

Procurement for Smart and Sustainable Cities

Innovative Mechanisms for Digital Transformation

*Warren Smith, Thematic Group Co-Leader, U4SSC
Associate Director at CURSHAW
warren.smith@curshaw.com*



The “digital decade” didn’t start well...

COVID-19 significantly impacted smart sustainable procurement

- Gaps and weaknesses in governments' digital resilience
- Undermining governance and accountability
- Already weak systems due to corruption and bribery



But corruption, fraud and bribery was nothing new...

And it's big business, globally

- **US\$2.6 trillion:** estimated cost of corruption every year (WEF)
- **US\$1 trillion:** bribes paid by businesses and individuals every year (World Bank)
- **US\$455 billion:** annual global healthcare spend lost to fraud and corruption (WEF)
- Foreign bribery cases (OECD):
 - 57% occurred to obtain a public procurement contract
 - 40% occurred in sectors closely associated with contracts or licencing through public procurement: construction (15%); transportation and storage (15%); and ICT sectors (10%)

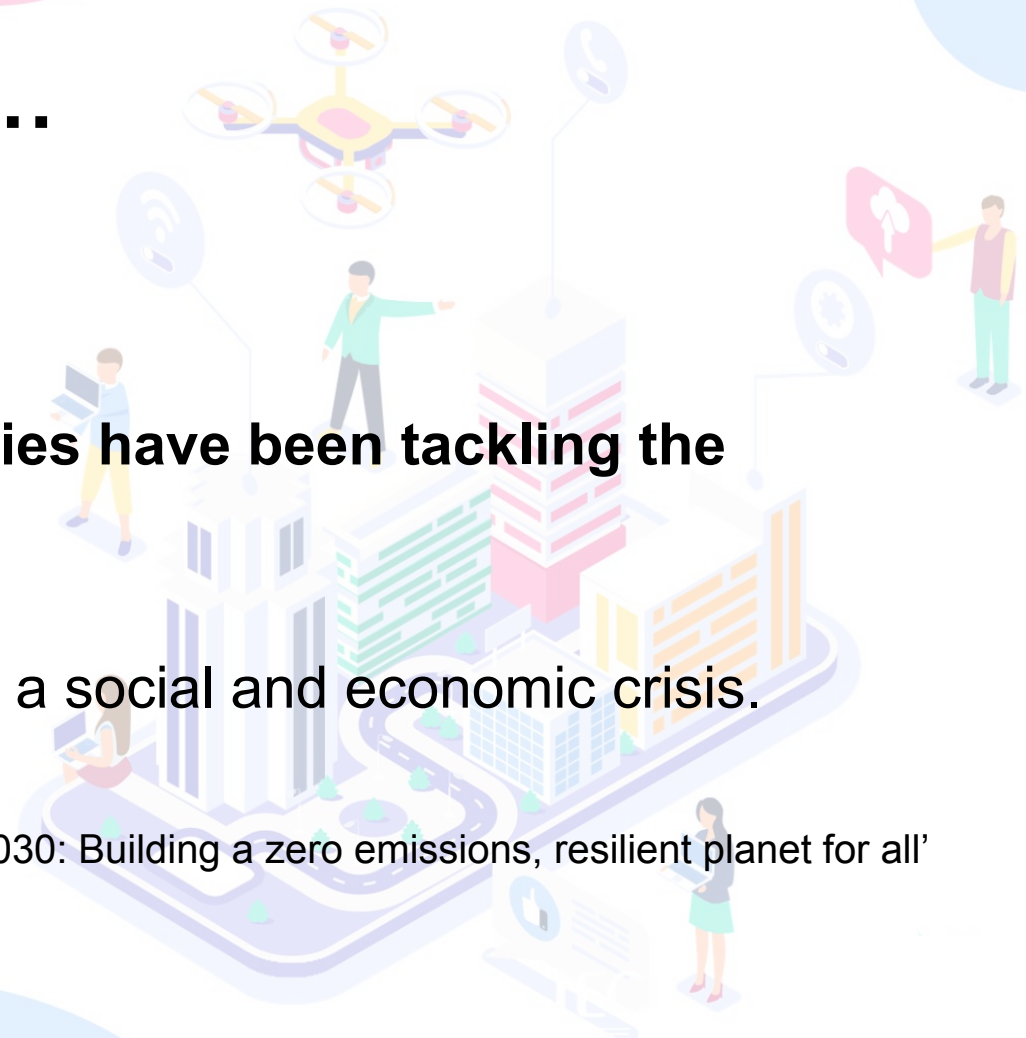
And cities have been on the frontline...

Two complex global crises

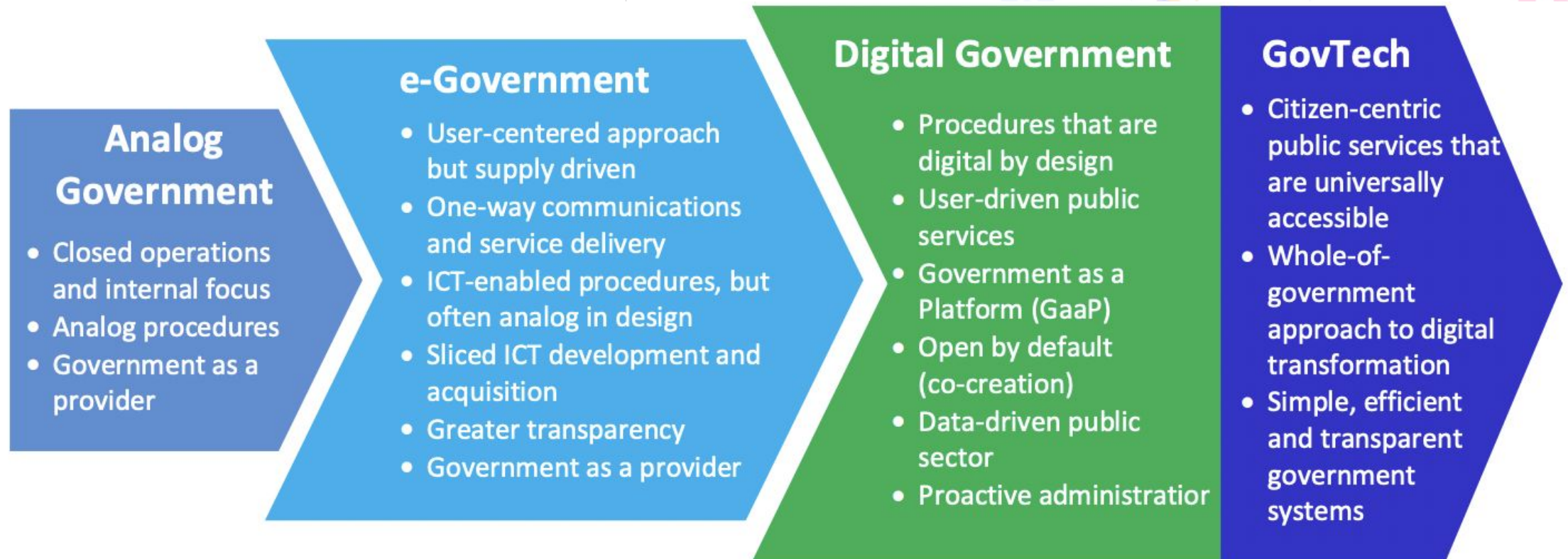
Since the beginning of the COVID-19 pandemic, **cities have been tackling the pandemic and climate change simultaneously.**

What began as a public health crisis developed into a social and economic crisis.

Carbon Disclosure Project report 'Cities on the Route to 2030: Building a zero emissions, resilient planet for all'



The preceding decade laid some good foundations...



Source: World Bank, based on the OECD's presentation of digital transformation in Digital Government Studies (2019)

United for Smart Sustainable Cities

- U4SSC is a UN-led initiative which serves as a platform for discussions relating to smart and sustainable cities.
- U4SSC has six functional Thematic Groups – including one relating to procurement guidelines in the smart city ecosystem.



U4SSC's Procurement Guidelines for Smart Sustainable Cities

Transitioning from ICT Procurement to GovTech Commissioning

- **Human-centred design, data-driven and open approaches** in public procurement
- **Multidisciplinary, cross-functional teams**
- **Honesty, transparency, collaboration and integrity**
- **Public procurement as a lever to achieve inclusive, equitable and sustainable policy outcomes** with positive economic, social and cultural, and environmental impacts
- Seizing **opportunities throughout the full public spending lifecycle** - from planning, informing the market, evaluation and award and managing delivery

U4SSC's Procurement Guidelines for Smart Sustainable Cities

Buying digitally, with social purpose

- **Address people's raised expectations** for simpler, clearer, digital public services
- **Build trust** between governments and their communities
- **Increase transparency and access** to information
- **Reduce inequalities in society and stimulate local economies** by increasing participation of under-represented groups, such as women-owned SMEs
- Contribute to successfully **achieving the SDGs**

U4SSC's Procurement Guidelines for Smart Sustainable Cities

The work of this U4SSC Thematic Group

- **Practical, step-by-step guidance**
- **Planning**, e.g. understand user needs, share information early, define outcomes
- **Informing the market**, e.g. write requirements and evaluation criteria
- **Evaluation and award**, e.g. shortlist and evaluate suppliers, award the contract
- **Managing delivery**, e.g. manage supplier partner relationships and contract changes, and closing contracts
- **Case studies** from around the world

U4SSC's Procurement Guidelines for Smart Sustainable Cities

Completing the guidelines

- More case studies are welcome
- Ensuring content, style, form, etc, conform to UN and other ITU conventions
- Review by UN agencies and programmes supporting the U4SSC initiative
- Preparation for publication
- Publication



