instructions, by using algorithms and statistical models to analyse and draw inferences from patterns in data. Use cases in public procurement include predicting demand and prices, evaluating supplier performance, and streamlining procurement operations. |
| Blockchain | A cryptographically secured distributed database technology for storing and transmitting information. Public procurement use cases include enhancing supply chain traceability and increasing transparency in procurement transactions. |
| Building Information Management (BIM) | BIM is a digital form of construction and asset operations bringing together technology, process improvements and digital information. Public procurement use cases include more include better coordination with suppliers and the faster production of accurate information to improve decision making. |
| Cloud storage | Cloud storage in public procurement involves utilising remote servers on the internet to securely store and access procurement-related data. Public procurement utilisation includes government agencies using cloud-based storage and supply chain management solution services (such as SAP Ariba or Microsoft Azure) to store, share, and manage procurement documents while ensuring data security and accessibility. |
| Competence centre | A competence centre is an organisation/organisational structure that has been assigned the task by its government and has a mandate according to national law to encourage wider use of strategic procurement (green public procurement, socially responsible public procurement and/or innovation procurement). Its function includes, among others, providing practical and/or financial assistance to contracting authorities in the preparation and/or implementation of procurement procedures, providing training course, administering the digital platform to connect the public sector and private sector, organizing networking & events to connect the public sector and the private sector etc. |

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| Conflict of interest | In the public sector, a conflict of interest arises when a public official has private-capacity interests which could improperly influence the performance of their official duties and responsibilities. It entails a breach of trust, namely – a breach of the entrusted responsibility not to misuse one's official position in order to obtain an improper private-capacity advantage, either for the official himself or for another private interest. |
| Cool-off period | A designated period of time during which former public officials cannot accept employment with specific private sector organisations or cannot represent them in dealings with particular parts of the government where those activities are likely to imply a real or apparent conflict of interest. |
| Data analytics | The process of analysing data using a range of statistical methods to aggregate data to report results, identify patterns and find relationships between variables. It includes using predictive analytics to generate insights and find meaningful patterns. Use cases in public procurement can include identifying cost-saving opportunities, detecting fraudulent activities, and assessing supplier performance. The computation process of exploratory and confirmatory "data analysis", including data collection, cleansing, analysing, and deploying. |
| Digital procurement strategy | A plan for the development and implementation of e-procurement systems to meet defined objectives or goals. |
| Economic and contextual risks | Risks related to markets (e.g. low number of potential suppliers, supply disruption risk), budgets, etc. |
| e-Procurement | The integration of digital technologies in the replacement or redesign of paper-based procedures throughout the procurement process |
| Essential goods | Essential goods depend on the context, but can include goods and services necessary to respond to an emergency or disaster (e.g., personal protective equipment, vaccines and medicines) or goods and services that are necessary to maintain lives and basic wellbeing (e.g., utilities, core health services). |
| Green Public Procurement | Green Public Procurement (GPP) refers to the process by which public authorities, such as government agencies or municipalities, integrate environmental considerations into their purchasing decisions. The aim of GPP is to promote environmentally friendly and sustainable products, services, and works, reducing the overall environmental impact of public sector activities. It involves considering ecological criteria, energy efficiency, and other environmental standards when procuring goods and services. |

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| Innovative Public Procurement | Innovative Public Procurement (IPP) refers to the strategic and intentional use of procurement processes by public authorities to drive innovation in the acquisition of goods, services, or works. It involves adopting creative approaches to procurement that go beyond traditional methods, with the goal of fostering technological advancements, efficiency improvements, and the development of new solutions. IPP encourages collaboration with the private sector, startups, and research institutions to bring cutting-edge ideas and technologies into the public sector. The focus is on addressing societal challenges, promoting sustainability, and delivering improved public services through the procurement of innovative solutions. |
| Integrity | Use of funds, resources, assets and authority, according to the intended official purposes and in a manner that is well informed, aligned with the public interest, and aligned with broader principles of good governance |
| Internal control | Internal control is about ensuring that operations are efficient, effective and in line with laws and policy objectives. Internal control processes protect governments from fraud, corruption, waste and abuse. They also help governments to measure value-for-money, assess risk, and ensure compliance with laws, regulations and policies. |
| Internet of Things (IoT) | A system in which physical objects, often remote sensors, are connected to the internet and are capable of creating and transmitting data. Public procurement use cases include monitoring inventory levels, tracking asset performance, and improving logistics management. |
| Low-Code/No-Code Solutions | Platforms which allow non-specialist staff to quickly design and implement applications through visual interfaces (e.g. point-and-click or pull-down menu interfaces), allowing them to respond directly to their needs and the needs of their clients. Public procurement use cases include allowing users to create and customise applications and workflows with minimal programming knowledge to create more user-centric approaches to procurement. |
| Mobile technologies | Mobile devices are utilised in public procurement to streamline procurement processes and enhance accessibility and transparency. Mobile technologies also allow users to receive real-time notifications, and upload, review, and sign procurement-related documents. Mobile applications are also used by procurement officers to communicate with suppliers, track performance, and address issues promptly. |
| Operational risks | Risks related to administrative capacity, digital (e.g., failure of e-procurement system), etc. |

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| Outcomes | Refers to what is ultimately achieved by an activity. Outcomes reflect the intended or unintended results of government actions, but other factors outside of government actions are also implicated |
| Primary procurement objective | Delivering goods and services necessary to accomplish government mission in a timely, economical, and efficient manner |
| Public procurement | Process of identifying what is needed; determining who the best person or organisation is to supply this need; and ensuring what is needed is delivered to the right place, at the right time, for the best price and that all this is done in a fair and open manner |
| Public procurement cycle | Sequence of related activities, from needs assessment, through competition and award, to payment and contract management, as well as any subsequent monitoring or auditing |
| Public procurement risk management strategy | A plan laying out how a country or organisation will identify, assess, treat and monitor risks impacting public procurement. |
| Red flag system | A tool to systematically indicate when risks should be further investigated or escalated to decision makers. Red flags can include, for example, the share of contracts below procurement thresholds, repeated awards to the same contractor, multiple contract change orders, or contracts that are significantly higher or lower than estimated. |
| Regulatory and compliance risks | Risks related to compliance with regulatory and legal frameworks and integrity (fraud, corruption, etc.) |
| Responsible business conduct | RBC refers to business contributing positively to economic, environmental and social progress with a view to achieving sustainable development, and avoiding and addressing adverse impacts - whether from their own activities or through a business relationship, in the value chain |
| Revision of the primary legal framework | The process of systematically reviewing and updating the primary legislation related to public procurement and that has significant influence on a procurement process and/or institutional settings governing public procurement in a given country. |
| Risk assessment checklist | A standardised tool or template to identify and assess public procurement risks. |
| Risk dashboards and key indicators | Communication tools that provide a pictorial view, for example, of major risks, treatment actions and risk owners. |
| Risk matrix | A tool for classifying and visualising risks based on their likelihood and severity. |
| Risk register | A tool used to identify, assess, and prioritize risks. It typically includes a detailed description of each identified risk, an assessment of its likelihood and potential impact, and a plan for managing or mitigating the risk. |

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| Robotic Process Automation | A technology designed for automating repetitive tasks. Use cases in public procurement include automating repetitive, information intensive back-office tasks such as invoice processing, order management, and supplier onboarding. |
| Secondary policy objectives | Any of a variety of objectives such as sustainable green growth, the development of small and medium-sized enterprises, innovation, standards for responsible business conduct or broader industrial policy objectives, which governments increasingly pursue through use of procurement as a policy lever, in addition to the primary procurement objective. |
| Socially Responsible Public Procurement (SRPP) | SRPP implements social considerations in public contracts to achieve positive social outcomes. It aims to address the impact on society of the goods, works and services and works purchased by the public sector. It can be used to create job opportunities, decent work, social and professional inclusion, including for women and women-owned businesses, and better conditions for long-term unemployed workforce, disabled and disadvantaged people. |
| Strategic policy objectives | Any of a variety of objectives such as sustainable green growth, the development of small and medium-sized enterprises, innovation, standards for responsible business conduct or broader industrial policy objectives, which governments increasingly pursue through use of procurement as a policy lever, in addition to the primary procurement objective. |
| Sustainability risks | Risks related to the environment, resilience, human rights, etc. |