



MAPS

Methodology for Assessing
Procurement Systems

ASSESSMENT OF COSTA RICA PROFESSIONALISATION

2024





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Assessment of Costa Rica Procurement System, 2023





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Costa Rica

Assessment of the Professionalisation of the Public Procurement System

December 2023



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Acronyms

<i>Acronym</i>	<i>Description</i>
ACP	Public Procurement Authority
ASPROCA	Association of Professionals in Administrative Procurement
BNCR	National Bank of Costa Rica
CARICOM	Caribbean Community
CCSS	Costa Rica's Social Security Fund
CDNCPS	Steering Committee of Sustainable Public Procurement
CGR	Comptroller General Office
CIEV	Institutional Commissions on Ethics and Values
CNEV	National Commission on Ethics and Values
COMEX	Ministry of Foreign Trade
CONAVI	National Highways Council
COPROCOM	Commission for the Promotion of Competition
CSO	Civil society organisations
DCoP	Directorate for Public Procurement
DGABCA	General Directorate of Asset Management and Public Procurement
DGSC	General Directorate of the Civil Service
DHR	Office of the Ombudsman
EFTA	European Free Trade Association
ENIPC	National Strategy for Integrity and Prevention of Corruption
GDP	Gross domestic product
IADB	Inter-American Development Bank
ICAP	Central American Institute of Public Administration
ICCP	Institute for Professionalisation on Competition and Public Procurement
ICE	Costa Rica's Electricity Institute
IFAM	Institute to Promote and Advise Municipalities
INA	National Learning Institute
INEC	National Institute for Statistics and Census
INGP	Inter-American Network on Government Procurement
KPI	Key performance indicators
LEP	Law on Public Employment
MAPS	Methodology for assessing procurement systems
M&E	Monitoring and evaluation
MEIC	Ministry of Economy, Industry, and Commerce
MGE	Ethics management model
MIDEPLAN	Ministry of National Planning
MINAE	Ministry of Environment and Energy
MTSS	Ministry of Labour and Social Security
OAS	Organization of American State
OECD	Organisation for Economic Co-operation and Development
PEP	Public Ethics Attorney
PGR	Attorney General Office
PNCPS	National policy of sustainable public procurement

PPP	Purchasing power parity
RBC	Responsible business conduct
REDICOP	Ibero-American Network for Public Procurement
SDU	Consolidated digital system
SIAC	Integrated System of Procurement Activity
SMART	Specific, measurable, achievable, relevant, and timed
SME	Small and medium enterprises
SUTEL	Superintendence for Telecommunications
TEC	Costa Rica Institute of Technology
UCCAEP	Costa Rica's Union of Business Chambers and Associations
UCR	University of Costa Rica
UNED	National University for Remote Education
UNODC	United Nations Office on Drugs and Crime
USD	United States dollars
UTN	National Technological University
WTO	World Trade Organization

Executive summary

Background of the assessment

Public procurement in Costa Rica represents about 12.5% of GDP and 15% of government spending.¹ The structure of government spending on public procurement is concentrated in sectors that are highly sensitive to the welfare of the population (health, education, etc.). A high proportion of government spending on public procurement happens at the national level (79.5%).

Costa Rica started to reform its regulatory framework for public procurement in 2019, in order to align with international best practices as part of the accession process to the OECD. Aside from that process, the new law on public procurement (No. 9986) was published in the Official Journal on 31 May 2021 and entered into force on 1 December 2022 (18 months after publication).

The new provisions create the Public Procurement Authority (*Autoridad de Contratación Pública*, ACP). The Directorate for Public Procurement (*Dirección de Contratación Pública*, DCoP) of the Ministry of Finance acts as the executing body of the ACP, with technical advisory capacity in public procurement matters.

Articles 132 and 136 mandate the ACP (and the DCoP as its implementation arm) to develop the first professionalisation strategy, including a certification framework and training of the procurement workforce by May 2024 (18 months after the law enters into force on 1 December 2022). The MAPS Professionalisation module will provide a diagnosis and the key elements for the development of the strategy.

Country context

Costa Rica is geographically located in Central America, bordering Nicaragua to the north and Panama to the southeast. It has a land territory of 51 100 square kilometres. According to the 2022 census, its population was 5 044 197, but the National Institute for Statistics and Census (*Instituto Nacional de Estadística y Censos*, INEC) estimates it will reach 5 309 625 in 2024. The country is a sovereign and democratic state, with a unitary and presidential system.

Costa Rica has had a steady economic growth rate over the past 25 years due to a successful outward-oriented strategy, based on openness to foreign investment and gradual trade liberalisation. In 2022, the country was classified by the World Bank as an upper middle-income country with a GDP per capita (current) of USD 13 365.4. Fiscal consolidation efforts led to a decline in the public debt in 2022 (63.8% of

¹ OECD (2021), Government at a Glance Database.

GDP) for the first time in 13 years. The combination of political stability and steady growth has resulted in one of the lowest poverty rates in Latin America and the Caribbean. The proportion of the population living below the World Bank's upper middle-income line (USD 6.85 per person per day in 2017 Purchasing Power Parity - PPP) decreased up to 14% in 2020. Costa Rica also has one of the lowest levels of informal economy in Latin America.

The country performs well regarding public governance standards. According to the Worldwide Governance Indicators, Costa Rica was a top performer among the four OECD members from Latin America (Chile, Colombia, Costa Rica, and Mexico) in two governance indicators (voice and accountability and political stability and absence of violence / terrorism). Although increasing, crime level is still low compared with other countries in Latin America, according to UNODC statistics.

Costa Rica is a member country of various international organisations. These include United Nations, International Monetary Fund, World Bank, IADB, Organization of American States (OAS), Central American Bank for Economic Integration, World Trade Organization (WTO), and OECD. As an open economy, Costa Rica is also a member of the Pacific Alliance. According to the database of the OAS, the country has signed free trade agreements with various partners, including the European Union, European Free Trade Association (EFTA), CARICOM, Canada, Chile, China, Colombia, El Salvador, Guatemala, Honduras, Korea, Mexico, Nicaragua, Panama, Peru, Singapore, the Dominican Republic, and the United Kingdom.

In 2015, Costa Rica issued the National Policy of Sustainable Public Procurement and Creation of the National Steering Committee of Sustainable Procurement- PNCPS (*Política Nacional de Compras Públicas Sustentables y Creación del Comité Directivo Nacional de Compras Sustentables*). Article 4 of the PNCPS stipulates that contracting authorities are required to consider innovation, SME development, economic, environmental, and social considerations in public procurement processes.

Since 2017, the OECD has supported Costa Rica in its public procurement reform. The first phase focused on enhancing key features of its public procurement system that have an impact on competition, namely exceptions to competitive tendering and the public procurement thresholds in place. During the next phase, OECD supported Costa Rica in preparing an action plan for five priority areas: i) Institutional framework of the public procurement system; ii) strategic use of public procurement; iii) professionalisation, iv) participation of civil society in the public procurement system; and v) control of the public procurement system.

Main findings and key recommendations

Pillar 1

Professionalisation is established in the regulatory framework for public procurement as a strategic objective and there is a broad mandate to develop a professionalisation strategy. There are also general descriptions of roles and responsibilities for DCoP and the procurement units of public institutions (*proveedurías*). A wider set of stakeholders' responsibilities could be described, so that the governance of the professionalisation mandate is clear. Although there are no formal limitations to the participation of the private sector in the public procurement professionalisation market, findings suggest that there might be informal ones.

The regulatory framework for public procurement mandates the development of a professionalisation strategy and commands DCoP to promote professionalisation through capacity building and certification. There is an explicit recognition that professionalisation will lead to improved performance and quality of expenditures. Even though the regulatory framework establishes general procurement principles (i.e. integrity, value for money, transparency, and free concurrence, among others), it does not provide a clear definition of prioritised objectives, the evaluation of professionalisation activities, and impacts, as well as profiles, career paths, or learning and development for the procurement workforce, but all these operational elements may be developed in the professionalisation strategy or in DCoP guidelines to allow for greater flexibility. In contrast, it does establish that public procurement should serve for the achievement of national and local social development, economic empowerment of vulnerable groups, environmental protection, and innovation.

The main recommendations for this pillar are the following:

I.3. Future guidelines and secondary regulations should establish the rules for participation in the procurement professionalisation market, aiming to strike a balance between free concurrence and ensuring the consistency and quality of the services provided. The latter objective may also be achieved through non-regulatory approaches.

I.4. ACP should lead the discussions with the different entities that regulate public employment so that public procurement is recognised as a stand-alone profession. The participation of MIDEPLAN, as leader of the public employment agenda. In the ACP should support this process.

I.5. ACP should elaborate, in the guidelines and implementing regulations, on the different elements that contribute to recognising public procurement as a profession. It may also look at good practices existing, for example, in CCSS and BNCR.

I.7. In developing the professionalisation strategy and implementing regulations, DCoP could follow the next steps: i) Assessment of the current level of professionalisation; ii) stakeholder engagement; iii) drafting the professionalisation strategy; and iv) monitoring. The strategy should be a standalone document including context, vision, objectives, implementation period, leading entity, and resources.

I.9. DCoP should develop a competency matrix and a certification framework to be the foundations for profiles, career paths, learning and development strategies, and specialisation criteria.

I.10. One of the elements that the professionalisation strategy should consider is an implementation period. As this represents a structural reform of the procurement system, its implementation should be organised in stages and, ideally, on the basis of an action plan summarising key initiatives, responsible parties, KPI, and timeframe.

I.11. It is critical to map the stakeholders of the professionalisation process and engage them in the development and implementation of the strategy. Key stakeholders may include public entities, contracting authorities, anti-corruption bodies, the private sector, universities, knowledge centres², and civil society.

² Throughout this report, the term “knowledge centres” refers to universities, think-tanks, specialised organisations, research institutions, and similar entities that could support the professionalisation strategy and specific capacity-building activities.

Pillar II

Law N° 9986 and Decree 43808-H represent a major reform for the public procurement system of Costa Rica, which includes the professionalisation of the function to support strategic and substantive objectives. A wider capacity-building strategy is mandated through periodic training and certification of procurement officials. In this context, the Ministry of Finance set up a Virtual Campus to provide online training and a virtual community for the exchange of experiences. A critical missing element of this professionalisation scheme is a competency framework. Other specific elements that were not originally considered in the legal framework for the professionalisation of the procurement function but should be incorporated in the professionalisation strategy are annual or multi-annual professionalisation plans, both at strategic and procurement unit level, formal assessments of skills needs and gaps, and M&E mechanisms.

There are some previous and current efforts that could be leveraged. For example, the information available in electronic platforms like the Observatory of Public Procurement and SIAC could be useful to identify skills to be strengthened. Likewise, the implementation of the new Law on Public Employment (*Ley de Empleo Público*, LEP) could be leveraged to prepare employment plans of *proveedurías*, in coordination with the corresponding human resources units. On the one hand, even though the normative framework sets some principles to be incorporated in the professionalisation strategy such as ethics, continuous training, and certification to ensure professional competence and judgement, it does not refer to the skills, technical and soft, to be developed, so this should be included in the professionalisation strategy. Likewise, performance evaluation protocols and mechanisms ought to be considered in the professionalisation strategy.

The main recommendations for this pillar are the following:

II.4. The professionalisation strategy should prescribe the development of a competency framework for procurement officials at different professional levels (i.e. junior, intermediate, advanced, and expert).

II.6. The professionalisation strategy should include details as to how the process will be implemented, including through the formal and systematic assessment of skills needs and gaps at the level of each contracting authority. This could be part of the accreditation of *proveedurías*, which is mandated by Decree N° 43808-H.

II.8. *Proveedurías*, working jointly with the corresponding human resources units, could take advantage of the mandate of the new LEP to draft their employment plans.

II.15. DCoP should design M&E mechanisms, including KPI, while drafting the professionalisation strategy. KPI should be specific, measurable, achievable, relevant, and timed (SMART).

II.16. When designed, M&E mechanisms for the professionalisation strategy should be included in the performance measurement guidelines of the general public procurement system.

II.21. The professionalisation strategy should recognise the importance of practical and soft competences, how they will be incorporated in the competency matrix, developed, and certified, and the value of on-the-job training, mentoring, and job swapping.

Pillar III

A substantial reform such as the professionalisation of the procurement function requires resources for successful implementation and to be sustained. However, in Costa Rica, there are no budgetary resources currently allocated in DCoP to support the professionalisation process. Even though the new Law on Public Employment (*Ley de Empleo Público*, LEP) mandates the allocation of resources for professionalisation, this is not specific for the public procurement function. Recognising the fiscal restrictions faced by the country, several alternatives could be considered in addition to public budgets, such as raising revenues for procurement-related services and building a network of existing support institutions (public and private).

Law N° 9986 and Decree 43808-H aim to elevate the procurement profession. However, in order to be successful, the professionalisation strategy should mandate the set-up of key elements: i) A competency framework, ii) a career path based on job profiles; iii) human resources management processes; and iv) a certification framework. These elements would be key to attract and retain procurement professionals, which are recognised as significant challenges.

A competitive and open environment exists for the education and training of procurement officials. However, perceptions from procurement officials indicate that there might be informal barriers. The system for the certification of procurement officials varies by country, but there are some elements of good practice to consider such as owner, certification levels, exam requirements, expiration, and renewal conditions, among others. While concurrence is relatively free, the market for education services for procurement officials is still limited, so there is room to further leverage collaboration agreements with universities and knowledge centres, in the spirit of building a support network.

The main recommendations for this pillar are the following:

III.1. The professionalisation strategy should estimate the amount and timing of the budgetary and human resources needed to advance the process effectively and according to the objectives defined. Ideally, such resources would be earmarked to ensure predictability and availability. Additionally, the funding strategy for professionalisation activities could consider raising revenues for procurement-related services and building a network of institutions to support the professionalisation of the procurement function.

III.3. Bearing in mind the corresponding legal and budgetary analyses, the professionalisation strategy could aim at establishing a training institute for procurement professionals at *proveedurías*, which could be funded by budgetary allocations, through fees for services, or both. In any case, this institute would have to compete in the professionalisation market and avoid hindering market entry to keep a balanced playing field. Alternatively, the strategy could leverage on existing institutions such as INA and IFAM.

III.7. The professionalisation strategy should strive to set public procurement as a stand-alone profession with clear career paths and a system of incentives, financial and non-financial, to attract and retain procurement officials, bearing in mind budgetary rules and limitations.

III.8. Elevate the procurement profession by tailoring human resources management processes to the specific skills, duties, features, and needs of procurement officials.

III.9. Together with a competency framework, the certification model is a steppingstone to establish a merit-based career path for procurement professionals. Hence, the professionalisation strategy should define the features and the timeline of the certification model, for example, how it will be structured and expiration, among others.

III.15. As mandated by the legal framework, DCoP should design the procedures, guidelines, and methodologies to advance the accreditation of the procurement units and the certification of procurement officials. In the case of certification, DCoP should define the different elements of good practice such as owner, certification levels, requirement for exams, mandatory or voluntary completion, contents of exams, conditions for certification, validity/expiration, and renewal conditions, among others. It may rely on elements of good practice from countries like Chile, Croatia, Lithuania, Peru, and Serbia, and national institutions like CCSS, which are described in the indicator matrix.

Pillar IV

Although the professionalisation strategy for the procurement workforce is work in progress, the normative framework mandates to incorporate ethics and integrity considerations. Indeed, there is almost general agreement that the professionalisation strategy should include integrity considerations. The National Strategy for Integrity and Prevention of Corruption (*Estrategia Nacional de Integridad y Prevención de la Corrupción*, ENIPC) includes activities to mitigate corruption risks in public procurement. Despite all these references to integrity and ethics, the regulatory framework is weak in terms of detailing management for results and accountability requirements. Likewise, it does not set incentive mechanisms (financial or non-financial) for procurement officials.

Citizens can report to the Public Ethics Attorney (*Procuraduría de la Ética Pública*, PEP) misbehaviours by public officials. However, by law, the PEP cannot process anonymous reports. The CGR is Costa Rica's supreme audit institution and, as such, supervises the execution of regular and extraordinary budgets. It is responsible for the asset declarations system as well. The civil service has established several mechanisms to prevent and detect irregular behaviour and corruption, for example, asset declarations, which are verified by the CGR leveraging on ICT and data analytics.

The main recommendations for this pillar are the following:

IV.1. The professionalisation strategy should include the design of KPI to facilitate management for results. The OECD framework for measuring efficiency, compliance, and strategic goals could be the basis for this exercise.

IV.2. The professionalisation strategy should provide guidelines on accountability measures and supporting competences that will apply to procurement officials, including:

- Identifying clear lines of oversight to ensure that the chains of responsibility are clear, that oversight mechanisms are in place, and that delegated levels of authority are well defined.
- Developing a system of clear and enforceable sanctions to provide adequate deterrence for wrongdoing, without creating risk-aversion in the procurement workforce.
- Managing complaints and challenges in a fair, timely, and transparent way to prevent wrongdoing, correct mistakes, and build trust in the procurement system.

IV.5. The PEP should review its reporting procedures for whistleblowers to allow for anonymous reports, taking advantage of the law just approved by the Legislative Assembly to protect whistleblowers. Anonymous reporting can be critical to build trust and protect whistleblowers. As they may question the

capacities of the institutions to protect their identities, confidentiality rules may not be enough to motivate reports.

Action plan

Action plan for implementing the professionalisation strategy

No	Initiative	Context	Action	Responsible authority(ies)	Estimated timeframe (*)	Deliverables	Indicators
1	Recognition of public procurement as a stand-alone profession	Public procurement is within a broader administrative classification, and not recognised as a stand-alone workstream	Recognising public procurement as a stand-alone profession	DGSC ACP	Long	<p>*Clear career paths for procurement officials established in HR rules and manuals.</p> <p>*System of incentives, financial and non-financial, to attract and retain procurement officials, bearing in mind budgetary rules and limitations</p>	<p>*Number of HR rules and manuals (i.e. government-wide and entity-level) establishing career paths for procurement officials</p> <p>*Number of different financial and non-financial incentives (i.e. government-wide and entity level) established to attract and motivate procurement officials</p> <p>*Number of financial and non-financial incentives actually granted to procurement</p>

No.	Initiative	Context	Action	Responsible authority(ies)	Estimated timeframe (*)	Deliverables	Indicators
							ent officials per year
2	Assessment of the capability level of the public procurement workforce	Costa Rica has not carried out a national-level survey to measure the current capability level of the public procurement workforce. However, Costa Rica has experience in piloting the ProcurCompEU tools	Launching a national survey to measure the current capability level of the public procurement workforce to identify skills gaps and steer training activities	DCoP	Short	Report on the results of the national survey to measure current capabilities and gaps of the procurement workforce	<p>*Strengths identified</p> <p>*Weaknesses identified</p> <p>*Measures identified to close gaps</p> <p>*Measures implemented to close gaps by year</p>
3	Competency model	A national competency model for the public procurement workforce does not exist in Costa Rica	<p>Developing a national competency model for the public procurement workforce:</p> <ul style="list-style-type: none"> Drafting a competency matrix with multiple levels Defining job 	DCoP MIDEPLAN	Short	Competency model, including competency matrix and job profiles	<p>*Competency model completed?</p> <p>*Number of <i>proveedurías</i> implementing the competency model and job profiles</p>

No	Initiative	Context	Action	Responsible authority(ies)	Estimated timeframe (*)	Deliverables	Indicators
			profiles related to public procurement				
4	Certification framework	A certification framework does not exist in Costa Rica, but Law N° 9986 requires its development	Establishing a certification framework by aligning it with the national competency model for the public procurement workforce	DCoP	Medium	Certification framework defining issues such as owner, certification levels, requirement for exams, mandatory or voluntary completion, contents of exams, conditions for certification, validity/expiration, and renewal conditions	<p>*Certification framework completed?</p> <p>*Number of suggested items addressed</p> <p>*Number of certified officials by year and by <i>proveeduría</i></p>
5	Capacity-building	A formal capacity-building system for procurement officials does not exist in Costa Rica	<p>Assigning an entity(ies) to be in charge of providing training relative to public procurement</p> <p>Developing a capacity-building system (training and methodological assistance) by (i) prioritising the topics based on the assessment result of the</p>	DCoP CECADES / DGSC	Medium	<p>*Mandate to train procurement officials clearly allocated in law or strategy</p> <p>*Training portfolios aligned with gaps identified, competency model, and certification frameworks</p>	<p>*Mandate to train procurement officials allocated in law or strategy?</p> <p>*Number of training portfolios developed for procurement officials</p> <p>*Number of trained procurement</p>

No	Initiative	Context	Action	Responsible authority(ies)	Estimated timeframe (*)	Deliverables	Indicators
			current capability level of the public procurement workforce to identify skill gaps, and (ii) considering the competency model and the certification framework				officials by year and <i>proveeduría</i> *Rate of trained officials who are successful in certification, per year and <i>proveeduría</i>
6	Financial incentives	A clear career path of the public procurement workforce does not exist in Costa Rica	Setting up a clear career path model for the public procurement workforce	DGSC DCoP	Long	Clear career paths for procurement officials established in HR rules and manuals.	*Number of HR rules and manuals (i.e. government-wide and entity-level) establishing career paths for procurement officials
7	Non-financial incentives	Informal professional network of contracting authorities exists in Costa Rica, but could be formalised, more active and inclusive Excellence award system for public procurement does not exist in Costa Rica	Adopting non-financial incentive mechanisms such as: (i) revamping and formalising the existing professional network of contracting authorities, and (ii) establishing an excellence award system for public procurement	DCoP	Medium	*Communication materials about the network of contracting authorities *Programme of work for the network of contracting authorities *Project to award and recognise outstanding procurement officials (including the essence of the award:	*Number of <i>proveedurías</i> participating in the formal network *Number of procurement officials enrolled in the network *Number of procurement ent

No	Initiative	Context	Action	Responsible authority(ies)	Estimated timeframe (*)	Deliverables	Indicators
						financial/non-financial)	officials participating in the activities of the network *Awards (i.e. financial and non-financial) granted to procurement officials by year
8	Collaboration with knowledge centers	Collaboration with knowledge centers is still limited in Costa Rica	Reinforcing the collaboration with knowledge centres to professionalise the public procurement workforce (e.g. collaboration to develop training, joint research, seminars, etc.)	DCoP Knowledge centers	Medium	Project to engage knowledge centers in the professionalisation strategy	*Number of knowledge centers engaged *Number of activities (i.e. workshops, courses, research, internships, etc.) carried out by knowledge centers in support of professionalisation strategy

Note: (*) Short term: Recommendations could be implemented within the next 12 months; Medium term: recommendations could be implemented between 1 to 3 years; Long term: recommendations could be implemented in more than 3 years.

Overview of compliance

The following table provides an overview of the findings of the assessment on the level of sub-indicators. Each sub-indicator is identified depending on the findings (full compliance / gaps identified / substantive gaps identified). This table also shows the red flags identified.

According to the MAPS methodology, some gaps can be considered as non-substantive. This happens when either (i) the assessed criterion does not have a gap as such, but assessors observe that there is nonetheless room for further improvement; or (ii) the assessed criterion has a gap that is relatively minor. On the contrary, the existence of substantial gaps indicate that the corresponding criterion cannot be marked as met. The following table summarises the rules at the criterion level:

If:	The criterion should be marked as:
No gaps are identified for the criterion	No gap/Full compliance
Only minor gaps are identified for the criterion	Minor gap/Gaps identified
At least one substantive gap is identified for the criterion	Substantial gaps identified

Red flags are assigned to gaps that will probably obstruct efforts to improve the public procurement system, either by making these efforts less likely to happen or by preventing them from achieving their intended result. A red flag, then, is a warning sign that indicates an element that:

- can significantly impede achieving the objectives sought through public procurement; and/or
- cannot be immediately mitigated through actions in the public procurement system.

Thus, a red flag is always related to a substantive gap that ranks high on the impact dimension and usually also high in the likelihood dimension (or cannot be mitigated if it materialises).

PILLAR I		Full compliance	Gaps identified	Substantial gaps identified	Red flags
1. The legal framework includes appropriate regulations on public procurement professionalisation	1(a) – Rules on professionalisation		X		
	1(b) – Rules on private sector participation			X	
2. Implementing regulations and tools to support public procurement professionalisation	2(a) – Recognition of public procurement as a professional function			X	
	2(b) – Implementing regulations define the professionalisation policy			X	X
	2(c) – Strategic and specialised procurement, horizontal policy objectives and international obligations		X		

PILLAR II		Full compliance	Gaps identified	Substantial gaps identified	Red flags
3. Professionalisation is a key component of the public procurement system	3(a) – The professionalisation is a key component of the public procurement system			X	X
4. Professionalisation takes place in an environment of planning, monitoring and evaluation	4(a) – Professionalisation planning			X	X
	4(b) – Public procurement information systems include data suitable for the efficient support of professionalisation		X		
	4(c) – Monitoring and evaluation of professionalization policy			X	
5. Professionalisation is based on sound principles and standards	5(a) – Professionalisation policy is based on sound principles and standards			X	

PILLAR III		Full compliance	Gaps identified	Substantial gaps identified	Red flags
6. The public procurement system has adequate financial mechanisms to finance the cost of education, training and certification of public procurement professionals	6(a) – Existence of adequate budgetary resources			X	X
7. Public procurement is recognised as a professional career line in the country's public service	7(a) – Existence of a public procurement competency framework			X	X
	7(b) – Existence of a career path of public procurement within the civil service			X	X
	7(c) – The career path of public procurement is competitive compared to the rest of the civil service		X		
8. Market conditions favour the development of professionalisation	8(a) – Competitive professionalisation assets		X		
	8(b) – Access to professionalisation assets			X	X
	8(c) – Open and inclusive professionalisation market		X		

PILLAR IV		Full compliance	Gaps identified	Substantial gaps identified	Red flags
9. The professionalisation policy considers ethics and accountability	9(a) – Ethical considerations in the professionalisation policy	X			
	9(b) – Management for results and accountability			X	X
10. The country has mechanisms that support professional integrity in public procurement	10(a) – Supplementary mechanisms for supporting professional integrity in place			X	
	10(b) – Implementation of mechanisms to sanction professionals for their unethical behaviour		X		

1. Introduction

1.1. Context

Public procurement in Costa Rica represents about 12.5% of GDP and 15% of government spending.³ The structure of government spending on public procurement is concentrated in sectors that are highly sensitive to the welfare of the population (health, education, etc.) and, by function, is as follows:

<i>Function</i>	<i>Percentage of total</i>
Public services in general	4.7%
Law and order and public safety	7.7%
Economic affairs	13.5%
Environmental protection	3.7%
Housing	4.5%
Health	35.4%
Recreation and culture	1.8%
Education	21.2%
Social protection	7.6%

The vast majority of government spending on public procurement happens at the national level (79.5%), while 20.5% happens at the sub-national level.

Costa Rica, the country that most recently became a member of the Organisation for Economic Co-operation and Development - OECD (2021), started to reform its regulatory framework for public procurement in 2019, in order to align with international best practices as part of the accession process to the Organisation. Aside from that process, the new law on public procurement (No. 9986) was

³ OECD (2021), Government at a Glance Database.

published in the Official Journal on 31 May 2021 and entered into force on 1 December 2022 (18 months after publication).

The Law on Administrative Contracting had been in force since 1 May 1996, which means that it was more than twenty years old. Due to advances in information technologies, transactional efficiency and the dimensioning of control, the need to promote a reform aimed at updating it and adjusting it to current demands, requirements, and possibilities was determined. Although a comprehensive reform of the law was carried out in 2006, over the years this effort proved to be insufficient. The normative instrument was outdated and lacked rules that, based on adequate planning, optimisation of available resources and the use of agile procedures, would allow the administration to respond in a timely manner to current requirements.

The new Law N° 9986 establishes the principles governing public procurement: integrity, value for money, transparency, social and environmental sustainability, effectiveness and efficiency, equality and free competition, technological validity, mutability of the contract, and intangibility of assets. It also establishes the Consolidated Digital System (*Sistema Digital Unificado*, SDU), which will centralise all procurement procedures, as well as the Official Electronic Register of Suppliers and Contractors, in which natural or legal persons who express interest in contracting with the Administration or to act as subcontractors are registered. It also defines strategic public procurement as an instrument for the consolidation of public policies aimed at national and local equitable social development and the economic promotion of vulnerable sectors, environmental protection, and innovation.

The new provisions create the Public Procurement Authority (*Autoridad de Contratación Pública*, ACP) as the procurement authority for the entire public administration. The ACP is a collegiate body, which is composed of the Minister of Finance, who chairs it; the Minister of National Planning; and the Minister of Science, Technology and Telecommunications. The ACP reports annually to the President of the Republic and to the Permanent Special Commission for the Control of Public Revenue and Expenditure of the Legislative Assembly. The powers of the ACP include the following:

- Approving the proposal of the National Public Procurement Plan, drafted by the Directorate for Public Procurement (*Dirección de Contratación Pública*, DCoP), which will be in force for six years; it may be adjusted annually and must have as its axes the generation of efficiency in public procurement, with high standards of quality, probity, transparency, and satisfaction of the public interest.
- Approving, as appropriate, the proposal of relevant regulatory improvements suggested by DCoP and providing for the simplification of public procurement procedures.
- Proposing guidelines to the executive branch, after listening to the opinions of the various stakeholders and the public.
- Issuing guidelines for private parties, which shall be binding.
- Designing public policies to guarantee effective citizen participation in procurement procedures for goods and services.
- Issuing formulas for maintaining the financial equilibrium of contracts.

The DCoP of the Ministry of Finance acts as the executing body of the ACP in the functions assigned to it, with technical advisory capacity in public procurement matters, which is binding for the central administration. The Law establishes that DCoP must have interdisciplinary staff, with relevant and up-to-

date skills and knowledge, in pursuit of continuous improvement of public procurement activities. The functions of DCoP include the following:

- Preparing and proposing to ACP the National Public Procurement Plan and its adjustments.
- Proposing to ACP the relevant regulatory improvements and simplification of procedures.
- Managing the professionalisation of its officials and those of the institutional procurement offices, as well as the accreditation of the purchasing units.
- Exercising leadership in the use of e-procurement. DCoP administers the SDU and may propose its outsourcing to the ACP.
- Managing the electronic catalogue of goods, the price bank, and the registry of suppliers.
- Managing procurement risks and adopting value-added control measures to mitigate them.
- Establishing comparative performance indicators to verify compliance with the National Public Procurement Plan or institutional plans. It should also provide, at least once a year, evaluations to identify areas for improvement, the degree of efficiency and satisfaction in public procurement, and disseminate best practices, as well as preparing statistics that allow for effective accountability and informed decision-making.
- Requesting information from public sector institutions and agencies, for the fulfilment of its functions.
- Establishing mechanisms for the verification of quality standards of the procurement procedures developed and providing tools and/or parameters so that contracting entities can verify the quality of goods, works and services received.
- Standardising and making available templates for procurement planning, solicitation documents, model contracts, and for monitoring the proper execution of contracts.
- Proposing its own organisation, which shall be determined by regulation.
- Executing the agreements adopted by the ACP.
- Conducting procurement intelligence to ensure efficient and effective procurement.
- Carrying out the consolidated purchasing activity of the central administration and proposing or executing co-ordinated purchases with the decentralised administration.
- Executing and overseeing public policies to ensure effective citizen participation in procurement procedures for goods and services.

In the institutional framework of public procurement, it is also relevant to highlight the role of the Office of the Comptroller General (*Contraloría General de la República*, CGR). The CGR is an auxiliary body of the Congress with functional and administrative independence in the exercise of its functions. The CGR is a control and supreme audit body in charge of auditing public finances in accordance with the Constitution. Its jurisdiction covers all entities that administer public funds. Its three main functions related to public procurement are as follows:

- Ex-ante control: Verification of the legal compliance of public contracts in aspects such as the approval of the use of exceptions to ordinary procurement procedures.
- Ex-post control: Control of how public entities spend public funds to assess their compliance with the current regulatory framework.
- Review/conformity body: Review of public procurement decisions.

Articles 132 and 136 mandate the ACP (and the DCoP as its implementation arm) to develop the first professionalisation strategy, including a certification framework and training of the procurement workforce by May 2024 (18 months after the law enters into force on 1 December 2022). Article 132

mandates DCoP to implement actions aimed at training the procurement personnel and fostering the exchange of good practices and providing support to officials to ensure co-operative work and the transfer of know-how. To this end, it establishes that it may promote agreements with entities such as universities, training centres, or subjects of international public law, in order to improve the skills and competences of public procurement staff.

Moreover, given that the new law promotes the adoption of strategic public procurement and e-procurement, among other tools, it is essential to develop the skills and competences of public procurement officials. International experience shows that such efforts must be articulated by a systematic strategy and guided by a robust diagnosis. The MAPS Professionalisation module will provide such a diagnosis and the key elements for the development of the strategy. Indeed, the OECD study *Towards a New Vision for Costa Rica's Public Procurement System* (2020) recommended further improving the professionalisation of the public procurement workforce by recognising public procurement as a profession, improving methodological assistance tools such as manuals, standardised templates and a help desk, developing certification and competency frameworks, and providing capacity-building activities for the public and private sectors. Diagnosing the capacities of the public procurement workforce will be fundamental to building a professionalisation strategy.

1.2. Objectives

The new Law N° 9986, in its Articles 132 and 136, mandates the ACP (and the DCoP as its implementation arm) to develop the first professionalisation strategy, including a certification framework and training of the procurement workforce by May 2024 (18 months after the law enters into force on 1 December 2022). Article 132 mandates DCoP to implement actions aimed at training the procurement staff and encouraging the exchange of good practices and providing support to officials to ensure co-operative work and the transfer of know-how.

Furthermore, in recognition that the previous regulatory framework was outdated by current trends, innovations, and good practices, and given that the new law promotes the adoption of strategic public procurement and e-procurement, among other tools, it is essential to develop the skills and competences of public procurement officials. International experience shows that such efforts must be articulated by a systematic strategy and guided by a robust diagnosis. The MAPS Professionalisation module will provide such a diagnosis and key elements for the development of the strategy.

Specific objectives include the following:

- Supporting Costa Rica's public procurement system in the transition to the provisions of Law N° 9986, in particular with regards to professionalisation.
- Providing inputs for the professionalisation strategy to be developed as part of the mandate of Law N° 9986. These inputs could include, for example, insights for a competency and certification framework and an action plan.
- Contributing with international best practices to the professionalisation of Costa Rica's public procurement workforce.
- Establishing a baseline for monitoring progress on the professionalisation of the public procurement workforce.

1.3. Relevant dates and process

The assessment was made possible through funding provided by the IADB. The assessment is based on the answers by DCoP to the indicator matrix of the MAPS Professionalisation module. The matrix was provided by the OECD to DCoP on 31 May 2023, and responses were received on 26 June 2023. A fact-finding mission took place in San José on 11-14 September 2023 to discuss early findings and challenges with staff from BNCR, CGR, CCSS, CONAVI, DCoP, DGCS, ICE, INA, MIDEPLAN, Municipality of San José, and PEP, among others, as well as with representatives from business chambers, CSO, universities, and international organisations.

During September-November 2023, the OECD applied the following surveys to complete the quantitative analyses required by MAPS:

- Survey for procurement officials of the six contracting authorities with the highest procurement spending in 2022: The survey consisted of 13 questions and was completed by 881 public officials, out of a universe of 978, for a response rate of 90%. The following table provides the details by contracting authority:

<i>Contracting authority</i>	<i>Completed surveys</i>	<i>Universe of potential respondents</i>	<i>Response rate</i>
INA	23	155	15%
CCSS	377	700	54%
Municipality of San Jose	12	19	63%
BNCC	148	34	435%
ICE	297	48	619%
CONAVI	24	22	109%
TOTAL	881	978	90%

- Survey for the heads of *provedurías* of the six institutions with the highest procurement spending: This survey consisted of 13 questions and was completed by the *provedurías* in BNCC, CONAVI, ICE, and INA.
- Tailored survey for COPROCOM as the competition authority (six questions).
- Tailored survey to DCoP, as the leader of the professionalisation strategy for the public procurement function (13 questions).
- Survey for business chambers completed by THE Foreign Trade Chamber (CRECEX) and Costa Rica's Construction Chamber (8 questions).
- Survey for knowledge centres completed by the National University of Costa Rica, UCR, UNED, and UTN (14 questions).
- Survey for civil society organisations completed by ASPROCA and Costa Rica's Red Cross.

The results from all these surveys are used throughout the report to back arguments and recommendations.

The draft was sent for fact-checking purposes to DCoP on 21 December 2023 and for comments to IADB officials on the same date.

On 16 April 2024, the OECD organised a validation workshop in San José to discuss the draft after initial comments by DCoP and CGR. Thirty-eight participants from different ministries and agencies of the public sector, as well as representatives from universities and knowledge centres, discussed the report and provided feedback on the findings and recommendations. The workshop was organised in four sessions, each to discuss a specific pillar. Each session was launched by an introductory intervention by OECD staff, comments by a leading Costa Rican institution (DCoP, CCSS, ICE, and CGR), discussions in working groups, and reports to the plenary. The feedback provided was analysed and incorporated into the final version of the report.

1.4. Scope

While Law N° 9986 has been passed and has implementation deadlines; detailed regulations, instructions, guidelines, and strategies are yet to be developed. It is essential to draft a professionalisation strategy and/or action plan to define initiatives and their objectives within a specific timeline. Developing and implementing a strategy effectively involves the following: i) assessing the current level of professionalisation of the public procurement workforce; ii) ensuring stakeholder participation; iii) drafting a strategy; and iv) monitoring implementation.

The following specific aspects should be considered in implementing the professionalisation strategy:

- Developing a competency model and certification framework: Competency models and certification frameworks enable procurement officials to identify skills gaps and develop their skill sets. They can be used for recruitment, promotion, and training in skills and competences relevant to the procurement workforce.
- Strengthening capacity-building systems: The capacity-building system can consist of methodological assistance tools and practical training (on-the-job training, mentoring and exchanges). The capacity-building system should be aligned with the competency model and the certification framework.
- Establishing incentive mechanisms to attract and retain public procurement officials: Motivating public procurement officials is essential not only to maintain high performance and productivity, but also to attract talented professionals. Incentive mechanisms play an important role in motivating officials, and can be classified as financial (e.g. salaries and bonuses) and non-financial (e.g. professional development, including training and certification courses, performance, management system and awards and recognition system).

The scope of this assessment reaches the public administration at the national level, with a special emphasis on large purchasers such as BNCR, CCSS, CONAVI, ICE, INA, and the Municipality of San José.

1.5. Assessment team

Paulo Magina, Acting Head of the Infrastructure and Public Procurement Division of the OECD, who provided strategic guidance on the implementation of the MAPS methodology and during initial discussions with the IADB.

Jacobo Garcia Villarreal, Senior Policy Analyst in the OECD Infrastructure and Public Procurement Division, was the lead assessor and coordinator of the project.

Masayuki Omote, OECD Policy Analyst, provided support for the assessment, processed, and analysed the data from the surveys applied.

1.6. Involved institutions

- Public entities in charge of the public procurement system:
 - ACP.
 - DCoP.
- Public entities in charge of the civil service system and strategic planning:
 - DGSC, under MIDEPLAN.
 - MIDEPLAN, which has a seat in the ACP.
- Public entities in charge of providing public procurement officials with training:
 - DCoP.
 - DGSC.
- Control authorities:
 - CGR.
 - PEP.
 - COPROCOM.
- Contracting authorities (the six institutions with the highest procurement spending in 2022):
 - BNCR.
 - CCSS.
 - CONAVI.
 - ICE.
 - INA.
 - Municipality of San José.
- Private sector:
 - Costa Rica's Union of Business Chambers and Associations (UCCAEP).
 - CRECEX.
 - Costa Rica's Construction Chamber.
 - Business Association for Secure Trade BASC.
- Universities:
 - National University of Costa Rica.
 - TEC.
 - UCR.
 - UNED.
 - UTN.
- Civil society and knowledge centres:
 - ASPROCA.
 - ICCP.

- REDICOP.⁴
- Costa Rica's Red Cross.
- Economic Sciences Board.
- Costa Rica's Lawyers' Board.
- International organisations:
 - IADB.
 - UNDP.

1.7. Limitations encountered during the assessment

The main limitation faced during the assessment is that the professionalisation strategy for the public procurement function of Costa Rica still does not exist. Many of the indicators of the MAPS professionalisation module aim to assess different features of a professionalisation strategy or policy, so the methodology assumes that there is already one.

In this case, the issue was solved by taking into account the existing regulatory framework but highlighting gaps stemming from the fact that there is no professionalisation strategy in place. For example, if the indicator asks to assess if the professionalisation strategy incorporates ethics and integrity considerations, the answer will describe the extent to which these considerations are incorporated in the existing regulatory framework, recommending, at the same time, that the professionalisation strategy elaborates on them. While clearly some details about the features of the professionalisation tools and practices are not to be described at the level of primary laws, they certainly should be elaborated in the professionalisation strategy and/or guidelines and secondary rules. This is recognised throughout the report as well.

By adopting this approach, this report aims to indicate to decision makers and the public officials who will produce the professionalisation strategy of Costa Rica which are the main elements to develop, while also suggesting good international practices that could be illustrative.

2. Analysis of Country Context

2.1. Political, economic, and geostrategic situation of the country

Costa Rica is geographically located in Central America, bordering Nicaragua to the north and Panama to the southeast. It has a land territory of 51 100 square kilometres. According to the 2022 census, its population was 5 044 197, but the INEC estimates it will reach 5 309 625 in 2024. The country is a sovereign and democratic state, with a unitary and presidential system.

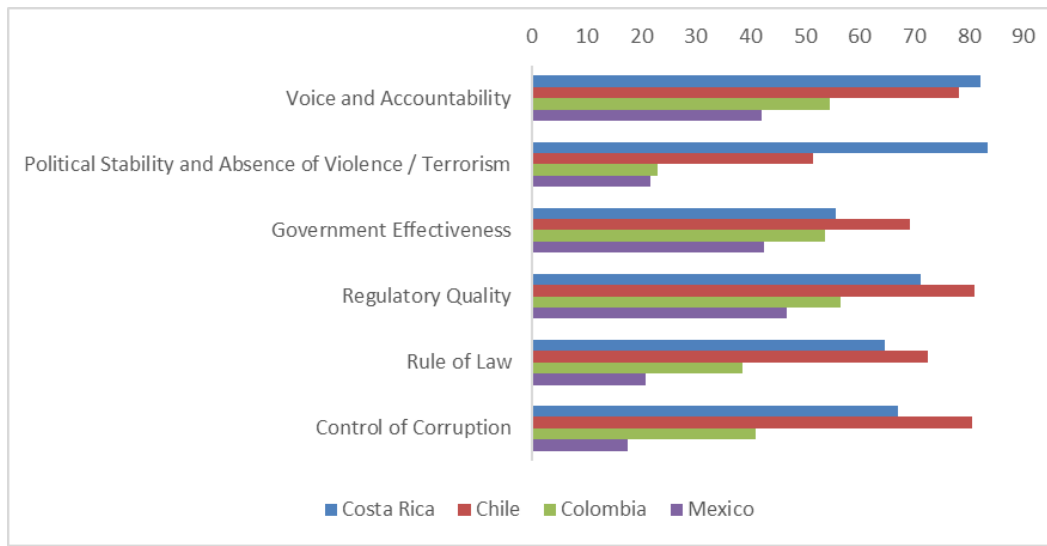
Costa Rica is a success story in terms of economic and social development in Latin America. As a small and open economy, Costa Rica has had a steady economic growth rate over the past 25 years due to a successful outward-oriented strategy, based on openness to foreign investment and gradual trade

⁴ REDICOP gathers academics and experts on public procurement from Spanish and Portuguese speaking countries to promote cooperation, knowledge and information sharing, and joint projects.

liberalisation. In 2022, the country was classified by the World Bank as an upper middle-income country with a GDP per capita (current) of USD 13 365.4. Fiscal consolidation efforts led to a decline in the public debt in 2022 (63.8% of GDP) for the first time in 13 years. The combination of political stability and steady growth has resulted in one of the lowest poverty rates in Latin America and the Caribbean. The proportion of the population living below the World Bank's upper middle-income line (USD 6.85 per person per day in 2017 Purchasing Power Parity - PPP) decreased up to 14% in 2020. Costa Rica also has one of the lowest levels of informal economy in Latin America. In 2021, the percentage of the informal sector stood at 40.8% of the total employed population.

The country performs well regarding public governance standards. According to the Worldwide Governance Indicators, Costa Rica was a top performer among the four OECD members from Latin America (Chile, Colombia, Costa Rica, and Mexico) in two governance indicators (voice and accountability and political stability and absence of violence / terrorism), while it ranked second after Chile in the other four governance indicators.

Worldwide Governance Indicators, Percentile rank (2022)



Note: Percentile Rank (0-100%) indicates rank of country among all countries in the world. 0 corresponds to the lowest rank and 100 corresponds to the highest rank.

Source: Prepared by the author based on the Worldwide Governance Indicators.

In 2022, Costa Rica ranked 48th with a score of 54 points among 180 countries and territories around the world, compared with Chile (27th), Colombia (91st) and Mexico (126th). Although increasing, crime level is still low compared with other countries in Latin America. For example, the number of victims of intentional homicide published by the UNODC was 12.82 per 100 000 inhabitants in 2022, compared with its neighbours such as Mexico (26.11), Honduras (35.10), Chile (6.74), and Colombia (25.38).⁵

Regardless of this success in economic and social development, Costa Rica has been addressing challenges for growth and development. For example, the country has been working with the World Bank in two priority areas: i) reducing constraints to productive inclusion, and ii) bolstering fiscal, social, and environmental sustainability. Priority areas for the Inter-American Development Bank (IADB) consist of four strategic pillars: i) strengthening public finance; ii) development of quality and resilient infrastructure; iii) productivity gains and narrowing of production gaps; and iv) human capital accumulation for inclusion and competitiveness.

Costa Rica is a member country of various international organisations. These include, but are not limited to, United Nations, International Monetary Fund, World Bank, IADB, Organization of American States (OAS), Central American Bank for Economic Integration, World Trade Organization (WTO), and OECD. Costa Rica formally became an OECD member country on 25 May 2021, as the 38th country. OECD member countries formally invited Costa Rica to join the Organisation in May 2020, following a five-year accession process that started in April 2015 and during which it underwent in-depth technical reviews by 22 OECD committees and introduced major reforms to align its legislation, policies, and practices to OECD standards.

⁵ UNODC (2023), *Global Study on Homicide 2023*, Vienna, https://www.unodc.org/documents/data-and-analysis/gsh/2023/Global_study_on_homicide_2023_web.pdf.

As an open economy, Costa Rica is also a member of the Pacific Alliance. According to the database of the OAS, the country has signed free trade agreements with various partners. These include the European Union, European Free Trade Association (EFTA), CARICOM, Canada, Chile, China, Colombia, El Salvador, Guatemala, Honduras, Korea, Mexico, Nicaragua, Panama, Peru, Singapore, the Dominican Republic, and the United Kingdom.

2.2. The public procurement system and its links with the public finance management and public governance systems

In Costa Rica, public procurement accounts for 12.5% of GDP and 15% of government spending, below the OECD average of 12.9% and 27.8%, respectively, but still significant in economic size and impact.

The public procurement system is regulated by the General Law of Public Procurement (No. 9986), whose latest version entered into force on 1 December 2022. Several key institutions are in charge of the functions of the public procurement system:

- Public Procurement Authority (*Autoridad de Contratación Pública*, ACP): The ACP acts as the public procurement authority for all public entities. It was created by the new General Law of Public Procurement (No. 9986) and is led by the Minister of Finance, with participation by the ministers of National Planning (MIDEPLAN) and Science, Technology, and Telecommunications.
- Directorate for Public Procurement (*Dirección de Contratación Pública*, DCoP) of the Ministry of Finance: DCoP acts as the implementing agency for the ACP in its technical advisory capacity for public procurement. DCoP took over the functions of the General Directorate of Asset Management and Public Procurement (*Dirección General de Administración de Bienes y Contratación Administrativa*, DGABCA).
- Comptroller General Office (*Contraloría General de la República*, CGR): CGR functions as a control body and the supreme audit institution, in charge of monitoring public finance (including public procurement) in accordance with the Political Constitution.

The ACP approves strategic documents such as the public procurement regulations and the National Plan of Public Procurement and ensures citizen participation in the system, for example, through public consultation, in accordance with Article 128 of Law N° 9986. On the other hand, DCoP, as the implementing agency for the ACP, carries out technical tasks related to public procurement functions, in accordance with Article 129.

The following table summarises the mandates of each institution:

Functions in the public procurement system of Costa Rica

Function (*)	Organisation	
	ACP / DCoP	CGR
Primary policy and legislative functions	✓	
Secondary policy and regulatory functions	✓	
International co-ordination functions	✓	
Monitoring and compliance assessment functions	✓	✓
- Preparation of an annual report on the functioning of the national public procurement system	✓	
- Collection of statistics on public procurement system	✓	✓
- Auditing, control, inspections, checking of legal compliance		✓
Advisory and operations support functions	✓	
Professionalisation and capacity-strengthening functions	✓	
E-procurement platform	✓	
Remedies mechanism		✓
Central purchasing	✓	

Note: (*) Functions adapted the concept proposed in the OECD SIGMA paper “Organising Central Public Procurement Functions” (2013).

Source: Prepared by the author based on the Law N° 9986 and previous analytical work of the OECD.

Other public entities also play key roles in specific aspects of the public procurement system such as sustainable public procurement, integrity, and competition. These include, but are not limited to the following:

- Steering Committee of Sustainable Public Procurement (CDNCPS): Ministry of Environment and Energy (*Ministerio de Ambiente y Energía, MINAE*); Ministry of Labour and Social Security (*Ministerio de Trabajo y Seguridad Social, MTSS*); and Ministry of Economy, Industry and Commerce (*Ministerio de Economía, Industria y Comercio, MEIC*).
- Ministry of Foreign Trade (*Ministerio de Comercio Exterior, COMEX*), which is in charge of all issues related to trade and represents Costa Rica in the WTO, including for the Government Procurement Agreement (GPA).
- Public Ethics Attorney (*Procuraduría de la Ética Pública, PEP*), which functions as the entity to promote integrity in the public sector.
- Commission for the Promotion of Competition (*Comisión para Promover la Competencia, COPROCOM*), which is the competition authority.
- Superintendence for Telecommunications (*Superintendencia de Telecomunicaciones, SUTEL*), which is the sector regulator, including on competition issues.

2.3. National policy objectives and sustainable development goals

Costa Rica has been leveraging public procurement as a strategic tool to achieve different policy objectives related to the sustainable development goals. This momentum got stronger since December 2022, when the new Law N° 9986 entered into force to recognise public procurement as a strategic policy tool.

In 2015, Costa Rica issued the National Policy of Sustainable Public Procurement and Creation of the National Steering Committee of Sustainable Procurement- PNCPS (*Política Nacional de Compras Públicas Sustentables y Creación del Comité Directivo Nacional de Compras Sustentables*). Article 4 of the PNCPS

stipulates that contracting authorities are required to consider innovation, SME development, economic, environmental, and social considerations in public procurement processes, such as:

- Monetary value, price, availability, quality, and functionality of the products, associated with a sustainable perspective.
- Environmental impact of a product or service throughout its life cycle.
- Social considerations:
 - Poverty eradication, equal resource distribution, and human rights.
 - Compliance with labour and social laws that protect workers involved in all stages of the elaboration of products purchased or services contracted by the public administration, considering the related laws on eradication of child labour, protection of workers, promotion of gender equality, and equal opportunities for people with disabilities.
- SMEs:
 - SME participation should be considered in each of the above.

There is a Steering Committee of Sustainable Public Procurement (*Comité Directivo Nacional de Compras Públicas Sustentables*, CDNCPS) as a permanent inter-institutional body. This Committee is comprised of ministers or their representatives from the following ministries: Finance, MINAE, MTSS, and MEIC.

The CDNCPS is mandated to implement the following tasks in order to facilitate the co-ordination and implementation of the National Policy of Sustainable Public Procurement:

- Approving the strategy and action plan of the National Policy of Sustainable Public Procurement and its modifications.
- Ensuring the execution and dissemination of the National Policy of Sustainable Public Procurement, as well as its strategy and action plan.
- Ensuring the continuous monitoring and improvement of the strategy and action plan.
- Proposing and promoting mechanisms to ensure that the National Sustainable Public Procurement Policy remains a priority of the national political agenda.
- Preparing systematic information on the progress of the implementation of the National Policy of Sustainable Public Procurement.

The CDNCPS took the initiative to develop a Manual of Sustainable Public Procurement (*Guía de Compras Públicas Sostenibles 2022*). Likewise, DCoP is developing a policy on public procurement for innovation, with technical assistance by the IADB.

2.4. Public procurement reform

Costa Rica started a major reform of its public procurement regulatory framework in 2019 to align it with OECD instruments and good practices. This process was partially driven by the OECD assessment process that started in 2015 and culminated in May 2020, when OECD member states decided to invite Costa Rica to become a member of the Organisation. Since 2017, the OECD has supported Costa Rica in its public procurement reform. The first phase focused on enhancing key features of its public procurement system that have an impact on competition, namely exceptions to competitive tendering and the public procurement thresholds in place. The analysis of this first phase provided inputs to the draft amendments of Law N° 9986, which entered into force on 1 December 2022.

During the next phase, OECD supported Costa Rica in preparing the action plan for five priority areas, identified by the different stakeholders as the most important for a sustainable public procurement system: i) Institutional framework of the public procurement system; ii) strategic use of public procurement, including green public procurement, SME development, innovation, and responsible business conduct (RBC); iii) professionalisation of the public procurement workforce, iv) participation of civil society in the public procurement system; and v) control of the public procurement system. Currently, DCoP is preparing the four-year national public procurement strategy.

In addition, Costa Rica is undertaking initiatives to promote sustainable public procurement and the professionalisation of the public procurement workforce, in close collaboration with international organisations and partners, such as the OECD (this MAPS assessment), the OAS Inter-American Network of Government Procurement (professionalisation strategy), the IADB (innovation procurement and e-procurement), the Latin American Centre for Development Administration (gender responsible procurement), and the German international co-operation agency GIZ (sustainable public procurement and ecolabels).

3. Assessment

3.1. Pillar I - Legal, Regulatory and Policy Framework

The MAPS core methodology, Pillar I, assesses the existing legal, regulatory and policy framework for public procurement. It evaluates the adequacy of the structure of the legal framework, its clarity, and the precedence of the different instruments to minimise inconsistencies in application. Pillar I comprises three indicators and a total of eighteen sub-indicators.

This assessment of professionalisation reviews (1) whether the existing legal framework includes adequate and clear provisions to effectively support the public procurement professionalisation; and (2) whether implementing regulations and tools supplement the legal framework and supports public procurement professionalisation.

Prof-Indicator 1. The legal framework includes appropriate regulations on public procurement professionalisation

The indicator covers how the different legal and regulatory instruments regulate the professionalisation of public procurement.

To provide stability to professionalisation at the level of the legal framework, it is important that regulations clearly define professionalisation as a strategic objective in the public procurement system. Being an area in which a balanced participation of public and private sectors is essential (including the normative/regulatory function, public and private academic institutions, professional associations, content and training providers, certification bodies, among others), the legal framework should include references to such participation, or at least not contain provisions that may result in restriction of private sector participation.

✓ Synthesis of the indicator

Professionalisation is established in the regulatory framework for public procurement as a strategic objective and there is a broad mandate to develop a professionalisation strategy. There are also general descriptions of roles and responsibilities for the Directorate for Public Procurement (*Dirección de Contratación Pública*, DCoP) and the procurement units of public institutions (*proveedurías*). However, these descriptions are too general and could be more detailed. Likewise, the stakeholder mapping exercise suggests that a wider set of stakeholders' responsibilities could be described, so that the governance of the professionalisation mandate is clear. Although there are no formal limitations to the participation of the private sector in the public procurement professionalisation market, findings suggest that there might be informal ones. Detailed guidelines and secondary regulations may be helpful to explicitly remove any potential barriers and ensure free concurrence, while also maintaining the consistency and quality of the professionalisation services available, bearing in mind the attributes of the ideal procurement official.

✓ Findings

The professionalisation of the procurement function is established as a strategic objective in Law N° 9986 (General Law on Public Procurement), specifically in Article 132. Such Article explicitly sets out that the Public Procurement Authority (*Autoridad de Contratación Pública*, ACP) will design a professionalisation strategy, including certification and training of the public procurement workforce, as well as the accreditation of institutional procurement units. It also mandates the DCoP of the Ministry of Finance to advance professionalisation measures and facilitate collaboration with knowledge centres. Likewise, Decree N° 43808-H (Bylaws to the General Law on Public Procurement), Article 52, establishes that the professionalisation strategy will include public policy objectives, indicators, strategy, and guidelines relative to strategic public procurement.

Even though Law N° 9986 only provides a general mandate to develop a procurement professionalisation strategy, Decree N° 43808-H contains a more detailed description of the roles and responsibilities of different stakeholders. For example, DCoP is defined as the execution arm for the ACP and in charge of developing guidelines for the professionalisation of *proveedurías*, promoting capacity building, and evaluation. DCoP is also tasked with implementing certifications to ensure procurement officials know their functions, duties, and responsibilities. On their side, public institutions are responsible for ensuring current procurement staff and individuals to be hired to work in *proveedurías* are adequate for their tasks. They are also mandated to carry out self-assessments to keep up to date.

There are no explicit legal limitations to the participation of the private sector in capacity building activities. For example, Fidelitas University has a Master in Business Administration with a concentration on procurement, the Central American Institute of Public Administration (*Instituto Centroamericano de Administración Pública*, ICAP) had a master's degree in public procurement, the School of Public Administration of the University of Costa Rica (*Universidad de Costa Rica*, UCR) used to offer a bachelor's degree in public procurement and the Costa Rica Institute of Technology (*Tecnológico de Costa Rica*, TEC) offers a programme for Specialist in Public Procurement.⁶ Public officials are free to enrol in these programmes and, in some cases, public institutions have provided partial scholarships, for example, Costa Rica's Electricity Utility (*Instituto Costarricense de Electricidad*, ICE). According to a survey applied by OECD

⁶ OECD (2020), *Towards a new vision for Costa Rica's public procurement system: Assessment of key challenges for the establishment of an action plan*, OECD Publishing, Paris.

to public entities, universities, and business associations, this perception of lack of barriers is mostly shared. However, a survey applied to public officials from the six institutions with the highest public procurement budgets showed that there are perceptions that public officials are not free to determine which professionalisation services to select. From a sample of 881 officials, 40.3% disagreed or strongly disagreed that they are free to do it. This was a topic discussed during the validation workshop, where procurement practitioners explained that this might be due to the fact that some institutions have established rules and protocols to access professionalisation services (i.e. training) in order to advance consistency and alignment with organisational planning and objectives.

On top of the findings described above, as detailed guidelines and secondary regulations have not been developed yet, there are no explicit rules for participation in the procurement professionalisation market of publicly funded entities and state-owned enterprises (SOE) that promote fair competition. There is only a broad statement on the possibility for DCoP to enter into agreements with universities and knowledge centres, as established in Article 132 of Law N° 9986. The robustness and quality of the services provided should also be monitored to ensure a standard that really supports the professionalisation of the procurement function.

✓ **Gaps**

Minor gaps

The stakeholder mapping carried out during the fact-finding mission suggests that the level of detail of the roles, functions, and responsibilities established in Decree N° 43808-H could still go more in-depth. For example, it would be important to define the roles of line ministries, control and audit authorities, and knowledge centres. It is critical to define the governance of the professionalisation strategy to avoid a “blaming game”. Likewise, there are stakeholders who can contribute to the professionalisation strategy, but their roles are not described in the regulatory framework available so far.

Even though there are no legal or formal restrictions to the participation of the private sector in the professionalisation market, answers to our survey suggest there might be informal barriers.

Substantive gaps and red flags

The lack of guidelines and secondary rules for participation in the public procurement professionalisation market may breed the perception of the private sector and public officials about practical limitations. Although the impact of such perception may be high as it may discourage future participation by the private sector, therefore hindering the achievement of professionalisation objectives, the risk can be classified as medium as it can be mitigated by establishing clear rules and criteria for participation. However, DCoP should be aware not only of formal barriers, but also informal ones. As the level of risk is medium, this is not classified as a red flag.

• **Recommendations**

I.1. Future guidelines and secondary regulations should aim to provide more detail into the governance of the procurement professionalisation strategy, including the roles of a wider set of stakeholders.

I.2. DCoP could work with stakeholders such as universities and business associations to better understand the practical limitations for the private sector to participate in the procurement professionalisation market and agree on shared solutions.

1.3. Future guidelines and secondary regulations should establish the rules for participation in the procurement professionalisation market, aiming to strike a balance between free concurrence and ensuring the consistency and quality of the services provided. The latter objective may also be achieved through non-regulatory approaches.

Summary of substantive gaps and recommendations of Prof-Indicator 1

Substantive gap	Risk classification and red flags	Recommendations
1(b): The lack of guidelines and secondary rules for participation in the public procurement professionalisation market may breed the perception of the private sector and public officials about practical limitations.	Medium: Although the impact of such perception may be high as it may discourage participation by the private sector, therefore hindering the achievement of professionalisation objectives, the risk can be classified as medium as it can be mitigated by establishing clear rules and criteria for participation. DCoP should also be aware of informal barriers. As the level of risk is medium, this is not classified as a red flag.	1.3. Future guidelines and secondary regulations should establish the rules for participation in the procurement professionalisation market, aiming to strike a balance between free concurrence and ensuring the consistency and quality of the services provided. The latter objective may also be achieved through non-regulatory approaches.

Prof-Indicator 2. Implementing regulations and tools to support public procurement professionalisation

This indicator verifies that the implementing regulations and tools of the public procurement system include support for professionalisation, as well as the internal and external recognition of the importance of professionalisation in the performance of the national procurement system.

✓ Synthesis of the indicator

The regulatory framework for public procurement mandates the development of a professionalisation strategy and commands DCoP to promote professionalisation through capacity building and certification. There is an explicit recognition that professionalisation will lead to improved performance and quality of expenditures. However, in practice, the degree of awareness about the strategic nature of public procurement varies significantly from one institution to the other. Decree N° 43808-H provides greater details on the provisions established in Law N° 9986, but it remains at a strategic level and does not elaborate on operational processes. Even though the regulatory framework establishes general procurement principles (i.e. integrity, value for money, transparency, free concurrence, among others), it does not provide a clear definition of prioritised objectives, the evaluation of professionalisation activities, and impacts, as well as profiles, career paths, or learning and development for the procurement workforce, but all these operational elements may be developed in the professionalisation strategy or in DCoP guidelines to allow for greater flexibility. In contrast, Law N° 9986 establishes that public procurement should serve for the achievement of national and local social development, economic empowerment of

vulnerable groups, environmental protection, and innovation. In consequence, guiding documents for the professionalisation of the procurement workforce, including the strategy, will need to go into detail regarding functions, professional levels, and specialisation of procurement officials. A competency matrix and a certification framework would be useful for this purpose. Likewise, it will be key to ensure buy-in from the whole-of-government through stakeholder engagement.

✓ Findings

Law N° 9986 mandates the development of a professionalisation strategy and Decree N° 43808-H commands DCoP to promote professionalisation through capacity building and certification. In order to complement these mandates, the guidelines and secondary rules to be drafted by DCoP should also include a competency matrix to steer training and certification activities. That said, the degree of awareness about the strategic nature of public procurement varies significantly from one institution to the other. In practice, such awareness is often linked to strong leadership to reform and modernise public procurement. Indeed, some institutions have already elevated the procurement function and recognise it as a profession, such as Costa Rica's Social Security Fund (*Caja Costarricense de Seguro Social, CCSS*). In this case, the Logistics Department developed 54 profiles for procurement officials and integrated a database of its procurement staff, which is distributed in 137 procurement units throughout the country. Costa Rica's National Bank (*Banco Nacional de Costa Rica, BNCR*) also put together a registry of its procurement officials, including their professional profiles. Such good practices have not followed a standard as there is simply none at the moment. DCoP will have to close these gaps so that existing practices align to a standard and other contracting authorities follow such lead. Indeed, the spirit of the professionalisation mandate aims at coherent whole-of-government practices. In general, the professional objective is shared amongst public institutions. Out of the sample of 881 officials in the six institutions with the highest procurement budgets, 61.3% strongly agreed or agreed that the objective is shared in the whole-of-government.

Decree N° 43808-H, Article 321, establishes that DCoP will define horizontal training portfolios for an adequate performance of procurement functions. Hence there is an explicit recognition that professionalisation will lead to improved performance. Likewise, Article 320 mandates DCoP to prepare guidelines to promote professionalisation, contributing to the quality of expenditures, maximising savings, and ensuring the correct use of public resources. However, the current framework does not go into detail regarding functions, professional levels, and specialisation of procurement officials. CCSS is working to specialise procurement officials according to different categories, but this is still an ongoing effort.

Decree N° 43808-H provides greater details on the provisions established in Law N° 9986, but it remains at a strategic level and does not elaborate on operational processes. For example, it is not specific as to how the certification of procurement officials will be implemented. Likewise, the existing regulatory framework, while setting principles such as co-operation and sharing of good practices, does not provide a clear definition of prioritised objectives, the evaluation of professionalisation activities, and their impacts. Similarly, it does not provide specific details on elements such as profiles, career paths, or learning and development. The most detailed element is training, as Article 321 establishes priority topics for induction and continuous training such as regulatory framework, financial analysis, e-procurement, strategic public procurement, and risk analysis, among others. This does not necessarily imply that those operational details should be elaborated in primary laws. On the contrary, it may be easier and more

efficient, while allowing greater flexibility, to develop them in the professionalisation strategy and in guidelines issued by DCoP.

While Law N° 9986 and Decree N° 43808-H were subject to several rounds of consultation, organised by the General Comptroller's Office (*Contraloría General de la República*, CGR) and the Legislative Assembly, there are mixed perceptions as to the extent to which feedback was considered in the approved draft regulations. Neither Law N° 9986 nor Decree N° 43808-H anticipate stakeholder engagement for the development and implementation of the professionalisation strategy. There is only a reference to co-operation agreements to work with universities and knowledge centres.

Concerning strategic public procurement, Law N° 9986, in Article 20, establishes that public procurement should serve for the achievement of national and local social development, economic empowerment of vulnerable groups, environmental protection, and innovation. Likewise, Article 52 of Decree N° 43808-H explicitly states that professionalisation should facilitate the fulfilment of strategic procurement objectives. It provides that the professionalisation strategy should incorporate objectives, indicators, and guidelines relative to strategic public procurement and promote tools to implement it.

Regarding implementation of professionalisation of public procurement, there is no reference to an incremental or gradual approach.

✓ **Gaps**

Minor gaps

While the normative framework mandates linking professionalisation efforts with strategic public procurement objectives, there is still a need to develop the professionalisation strategy including complementary policy objectives to achieve, indicators, and guidelines, among other elements.

Substantive gaps and red flags

Law N° 9986 and Decree N° 43808-H already envision key elements that contribute to recognising public procurement as a profession. More detail can be provided in the guidelines and implementing regulations to be prepared regarding, for example, job classification, a competency model, a certification framework, and incentive mechanisms such as a career path and professional networks. Only some public entities, such as CCSS, have more systematic plans to advance the professionalisation of their procurement workforces and this recognition needs to be extended to the whole-of-government. The professionalisation strategy provides a tool to achieve such extension. The risk level is considered medium as there are experiences that illustrate that embracing public procurement as a profession is not only possible, but desirable, and actions can be taken to advance such recognition, particularly in light of the development of the professionalisation strategy.

Since the current regulatory framework does not go into detail regarding functions, professional levels, and specialisation of procurement officials, there is a significant gap. The first step to close this gap would be developing the strategy to provide such details, which is planned for 2024. The impact of not doing it might be lacking concrete steps to advance professionalisation, so the risk is deemed to be medium.

The professionalisation strategy has to be developed by 31 May 2024. Implementing regulations and guidelines should follow. Given that governance and operational aspects still have to be agreed and implemented through the professionalisation strategy, such missing elements may become a substantive

barrier to the achievement of the strategic objectives defined in the regulatory framework for the public procurement system, which is why this is considered a red flag. Furthermore, there is a risk of lack of political support and buy-in from the whole-of-government and the impact would be severe in terms of fulfilling the professionalisation mandate, which is why the risk is considered high. Furthermore, the lack of a professionalisation strategy would significantly hinder the possibility to achieve the objectives of the public procurement system, so this is considered a red flag.

Neither Law N° 9986 nor Decree N° 43808-H include details on objectives and implementation elements, such as the evaluation of impacts. All these items are to be developed in the implementing regulations. Lacking guidelines for these elements may significantly impede the professionalisation of the procurement function as the efforts may lack consistency across the whole-of-government. However, it should be stressed that such consistency can only stem from a participatory process in which the different stakeholders commit to the objectives and processes proposed and, as such, risks cannot be immediately mitigated, which is why this is considered a red flag. Furthermore, the leadership of the centre of government, fuelling DCoP actions, will be key to signal the high-level political support to develop the elements to operationalise the legal mandate for professionalisation. Failing to develop these elements would delay implementation, creating high risks for the process. In consequence, this is also considered a red flag.

While the current regulatory framework for the professionalisation of public procurement enlists specific training topics, it does not establish profiles, career paths, learning and development, and specialisation. The fact that a competency matrix has not been prepared hinders the development of the previous elements. So, in order to remedy this gap, there is a need to first develop a competency matrix, which may require some time. The lack of a competency matrix means that professionalisation efforts are lacking a “beacon” to guide them, which may significantly impede achieving the objectives of professionalisation policies. This leads to classify the gap as a red flag.

As the regulatory framework does not establish the principle of graduality or set out a timeframe for implementation of the professionalisation process, these are additional elements to be developed in the strategy and the implementing regulations. Failing to carry out such planning may lead to lack of sequential and sustained efforts, unstructured initiatives, and inconsistencies, so the consequences may severely jeopardise the professionalisation process, which is why the risk is considered high. As the development of the professionalisation strategy allows to incorporate the principle of graduality and is key for success, this is not considered a red flag.

Neither Law N° 9986 nor Decree N° 43808-H require stakeholder engagement for the development and implementation of the professionalisation strategy. This is key to develop buy-in by public officials and other stakeholders whose support would be precious to facilitate implementation. Stakeholder mapping should consider the contributions by each entity, as well as the potential for conflicts of interest in their participation. Poor socialisation of the process may lead to false expectations, misunderstandings of the concept of professionalisation, or wrong assumptions, for example, that the professionalisation process will hinder career opportunities or lead to downsizing the public sector. As the faith of the process can be significantly impacted by poor stakeholder engagement, the risk is considered high. Even worse, lack of buy-in may create obstacles to the professionalisation process, turning it into a red flag.

- **Recommendations**

I.4. ACP should lead the discussions with the different entities that regulate public employment so that public procurement is recognised as a stand-alone profession. The participation of MIDEPLAN, as leader of the public employment agenda. In the ACP should support this process.

I.5. ACP should elaborate, in the guidelines and implementing regulations, on the different elements that contribute to recognising public procurement as a profession. It may also look at good practices existing, for example, in CCSS and BNCR.

I.6. The guiding documents for the professionalisation of the procurement workforce, including the strategy, will need to go into detail regarding functions, professional levels, and specialisation of procurement officials. A competency matrix would be useful for this purpose.

I.7. In developing the professionalisation strategy and implementing regulations, DCoP could follow the next steps: i) Assessment of the current level of professionalisation; ii) stakeholder engagement; iii) drafting the professionalisation strategy; and iv) monitoring. The strategy should be a standalone document including context, vision, objectives, implementation period, leading entity, and resources.

I.8. The implementing regulations should be explicit about the general and specific objectives to be achieved through professionalisation, how such achievements will be measured, and their impact. Hence, DCoP should anticipate monitoring and evaluation activities (M&E) and key performance indicators (KPI).

I.9. DCoP should develop a competency matrix and a certification framework to be the foundations for profiles, career paths, learning and development strategies, and specialisation criteria.

I.10. One of the elements that the professionalisation strategy should consider is an implementation period. As this represents a structural reform of the procurement system, its implementation should be organised in stages and, ideally, on the basis of an action plan summarising key initiatives, responsible parties, KPI, and timeframe.

I.11. It is critical to map the stakeholders of the professionalisation process and engage them in the development and implementation of the strategy. Key stakeholders may include public entities, contracting authorities, anti-corruption bodies, the private sector, universities, knowledge centres, and civil society.

I.12. The development of the professionalisation strategy should incorporate the mandate and tools to advance strategic public procurement and how it will contribute to the achievement of social and environmental objectives.

Summary of substantive gaps and recommendations of Prof-Indicator 2

Substantive gap	Risk classification and red flags	Recommendations
2(a): Law N° 9986 and Decree N° 43808-H already envision key elements that contribute to recognising public procurement as a profession. More detail can be provided in the guidelines and implementing regulations to be prepared regarding, for	Medium: The risk level is considered medium as there are experiences that illustrate that embracing public procurement as a profession is not only possible, but desirable, and actions can be taken to advance such recognition, particularly in	I.5. ACP should elaborate, in the guidelines and implementing regulations, on the different elements that contribute to recognising public procurement as a profession. It may also look at good practices existing, for example, in CCSS and BNCR.

<p>example, job classification, a competency model, a certification framework, and incentive mechanisms such as a career path and professional networks.</p>	<p>light of the development of the professionalisation strategy.</p>	
<p>2(a): Since the current regulatory framework does not go into detail regarding functions, professional levels, and specialisation of procurement officials, there is a significant gap. The first step to close this gap would be developing the strategy and guiding documents to provide such details, which is planned for 2024.</p>	<p>Medium: The impact of failing to develop a strategy and the guiding documents might be lacking concrete steps to advance professionalisation, so the risk is deemed to be medium.</p>	<p>I.4. ACP should lead the discussions with the different entities that regulate public employment so that public procurement is recognised as a stand-alone profession.</p> <p>I.5. ACP should elaborate, in the guidelines and implementing regulations, on the different elements that contribute to recognising public procurement as a profession. It may also look at good practices existing, for example, in CCSS and BNCR.</p> <p>I.6. The guiding documents for the professionalisation of the procurement workforce, including the strategy, will need to go into detail regarding functions, professional levels, and specialisation of procurement officials. A competency matrix would be useful for this purpose.</p>
<p>2(b): The professionalisation strategy has to be developed by 31 May 2024. Implementing regulations and guidelines should follow.</p>	<p>High (red flag): Given that governance and operational aspects still have to be agreed and implemented through the professionalisation strategy, such missing elements may become a substantive barrier to the achievement of the strategic objectives defined in the regulatory framework for the public procurement system, which is why this is considered a red flag. Furthermore, there is a risk of lack of political support and buy-in from the whole-of-government and the impact</p>	<p>I.7. In developing the professionalisation strategy and implementing regulations, DCoP could follow the next steps: i) Assessment of the current level of professionalisation; ii) stakeholder engagement; iii) drafting the professionalisation strategy; and iv) monitoring. The strategy should be a standalone document including context, vision, objectives, implementation period, leading entity, and resources.</p>

	would be severe in terms of fulfilling the professionalisation mandate, which is why the risk is considered high. Furthermore, the lack of a professionalisation strategy would significantly hinder the possibility to achieve the objectives of the public procurement system, so this is considered a red flag.	
2(b): Neither Law N° 9986 nor Decree N° 43808-H include details on objectives and implementation elements, such as the evaluation of impacts. All these items are to be developed in the implementing regulations.	High (red flag): Lacking guidelines for these elements may significantly impede the professionalisation of the procurement function as the efforts may lack consistency across the whole-of-government. However, it should be stressed that such consistency can only stem from a participatory process in which the different stakeholders commit to the objectives and processes proposed and, as such, risks cannot be immediately mitigated, which is why this is considered a red flag. Furthermore, the leadership of the centre of government, fuelling DCoP actions, will be key to signal the high-level political support to develop the elements to operationalise the legal mandate for professionalisation. Failing to develop these elements would delay implementation, creating high risks for the process. In consequence, this is considered a red flag.	1.8. The implementing regulations should be explicit about the general and specific objectives to be achieved through professionalisation, how such achievements will be measured, and their impact. Hence, DCoP should anticipate M&E and KPI.
2(b): While the current regulatory framework for the professionalisation of public procurement enlists specific training topics, it does not establish profiles, career paths, learning and development, and specialisation. The fact that a	High (red flag): In order to remedy this gap, there is a need to first develop a competency matrix, which may require some time. The lack of a competency matrix means that professionalisation efforts are lacking a “beacon” to guide	1.9. DCoP should develop a competency matrix and a certification framework to be the foundations for profiles, career paths, learning and development strategies, and specialisation criteria.

<p>competency matrix has not been prepared hinders the development of the previous elements.</p>	<p>them, which may significantly impede achieving the objectives of professionalisation policies. This leads to classify the gap as a red flag.</p>	
<p>2(b): As the regulatory framework does not establish the principle of graduality or set out a timeframe for implementation of the professionalisation process, these are additional elements to be developed in the strategy and the implementing regulations.</p>	<p>High: Failing to adequately plan may lead to lack of sequential and sustained efforts, unstructured initiatives, and inconsistencies, so the consequences may severely jeopardise the professionalisation process, which is why the risk is considered high. As the development of the professionalisation strategy allows to incorporate the principle of graduality and is key for success, this is not considered a red flag.</p>	<p>I.10. One of the elements that the professionalisation strategy should consider is an implementation period. As this represents a structural reform of the procurement system, its implementation should be organised in stages and, ideally, on the basis of an action plan summarising key initiatives, responsible parties, KPI, and timeframe.</p>
<p>2(b): Neither Law N° 9986 nor Decree N° 43808-H require stakeholder engagement for the development and implementation of the professionalisation strategy.</p>	<p>High (red flag): Stakeholder engagement is key to develop buy-in by public officials and other stakeholders whose support would be precious to facilitate implementation. Furthermore, poor socialisation of the professionalisation process may lead to false expectations, misunderstandings, or wrong assumptions. As the faith of the process can be significantly impacted by poor stakeholder engagement, the risk is considered high. Even worse, lack of buy-in may create obstacles to the professionalisation process, turning it into a red flag.</p>	<p>I.11. It is critical to map the stakeholders of the professionalisation process and engage them in the development and implementation of the strategy. Key stakeholders may include public entities, contracting authorities, anti-corruption bodies, the private sector, universities, knowledge centres, and civil society.</p>

3.2. Pillar II – Institutional Framework and Management Capacity

The MAPS core methodology, Pillar II, assesses how the procurement system as defined by the legal and regulatory framework in a country is operating in practice through the institutions and management

systems that are part of the overall public sector governance in the country. It comprises five indicators and a total of fourteen sub-indicators.

This assessment of professionalisation reviews (1) the integration of professionalisation in the country's public procurement system; (2) whether professionalisation policy is part of a well-articulated planning, monitoring, and evaluation environment; and (3) the use of sound principles and standards.

Prof-Indicator 3. Professionalisation is a key component of the public procurement system

This indicator assesses whether professionalisation is a key component of the public procurement system and how it interrelates with other elements of the system, evaluating the capacity of the procurement system to support the professionalisation and the latter to provide the expected benefits to the system.

✓ **Synthesis of the indicator**

Law N° 9986 and Decree 43808-H represent a major reform for the public procurement system of Costa Rica, which includes the professionalisation of the function to support strategic and substantive objectives. A wider capacity-building strategy is mandated through periodic training and certification of procurement officials. In this context, the Ministry of Finance set up a Virtual Campus to provide online training and a virtual community for the exchange of experiences and good practices. A critical missing element of this professionalisation scheme is a competency framework, which would allow to steer training activities and certify the procurement workforce in a systematic manner. The professionalisation strategy to be presented in 2024 should anticipate this gap and mandate the preparation of a competency matrix.

✓ **Findings**

Law N° 9986 is a comprehensive reform for Costa Rica's public procurement system and professionalisation is part of this reform. Article 8 establishes the general principles for public procurement in Costa Rica, including the principle of value for money. The Law also provides for strategic results such as efficiency, effectiveness, and sustainability, which are to be supported by the professionalisation process.

The Law mandates for a broader capacity-building strategy. For instance, Article 131 establishes that staff in *proveedurías* should be fit-for-purpose and follow periodic training to achieve professionalisation and certification according to their functions. A wider capacity-building strategy is also pursued through the Virtual Campus of the Ministry of Finance (*Campus Virtual Hacendario*), which provides online training and a virtual community to share experiences. DCoP organised two trainings during 2023, on the regulatory framework and on sustainable public procurement, and has also carried out training on ethics for its own staff. Likewise, DCoP is currently developing the first virtual training on international instruments, together with COMEX. On top of that, DCoP organised 35 webinars during 2023 on topics such as framework agreements, value for money, ethics and probity, and professionalisation, among others.

Despite the availability of such trainings, the normative framework, namely Law N° 9986 and Decree 43808-H, does not mandate the elaboration of a competency matrix, which would dictate the qualifications, skills, and competences for procurement officials to perform adequately. It does, however, mandate the design of a certification framework and specific training portfolios, for example, on strategic public procurement, risk analysis, and e-procurement.

During 2023-2024, DCoP will draft the professionalisation strategy to address the gaps identified, based on mainly two assessments:

- A report produced by a consultant and supported by the Inter-American Network on Government Procurement (INGP)
- This report of the MAPS Professionalisation Module.

✓ **Gaps**

Minor gaps

Despite the fact that Law No 9986 provides for broad capacity-building strategies and that there are already ongoing initiatives to build capacities in the procurement workforce (e.g. the Virtual Campus), the professionalisation strategy for the procurement workforce is still work in progress.

The commissioning of the INGP report and the MAPS Professionalisation module are certainly evidence that the professionalisation strategy will rely on the assessment of the current situation. The next step is to actually bear in mind the recommendations from these two reports when drafting the professionalisation strategy.

Despite the fact that Law N° 9986 explicitly promotes better results and establishes principles such as value for money, the professionalisation strategy is still work in progress.

Substantive gaps and red flags

The competency framework is a critical element to allow procurement officials to identify and develop the skills and competences for adequate performance at different professional levels. When designed properly, the competency framework is also the guide to develop training portfolios aligned with the skills and competences required in the public procurement system and to tailor the certification scheme for procurement professionals to demonstrate they have mastered skills for the different functions and managerial levels. Indeed, in a survey applied by the OECD among 881 procurement officials in the six institutions with the highest procurement spending, 84% considered that the lack of a competency framework has hindered their ability to identify their training needs.

The failure to identify and develop the right skills for procurement officials may lead to a workforce that is not able to run procurement processes efficiently and effectively, having a serious impact in service delivery and the functioning of government. The likelihood of such disruptions is high when the procurement workforce is not able to respond timely to the needs of the population, for example, during a crisis created by natural hazards or a pandemic. Therefore, the risk is classified as high and can significantly hinder the capacity to fulfil the objectives of public procurement, so it is also classified as a red flag.

• **Recommendations**

II.1. The professionalisation strategy should be structured in a way that supports wider capacity-building initiatives and leverages on them to extend professionalisation throughout the procurement workforce. Indeed, the initiatives already under way can provide useful inputs and experiences to build on and determine other necessary capacity-building activities.

II.2. When drafting the professionalisation strategy, DCOP should consider the assessment and recommendations from the INGP report and the MAPS Professionalisation module. These two inputs could be the basis for a well-grounded strategy, based on robust evidence.

II.3. While drafting the professionalisation strategy, DCOP should align it with the strategic approach focused on results provided by the regulatory framework, as well as with principles such as value for money and sustainability, among others.

II.4. The professionalisation strategy should prescribe the development of a competency framework for procurement officials at different professional levels (i.e. junior, intermediate, advanced, and expert).

Summary of substantive gaps and recommendations of Prof-Indicator 3

Substantive gap	Risk classification and red flags	Recommendations
<p>3(a): The competency framework is a critical element to allow procurement officials to identify and develop the skills and competences for adequate performance at different professional levels.</p>	<p>High (red flag): The failure to identify and develop the right skills for procurement officials may lead to a workforce that is not able to run procurement processes efficiently and effectively, having a serious impact in service delivery. The likelihood of such disruptions is high when the procurement workforce is not able to respond timely to the needs of the population. Therefore, the risk is classified as high and can significantly hinder the capacity to fulfil the objectives of public procurement, so it is also classified as a red flag.</p>	<p>II.4. The professionalisation strategy should prescribe the development of a competency framework for procurement officials at different professional levels (i.e. junior, intermediate, advanced, and expert).</p>

Prof-Indicator 4. Professionalisation takes place in an environment of planning, monitoring and evaluation

This indicator assesses whether the legal and regulatory framework clearly and adequately specifies the institutions in charge of sustainable public procurement and it reviews their responsibilities, funding arrangements and staffing.

✓ **Synthesis of the indicator**

This indicator raises specific elements that were not originally considered in the legal framework for the professionalisation of the procurement function but should be incorporated in the professionalisation strategy under development. Such is the case, for example, of annual or multi-annual professionalisation plans, both at strategic and procurement unit level, formal assessments of skills needs and gaps, and M&E mechanisms and protocols. However, there are some previous and current efforts that could be leveraged.

For example, the information available in electronic platforms like the Observatory and SIAC could be useful to identify skills to be strengthened. Likewise, the implementation of the new Law on Public Employment (*Ley de Empleo Público*, LEP) could be leveraged to prepare employment plans of *proveedurías*. If such implementation details are considered and the current and previous initiatives are leveraged, professionalisation could become a powerful lever to support other procurement strategies dealing with social, economic, and environmental goals.

✓ Findings

Law N° 9986 establishes that the Public Procurement Authority (*Autoridad de Contratación Pública*, ACP) is in charge of developing the professionalisation strategy for the procurement function through its executing arm, DCoP.

In a survey carried out by the OECD among 881 procurement officials in the six institutions with the highest procurement spending, 61.3% agreed or strongly agreed that the professionalisation objective is shared in the whole-of-government. Indeed, professionalisation is key to support the implementation of national policies such as the National strategy for the substitution of plastics for renewable alternatives 2017-2021 and the National policy for sustainable production and consumption 2018-2030.

Nonetheless, no element of the regulatory framework currently in force in Costa Rica mandates DCoP or other public institutions to draft annual or multi-annual professionalisation plans for the procurement workforce. However, the new LEP requires government entities to prepare public employment plans. This is not a requirement specifically aimed at public procurement units but could be leveraged as a first step towards procurement professionalisation plans, in a joint effort with the corresponding human resources departments.

Since there is no competency matrix identifying the skills and competences required for procurement officials, there is no benchmark for a formal assessment of existing needs and gaps or to prepare procurement professionalisation plans. However, some institutions, at their own initiative, have already prepared such plans. For example, in 2010, after a CGR report identified numerous weaknesses, the Municipality of San José consolidated a plan establishing training and priority topics. Narrower plans focused on capacity building exist in INA.

Costa Rica has set up several electronic platforms that provide useful procurement information and data to develop evidence-based educational contents. The Consolidated Digital System (*Sistema Digital Unificado*, SDU) is the platform to carry out all procurement procedures. Training for the use of the system is free, but its actual use is not free, as it happens currently with the e-procurement platform SICOP. The Ministry of Finance also developed an Observatory of public procurement which provides historic, open, and reusable data about what and when is procured. Information available in SDU and the Observatory are available in open data format. Detailed and disaggregated information on procurement processes can also be consulted in the CGR's Integrated System of Procurement Activity (*Sistema Integrado de Actividad Contractual*, SIAC).

The CGR audit and monitoring reports on procurement activities are public, as well as challenges and resolutions, with some exceptions based on confidentiality rules and specific risks. Four out of the six institutions with the highest procurement spending agreed or strongly agreed that monitoring and

evaluation reports can be useful for the purpose of professionalisation. However, in a survey applied by OECD, not all stakeholders were aware that challenges, audit and monitoring reports are public.

Regarding monitoring and evaluation (M&E) of procurement professionalisation policies and their impacts, the regulatory framework does not anticipate a mandate to do it, even when this is a common practice amongst OECD countries (for example, in Italy and Lithuania). Such evaluation is not considered in any performance management system. A broad mandate at the level of primary laws would then open the door for providing detailed procedures in the professionalisation strategy or supporting guidelines.

✓ Gaps

Minor gaps

There are gaps concerning the availability of information and data on professionalisation issues. Information about existing professionalisation needs is not available as a full assessment has not been carried out. However, concerning public procurement priorities, business chambers and CSO considered that they are public. In a survey applied by the OECD to four educational institutions, three did not agree that the information available on public procurement professionalisation is ideal for data mining and analytics.

Substantive gaps and red flags

The current regulatory framework only includes a general mandate for the professionalisation of the procurement function, but does not describe detailed implementation procedures, including annual or multi-annual plans. Public institutions simply do not prepare professionalisation plans. The very few that do it, prepare them at their own initiative and without guidance, methodologies, or standards. Such lack of detailed plans may lead to disorder, poor co-ordination, and weak accountability, ending up in delays or plain implementation failures. Developing the capacities to plan for the implementation of the professionalisation process entails that the issue cannot be immediately mitigated. As the impact of these consequences is considerable, the risk is rated as high. Furthermore, the failure to fulfil the professionalisation objectives may have systemic impacts in the procurement system, so it is considered a red flag.

There is no mandate, benchmark, or methodology to carry out formal and periodic assessments of existing skills and gaps. Some countries such as New Zealand evaluate concrete skills and competences as the basis to prepare professionalisation plans. Without such assessments, training activities, for example, may be trying to tackle gaps that are not substantial, while failing to address significant ones, it is just hard to know. In this scenario, resources are wasted and priorities are missed. Ignoring skills needs and gaps may lead to a poorly trained procurement workforce, with dire impacts on the effectiveness and efficiency of the system, so this is rated as a high risk. Since such situation requires co-ordination, for which resources are extremely scarce, to be tackled and cannot be immediately mitigated, it is also considered a red flag.

Other strategic plans for the procurement system, for example, those on sustainable procurement, will need to be aligned with the professionalisation strategy. If properly aligned, professionalisation can be a powerful lever for strategic public procurement. On the contrary, lack of consistency will hinder those other strategies, missing the opportunity to create synergies. As some of these complementary strategies are national in scope, their impacts on well-being, the economy, and the environment can be substantial,

so the risk is considered high. Misalignment would significantly impede achieving the economic, social, and environmental objectives of strategic public procurement, so this is considered a red flag.

Since a professionalisation strategy is work in progress, there is still no methodology or KPI for M&E purposes. Such a gap implies that there would be no feedback loop to the professionalisation activities implemented by the administration. So, without such input, it would be hard to steer the policies and practices supporting the professionalisation process. Likewise, it would be difficult to identify and communicate successes to build support to the professionalisation process among different stakeholders. Material reforms are not one-off and do not happen instantly but require sustained support (political and resource-wise) to materialise. The likelihood of missing support in a scenario where weak M&E hinders the communication of progress and successes is high, hence the risk is considered high. An unsustainable professionalisation strategy may fail to deliver on its promises. However, the ongoing development of the professionalisation strategy opens up the opportunity to anticipate the need for M&E mechanisms, for which the inputs and experience of control authorities (i.e. CGR) would be useful.

- **Recommendations**

II.5. The professionalisation strategy should include details as to how the process will be implemented, including through annual or multi-annual plans at strategic level and at the level of each contracting authority.

II.6. The professionalisation strategy should include details as to how the process will be implemented, including through the formal and systematic assessment of skills needs and gaps at the level of each contracting authority. This could be part of the accreditation of *proveedurías*, which is mandated by Decree N° 43808-H.

II.7. DcoP could review the experience of those few institutions that have prepared professionalisation plans, such as the Municipality of San José, to identify good practices that may serve as a model to develop guidelines and templates that include preparing an assessment, defining objectives, building consensus, planning, and monitoring.

II.8. *Proveedurías*, working jointly with the corresponding human resources units, could take advantage of the mandate of the new LEP to draft their employment plans.

II.9. MIDEPLAN and DGSC should consider *proveedurías* in the guidelines they will draft to implement the new LEP, in alignment with the procurement professionalisation strategy being prepared.

II.10. DCoP should strengthen the sense of shared professionalisation goals and expectations amongst public officials by engaging them in the development of the strategy and institutional plans.

II.11. The professionalisation strategy should elaborate on the tools to provide the foundations for professionalisation plans. Ideally, such tools would allow assessing the maturity of public institutions and evaluating individual skills and knowledge of procurement practitioners.

II.12. As the regulatory framework for public procurement includes a mandate to implement strategic public procurement, professionalisation plans should consider how to contribute to its implementation and develop the relevant skills and competences.

II.13. The existing digital platforms (SDU and Observatory) should incorporate information about professionalisation plans and skills assessments once they are ready. On its side, SIAC information could be integrated with other systems to produce KPI on professionalisation.

II.14. The professionalisation strategy should include a requirement to publish professionalisation plans and assessments following open data standards, so that they are useful for data mining and analytics.

II.15. DCoP should design M&E mechanisms, including KPI, while drafting the professionalisation strategy. KPI should be specific, measurable, achievable, relevant, and timed (SMART).

II.16. When designed, M&E mechanisms for the professionalisation strategy should be included in the performance measurement guidelines of the general public procurement system.

II.17. Using OECD performance measurement framework, the professionalisation strategy should include mechanisms and indicators to assess the impact of professionalisation on the performance of public procurement at three levels: tender, contracting authority, and national.⁷

II.18. The measurement framework should cover the whole procurement cycle, identify three categories of indicators (compliance, efficiency, and strategic objectives), and be used by different stakeholders.

II.19. The professionalisation strategy should incorporate M&E protocols, procedures, and indicators, including how the results of such activities will be used as feedback.

Summary of substantive gaps and recommendations of Prof-Indicator 4

Substantive gap	Risk classification and red flags	Recommendations
4(a): The current regulatory framework only includes a general mandate for the professionalisation of the procurement function, but does not describe detailed implementation procedures, including annual or multi-annual plans. Public institutions simply do not prepare professionalisation plans. The very few that do it, prepare them at their own initiative and without guidance, methodologies, or standards.	High (red flag): Lack of detailed plans may lead to disorder, poor co-ordination, and weak accountability, ending up in delays or plain implementation failures. As the impact of these consequences is considerable, the risk is rated as high. Developing the capacities to plan for the implementation of the professionalisation process entails that the issue cannot be immediately mitigated. Furthermore, the failure to fulfil the professionalisation objectives may have systemic impacts in the procurement system, so it is considered a red flag.	II.5. The professionalisation strategy should include details as to how the process will be implemented, including through annual or multi-annual plans at strategic level and at the level of each contracting authority. II.10. DCoP should strengthen the sense of shared professionalisation goals and expectations amongst public officials by engaging them in the development of the strategy and institutional plans.

⁷ See for further reference OECD (2023), "Public procurement performance: A framework for measuring efficiency, compliance and strategic goals", *OECD Public Governance Policy Papers*, No. 36, OECD Publishing, Paris, <https://doi.org/10.1787/0dde73f4-en>.

<p>4(a): There is no mandate, benchmark, or methodology to carry out formal and periodic assessments of existing skills and gaps.</p>	<p>High (red flag): Without skills assessments, training activities, for example, may be trying to tackle gaps that are not substantial, while failing to address significant ones, it is just hard to know. In this scenario, resources are wasted and priorities are missed. Ignoring skills needs and gaps may lead to a poorly trained procurement workforce, with dire impacts on the effectiveness and efficiency of the system, so this is rated as a high risk. Since such situation requires co-ordination, for which resources are extremely scarce, to be tackled and cannot be immediately mitigated, it is considered a red flag.</p>	<p>II.6. The professionalisation strategy should include details as to how the process will be implemented, including through the formal and systematic assessment of skills needs and gaps at the level of each contracting authority. This could be part of the accreditation of <i>proveedurías</i>, which is mandated by Decree N° 43808-H.</p> <p>II.7. DCoP could review the experience of those few institutions that have prepared professionalisation plans, such as the Municipality of San José, to identify good practices that may serve as a model to develop guidelines and templates that include preparing an assessment, defining objectives, building consensus, planning, and monitoring.</p> <p>II.8. <i>Proveedurías</i>, working jointly with the corresponding human resources units, could take advantage of the mandate of the new LEP to draft their employment plans.</p> <p>II.9. MIDEPLAN and DGSC should consider <i>proveedurías</i> in the guidelines they will draft to implement the new LEP, in alignment with the procurement professionalisation strategy being prepared.</p> <p>II.11. The professionalisation strategy should elaborate on the tools to provide the foundations for professionalisation plans. Ideally, such tools would allow assessing the maturity of public institutions and evaluating</p>
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		individual skills and knowledge of procurement practitioners.
4(a): Other strategic plans for the procurement system, for example, those on sustainable procurement, will need to be aligned with the professionalisation strategy. If properly aligned, professionalisation can be a powerful lever for strategic public procurement.	High (red flag): Lack of consistency will hinder strategic plans for the procurement system, missing the opportunity to create synergies. As some of these complementary strategies are national in scope, their impacts on well-being, the economy, and the environment can be substantial, so the risk is considered high. Misalignment would significantly impede achieving the economic, social, and environmental objectives of strategic public procurement, so this is considered a red flag.	II.12. As the regulatory framework for public procurement includes a mandate to implement strategic public procurement, professionalisation plans should consider how to contribute to its implementation and develop the relevant skills and competences.
4(c): Since a professionalisation strategy is work in progress, there is still no methodology or KPI for M&E purposes.	High: The lack of M&E would imply that there would be no feedback loop to the professionalisation activities implemented by the administration. So, without such input, it would be hard to steer the policies and practices supporting the professionalisation process. Likewise, it would be difficult to identify and communicate successes to build support to the professionalisation process among different stakeholders. Material reforms are not one-off and do not happen instantly but require sustained support (political and resource-wise) to materialise. The likelihood of missing support in a scenario where weak M&E hinders the communication of progress and successes is high, hence the risk is considered high. An unsustainable professionalisation strategy may fail to deliver on its promises. However, the ongoing development of the	II.15. DCoP should design M&E mechanisms, including KPI, while drafting the professionalisation strategy. KPI should be specific, measurable, achievable, relevant, and timed (SMART). II.16. When designed, M&E mechanisms for the professionalisation strategy should be included in the performance measurement guidelines of the general public procurement system. II.17. Using OECD performance measurement framework, the professionalisation strategy should include mechanisms and indicators to assess the impact of professionalisation on the performance of public procurement at three levels: tender, contracting authority, and national. II.18. The measurement framework should cover the whole procurement cycle,

	professionalisation strategy opens up the opportunity to anticipate the need for M&E mechanisms.	identify three categories of indicators (compliance, efficiency, and strategic objectives), and be used by different stakeholders.
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Prof-Indicator 5. Professionalisation is based on sound principles and standards

This indicator refers to the use of sound principles and standards in the professionalisation policy.

✓ **Synthesis of the indicator**

Just like the previous one, this indicator flags critical elements that the professionalisation strategy ought to consider. On the one hand, even though the normative framework sets some principles to be incorporated in the professionalisation strategy such as ethics, continuous training, and certification to ensure professional competence and judgement, it does not refer to the skills, technical and soft, to be developed and tested in procurement officials. Once again, the need for a competency framework becomes evident. Furthermore, the value of on-the-job training is not recognised, so this should also be included in the professionalisation strategy. Likewise, performance evaluation protocols and mechanisms ought to be considered in the professionalisation strategy. Currently, performance evaluation is no different for procurement officials relative to others. While the LEP aims to standardise performance evaluation in the whole-of-government, there are also practices in institutions such as CCSS and ICE that may be helpful to design a framework as part of the professionalisation strategy.

✓ **Findings**

Even though the professionalisation strategy is not ready yet, Decree N° 43808-H establishes principles for its design. For example, Article 320 highlights that ethics should be promoted, and training, updating, and evaluation should be facilitated. It also promotes competence and interdisciplinarity by mandating the continuous training of procurement officials on topics such as ethics and probity, economics, data analysis, and finance. Likewise, certification is anticipated to ensure professional competence and judgement. However, there are no general references as to how soft skills and on-the-job experience will be incorporated. Indeed, the Decree does not recognise skills and competences, technical and business, to develop and test in procurement officials, so it will be up to the professionalisation strategy to do it so that the model remains flexible and avoids the need for complex legislative reforms. As the procurement profession is dynamic, it is important to retain such flexibility to accommodate trends and innovation.

In a survey of 881 procurement officials from the six institutions with the highest procurement spending, close to 60% agreed or strongly agreed that the training provided recognises the need to combine technical and practical knowledge. However, in meetings with university representatives, the OECD heard that the training provided by them is mostly theoretical.

Performance evaluation is another element of a professionalisation system that is not currently envisioned in the normative framework for the professionalisation of the procurement function. Institutions like CCSS, ICE, INA, and the Municipality of San José have experience in the subject, even when not necessarily focused on procurement officials. In general, performance evaluations are no different for procurement officials as for the rest of the public service.

The LEP aims to standardise the practice of performance evaluation in public institutions by setting a system in which achieving objectives accounts for 80% of the performance rating and competences account for 20%. MIDEPLAN is in the process of producing more detailed guidelines.

✓ Gaps

Minor gaps

The professionalisation strategy is still work in progress, so it cannot be assessed if it is based on sound principles.

Although the normative framework mandates the continuous training of procurement officials in different technical disciplines, it does not recognise the general role of practical knowledge, soft competences, and on-the-job experience. This could also be recognised at a more detailed level in the professionalisation strategy.

Substantive gaps

The normative framework for the professionalisation of the procurement function does not provide an indication of the skills to be developed and tested in procurement officials and the professionalisation strategy and the competency matrix are still to be prepared. As it has been raised previously, missing the identification of the skills required for the function implies that there is no beacon to guide professionalisation activities. This may lead to inconsistencies, poor co-ordination, and wasted resources. Likewise, it would impact throughout the different activities of the procurement cycle, so the risk is considered high.

Performance evaluation is another element of the procurement professionalisation system that needs to be developed in the strategy. Performance evaluation is key in a human resources management system as it allows to identify: i) staff underperforming and in need of capacity-building; ii) staff deserving promotion and incentives; and iii) missing and weak skills. The impact of not getting the performance evaluation system right can be significant as it can demoralise the procurement workforce and hinder a meritocratic environment. So, this is considered a high risk.

• Recommendations

II.20. While developing the professionalisation strategy, DCOP should include the principles provided by Decree N° 43808-H such as ethics, evaluation, and interdisciplinarity.

II.21. The professionalisation strategy should recognise the importance of practical and soft competences, how they will be incorporated in the competency matrix, developed, and certified, and the value of on-the-job training, mentoring, and job swapping.

II.22. The professionalisation strategy should anticipate the development of a competency matrix that includes both, technical and soft skills.

II.23. DCoP may want to look at ProcurCompEU as a source of inspiration to develop the competency matrix for Costa Rica.

II.24. The professionalisation strategy should devise the system and protocols for performance evaluation of procurement officials, including KPI, linking goals to organisational objectives, and measures to support adequate performance.

II.25. The performance evaluation system of procurement officials should support the professionalisation strategy by contributing to the identification of skills gaps and indicating priorities for capacity building.

Summary of substantive gaps and recommendations of Prof-Indicator 5

Substantive gap	Risk classification	Recommendations
<p>5(a): The normative framework for the professionalisation of the procurement function does not provide an indication of the skills to be developed and tested in procurement officials and the professionalisation strategy and the competency matrix are still to be prepared.</p>	<p>High: As it has been raised previously, missing the identification of the skills required for the function implies that there is no beacon to guide professionalisation activities. This may lead to inconsistencies, poor co-ordination, and wasted resources. Likewise, it would impact throughout the different activities of the procurement cycle, so the risk is considered high.</p>	<p>II.21. The professionalisation strategy should recognise the importance of practical and soft competences, how they will be incorporated in the competency matrix, developed, and certified, and the value of on-the-job training.</p> <p>II.22. The professionalisation strategy should anticipate the development of a competency matrix that includes both, technical and soft skills.</p> <p>II.23. DCoP may want to look at ProcurCompEU as a source of inspiration to develop the competency matrix for Costa Rica.</p>
<p>5(a): Performance evaluation is another element of the procurement professionalisation system that needs to be developed in the strategy. Performance evaluation is key in a human resources management system as it allows to identify: i) staff underperforming and in need of capacity-building; ii) staff deserving promotion and incentives; and iii) missing and weak skills.</p>	<p>High: The impact of not getting the performance evaluation system right can be significant as it can demoralise the procurement workforce and hinder a meritocratic environment. So, this is considered a high risk.</p>	<p>II.24. The professionalisation strategy should devise the system and protocols for performance evaluation of procurement officials, including KPI, linking goals to organisational objectives, and measures to support adequate performance.</p> <p>II.25. The performance evaluation system of procurement officials should support the professionalisation strategy by contributing to the identification of skills gaps and indicating priorities for capacity building.</p>

3.3. Pillar III - Public Procurement Operations and Market Practices

The MAPS core methodology, Pillar III, assesses the operational efficiency, transparency, and effectiveness of the procurement system by selecting and reviewing a sample of actual procurement cases of several procuring entities. It also looks at the market as one means of judging the quality and effectiveness of the system when putting procurement procedures into practice. Pillar III of the MAPS core methodology comprises two indicators and a total of six sub-indicators.

This assessment of professionalisation reviews (1) the existence of mechanisms integration to finance at least partially the education and training related costs of professionalisation; (2) whether public procurement is recognised as a professional career line; and (3) whether procurement education, training and certification are developed in a transparent market, free of distortions and where the field of play is levelled.

Prof-Indicator 6. The public procurement system has adequate financial mechanisms to finance the cost of education, training and certification of public procurement professionals

One of the challenges of professionalisation is the cost of education, training, and certification. Adequate funding is necessary to ensure quality education, training and certification that contributes to the sustainable development of the procurement professionalisation market.

Public funds allocated in the procurement entities' budgets must be available to finance at least partially the costs of education and training of their procurement officers.

✓ **Synthesis of the indicator**

A substantial reform such as the professionalisation of the procurement function requires resources for successful implementation. However, in Costa Rica, there are no budgetary resources currently allocated in DCoP to support the professionalisation process. Even though the new Law on Public Employment (*Ley de Empleo Público*, LEP) mandates the allocation of resources for professionalisation, this is not specific for the public procurement function. The current practice is that each public institution budgets the resources devoted to the professionalisation of its procurement staff but there is no benchmark to follow, which leads to significant variations. Recognising the fiscal restrictions faced by the country, several alternatives could be considered in addition to public budgets, such as raising revenues for procurement-related services. Furthermore, DCoP's unit in charge of developing and implementing the strategy is composed by only two officials. Hence, resources are necessary not only for training and educational purposes, but to support the wider professionalisation policy for the procurement function and the implementation of the strategy. This is a significant threat to the professionalisation process.

✓ **Findings**

Supporting a learning culture requires investment in capacity-building opportunities for the public procurement workforce. However, there are no budgetary resources in DCoP currently allocated specifically to the professionalisation of the procurement function. The new LEP mandates the allocation of resources for professionalisation and training, but this mandate is not targeted at procurement officials, and it is still unclear how the allocation will be processed. Recognising the fiscal restrictions faced by the

country, several alternatives could be considered in addition to public budgets, such as raising revenues for procurement-related services. For example, a percentage of the contracts awarded by using the e-procurement platform could be raised as a fee and those resources could be specifically tagged for professionalisation activities. The fee could be afforded either by the procurement authority, the participating bidders, or both. In any case, it would be important that any fee established does not hinder supplier participation. Furthermore, DCoP's unit in charge of developing and implementing the strategy is composed by only two officials. In order to address this shortage of human resources, DCoP could build a network of institutions to support the professionalisation of the procurement function including, for example, INA and IFAM. This network could be useful to share knowledge and pool resources to advance professionalisation initiatives.

A 2022 report by the Association of Professionals in administrative Procurement (*Asociación de Profesionales en Contratación Administrativa*, ASPROCA) and the Ibero-American Network for Public Procurement (*Red Iberoamericana de Contratación Pública*, REDICOP) found that 61% of 1 113 surveyed officials declared that training in their institutions is carried out leveraging internal resources. In fact, during the fact-finding mission, OECD confirmed that each public institution budgets its resources to train its procurement staff. In consequence, the allocation of resources for this purpose varies significantly from one institution to the other and is dependent on the recognition of procurement as a strategic activity. For example, resources for the training of CCSS procurement staff are considered an investment, not simple spending.

Indeed, the six institutions with the highest procurement spending have financed, at least partially, training for procurement officials during the last 12 months.

✓ **Gaps**

Substantive gaps and red flags

No budgetary resources are earmarked for the implementation of the professionalisation mandate for the public procurement function. Resources devoted to train procurement staff vary significantly from one institution to the other, as there is no benchmark for the whole-of-government. Furthermore, DCoP's unit in charge of developing and implementing the strategy is composed by only two officials. This may significantly hamper the process. As the likelihood of failures or delays of the professionalisation process in the absence of adequate and predictable resources is high, the risk is considered substantial. Furthermore, as this shortcoming cannot be immediately remedied and requires co-ordination from different stakeholders taking budgetary decisions, it is considered a red flag.

• **Recommendations**

III.1. The professionalisation strategy should estimate the amount and timing of the budgetary and human resources needed to advance the process effectively and according to the objectives defined. Ideally, such resources would be earmarked to ensure predictability and availability. Additionally, the funding strategy for professionalisation activities could consider raising revenues for procurement-related services and building a network of institutions to support the professionalisation of the procurement function.

III.2. As part of the professionalisation strategy, DCoP could establish a benchmark for training funding based on the size of the procurement workforce and skills gaps in each institution, among other indicators.

III.3. Bearing in mind the corresponding legal and budgetary analyses, the professionalisation strategy could aim at establishing a training institute for procurement professionals at *proveedurías*, which could be funded by budgetary allocations, through fees for services, or both. In any case, this institute would have to compete in the professionalisation market and avoid hindering market entry to keep a balanced playing field. Alternatively, the strategy could leverage on existing institutions such as INA and IFAM.

Summary of substantive gaps and recommendations of Prof-Indicator 6

Substantive gap	Risk classification and red flags	Recommendations
<p>6(a): No budgetary resources are earmarked for the implementation of the professionalisation mandate for the public procurement function. Resources devoted to train procurement staff vary significantly from one institution to the other, as there is no benchmark for the whole-of-government.</p>	<p>High (red flag): As the likelihood of failures or delays of the professionalisation process in the absence of adequate and predictable resources is high, the risk is considered substantial. Furthermore, as this shortcoming cannot be immediately remedied and requires co-ordination from different stakeholders taking budgetary decisions, it is considered a red flag.</p>	<p>III.1. The professionalisation strategy should estimate the amount and timing of the budgetary and human resources needed to advance the process effectively and according to the objectives defined. Ideally, such resources would be earmarked. Additionally, the funding strategy for professionalisation activities could consider raising revenues for procurement-related services and building a network of institutions to support the professionalisation of the procurement function.</p> <p>III.2. As part of the professionalisation strategy, DcoP could establish a benchmark for training funding based on the size of the procurement workforce and skills gaps in each institution, among other indicators.</p> <p>III.3. Bearing in mind the corresponding legal and budgetary analyses, the professionalisation strategy could aim at establishing a training institute for procurement professionals at <i>proveedurías</i>, which could be funded by budgetary allocations, through fees for services, or both. In any case, this institute would have to compete in the professionalisation market and</p>

		avoid hindering market entry to keep a balanced playing field. Alternatively, the strategy could leverage on existing institutions such as INA and IFAM.
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Prof-Indicator 7. Public procurement is recognised as a professional career line in the country’s public service

As a complement to the sub-indicator 8(b) of the core methodology (Recognition of procurement as a profession), this indicator evaluates specific aspects of such a recognition, like the existence of a competency framework, as well as a career path and how it compares to others, in terms of levels of remuneration and stability. This indicator is divided into three sub-indicators (a-c), which are evaluated individually.

✓ **Synthesis of the indicator**

Law N° 9986 and Decree 43808-H aim to elevate the procurement profession. However, in order to be successful, the professionalisation strategy should mandate the set-up of key elements: i) A competency framework as the basis to identify skills gaps and training needs, ii) a career path based on job profiles tailored to public procurement; iii) human resources management processes (e.g. recruitment and selection) adapted to the duties and needs of procurement officials; and iv) a certification framework that fulfils international standards, structured by level and/or job profiles. These elements would be key to attract and retain procurement professionals, which was certainly confirmed as a significant challenge during the validation workshop.

✓ **Findings**

A competency framework is used in OECD countries as a critical element for the professionalisation of the public procurement function. However, no such framework has been developed in Costa Rica as there is no identification of the skills and competences required by procurement professionals. 84% of the 881 procurement officials surveyed by OECD in the six institutions with the highest procurement spending consider that the lack of a competency framework has hindered the identification of training needs and planning of career paths. They also believe a competency framework is one of the initiatives that would contribute more strongly to promote professionalisation.

Surveyed officials identified competencies in need of strengthening, such as planning, legislation, e-procurement, contract management, and procurement strategies. These are similar to the competences identified by ASPROCA and REDICOP in a 2022 report and OECD in a 2021 review. These surveys are useful to identify skills gaps and training needs. Furthermore, institutions such as BNCR are already analysing institutional capacities for public procurement. Such efforts might be useful inputs for the professionalisation strategy.

Currently, in Costa Rica there is no career path or salary classification specific for procurement officials. Instead, they are considered in rather general administrative profiles. Setting up a career path would provide incentives for procurement staff. This is particularly important as procurement officials perceive their salary grade is below than that of budget or financial management staff. In fact, salaries are not

determined by being part of the procurement workforce, but by more general salary scales. For example, in BNCR there are salary ranges (*bandas salariales*), but they are not tailored to procurement officials. Hence, salaries are equivalent to those of other administrative functions and are not determined by the execution of procurement activities. Certainly, creating a specific salary classification for procurement officials would entail advantages, but also risks, like officials performing other functions demanding the same consideration in a tight fiscal situation of the country. This is something that ACP would have to assess thoroughly.

Under the strict fiscal limitations in Costa Rica, where increasing salaries is not an easy option, introducing a promotion system through a clear career path could be an alternative to create financial and non-financial incentives, as done in several OECD countries, rather than just increasing salaries. Setting up a career path can create financial incentives because it facilitates a promotion system which will be accompanied by a salary increase, but it can also contribute to promoting non-financial incentives through career development, for example.

Human resources management procedures are no different for procurement officials as for the rest of the public workforce, for example, relative to recruitment and selection, where the usual practice is to privilege internal candidates. There is not a standardised approach to the recruitment and selection of procurement staff. The process usually involves opposition procedures, tests, and interviews, but decentralised institutions have their own rules, for example.

Despite the fact that there is no competency framework or career paths for procurement officials, the normative framework does anticipate certification. DCoP is charged with the responsibility to certify procurement officials and accredit procurement units. 35% of OECD countries put in place a certification framework for the procurement workforce.⁸

Just like in the case of salaries, career stability does not depend directly on belonging to the procurement function. Turnover rate in 2019 was 2.53%, according to an OECD survey to 7 496 officials in 34 contracting authorities. The fact that public procurement is not considered a stand-alone profession facilitates turnover and movement to other administrative functions. According to an OECD survey applied to 881 procurement officials in the six institutions with the highest procurement spending, they have stayed in their current procurement positions for 8.6 years and have been in positions related to public procurement for 11 years, on average.

✓ Gaps

Minor gaps

Even though there is no real gap, as the salaries of the procurement function are comparable to those of other functions in absolute terms, there is a perception among procurement officials that their salaries are less competitive. This could create issues such as low morale, hindered motivation, and lack of attractiveness for the procurement profession.

Substantive gaps and red flags

⁸ OECD (2023), "Professionalising the public procurement workforce: A review of current initiatives and challenges", *OECD Public Governance Policy Papers*, No. 26, OECD Publishing, Paris, <https://doi.org/10.1787/e2eda150-en>.

Despite the importance granted by procurement officials to the need to have a competency framework and the identification of specific competences to be strengthened, the framework has not been developed. Indeed, Costa Rica currently does not have a competency framework for its public procurement workforce, which is a key step that the professionalisation strategy should consider to steer training and certification activities. This is so even when the OECD and ASPROCA/REDICOP surveys are useful to identify skills gaps and training needs. Without a competency framework, it is highly unlikely that there could be a concrete identification of skills gaps and training needs, so this is considered a high risk. Missing the right skills would hinder the achievement of the strategic goals of the public procurement system, so this is considered a red flag.

Likewise, there is no career path for procurement professionals, and they are rather classified as administrative officials. This does not help in conveying the idea that public procurement is a strategic activity. Furthermore, since there is no career path or competency matrix for procurement officials, there are no tailored human resources management processes for them. Indeed, the human resources practices for procurement officials are the same that apply to the general public workforce. Missing a career path could weaken the attractiveness of the procurement function and hinders the recognition of public procurement as a strategic activity and, in turn, as a stand-alone profession, which is the building block to advance professionalisation initiatives, hence it is considered a high risk. Moreover, building the attractiveness of the profession takes time and it cannot be immediately addressed, so it is also considered a red flag.

- **Recommendations**

III.4. DCoP, with MIDEPLAN's support as leader of the public employment agenda, should develop a competency matrix for the procurement function that serves as a key steppingstone of the professionalisation strategy.

III.5. The competency framework to be developed could consider the competences identified by OECD and ASPROCA/REDICOP as in need of strengthening.

III.6. The OECD and ASPROCA/REDICOP surveys, as well as BNCR analysis of institutional capacities, could be the basis for a first draft of a competency framework for the procurement function of Costa Rica.

III.7. The professionalisation strategy should strive to set public procurement as a stand-alone profession with clear career paths and a system of incentives, financial and non-financial, to attract and retain procurement officials, bearing in mind budgetary rules and limitations.

III.8. Elevate the procurement profession by tailoring human resources management processes to the specific skills, duties, features, and needs of procurement officials.

III.9. Together with a competency framework, the certification model is a steppingstone to establish a merit-based career path for procurement professionals. Hence, the professionalisation strategy should define the features and the timeline of the certification model, for example, how it will be structured and expiration, among others.

III.10. The professional certification framework to be developed should allow procurement officials to identify their skill gaps and can be used for human resource management purposes: recruitment, promotion, and training on specific skills and competences.

III.11. Clarifying how competitive the salaries of procurement officials are in order to avoid misperceptions potentially leading to low morale and motivation. This could be done during induction and performance evaluation sessions. At the same time, such competitiveness could be assessed vis-à-vis the responsibilities and risks of the procurement workforce.

Summary of substantive gaps and recommendations of Prof-Indicator 7

Substantive gap	Risk classification and red flags	Recommendations
<p>7(a): Despite the importance granted by procurement officials to the need to have a competency framework and the identification of specific competences to be strengthened, the framework has not been developed. Indeed, developing a competency framework for the procurement function is a key step that the professionalisation strategy should consider to steer training and certification activities. This is so even when the OECD and ASPROCA/REDICOP surveys are useful to identify skills gaps and training needs.</p>	<p>High (red flag): Without a competency framework, it is highly unlikely that there could be a concrete identification of skills gaps and training needs, so this is considered a high risk. Missing the right skills would hinder the achievement of the strategic goals of the public procurement system, so this is considered a red flag. Furthermore, the implementation of the competency matrix may take time, which implies that the risks stemming from its absence cannot be immediately mitigated.</p>	<p>III.4. DCoP, with MIDEPLAN's support as leader of the public employment agenda, should develop a competency matrix for the procurement function that serves as a key steppingstone of the professionalisation strategy.</p> <p>III.5. The competency framework to be developed could consider the competences identified by OECD and ASPROCA/REDICOP as in need of strengthening.</p> <p>III.6. The OECD and ASPROCA/REDICOP surveys, as well as BNCR analysis of institutional capacities, could be the basis for a first draft of a competency framework for the procurement function of Costa Rica.</p>
<p>7(b): There is no career path for procurement professionals and they are rather classified as administrative officials. This does not help in conveying the idea that public procurement is a strategic activity. Furthermore, since there is no career path or competency matrix for procurement officials, there are no tailored human resources management processes for them. Indeed, the human resources practices for procurement officials are the</p>	<p>High (red flag): Missing a career path could weaken the attractiveness of the procurement function and hinders the recognition of public procurement as a strategic activity and, in turn, as a stand-alone profession, which is the building block to advance professionalisation initiatives, hence it is considered a high risk. Moreover, building the attractiveness of the profession takes time and it cannot be immediately addressed, so it is also considered a red flag.</p>	<p>III.7. The professionalisation strategy should strive to set public procurement as a stand-alone profession with clear career paths and a system of incentives, financial and non-financial, to attract and retain procurement officials, bearing in mind budgetary rules and limitations.</p> <p>III.8. Elevate the procurement profession by tailoring human resources management processes to the specific skills,</p>

<p>same that apply to the general public workforce.</p>		<p>duties, features, and needs of procurement officials.</p> <p>III.9. Together with a competency framework, the certification model is a steppingstone to establish a merit-based career path for procurement professionals. Hence, the professionalisation strategy should define the features and the timeline of the certification model, for example, how it will be structured and expiration, among others.</p> <p>III.10. The professional certification framework to be developed should allow procurement officials to identify their skill gaps and can be used for human resource management purposes: recruitment, promotion, and training on specific skills and competences.</p>
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Prof-Indicator 8. Market conditions favour the development of professionalisation

Experience has shown that an open, transparent and diversified market, free of distortions and where the field of play is levelled, provides not only a broad range of professionalisation services but also several and diverse approaches.

✓ **Synthesis of the indicator**

A competitive and open environment exists for the education and training of procurement officials, as the regulatory framework does not introduce undue distortions in the market. However, perceptions from procurement officials indicate that there might be informal barriers. The normative framework establishes that ACP will validate certification services provided by public, educational, and private institutions. It will be important to observe better regulation principles to avoid this validation becoming a barrier to enter the market. The system for the certification of procurement officials varies by country, but there are some elements of good practice to consider such as owner, certification levels, exam requirements, expiration, and renewal conditions, among others. While concurrence is relatively free, the market for education services for procurement officials is still limited, so there is room to further leverage collaboration agreements with universities and knowledge centres. Opportunities will open up as the professionalisation strategy is launched and implemented, so it will be important to engage the educational and private sectors to widen training services throughout the country.

✓ Findings

A competitive and open environment exists for the education and training of procurement officials. The normative framework does not introduce undue distortions in the market. In other words, there are no legal limitations to the participation of the private sector in capacity-building activities. According to a survey applied by OECD to public entities, universities, and business associations, the perception of lack of barriers is mostly shared. However, procurement officials from the six institutions with the highest procurement spending believe they are not free to determine which professionalisation or training services to select, suggesting that there may be informal barriers or, as mentioned previously, rules to access professionalisation services established at the organisation level. More coherent standards and rules for the whole-of-government could be useful to avoid perceiving them as a barrier to access professionalisation services.

Certification procedures have not been defined, but the normative framework mandates ACP to validate certifications of procurement officials provided by public entities and training centres. This suggests that there will be multiple institutions certifying, including the educational and private sectors, but this is not completely clear yet. As long as the validation of certification services is based on clear requisites and procedures, as well as a consistent definition of the adequate skills of procurement officials (*estándar de idoneidad*), it will be a reasonable measure to ensure a quality standard while allowing free concurrence. Likewise, it will be important to ensure that the validation process is streamlined, based on better regulation principles and, ideally, completed electronically (subject to inspection and verification on the basis of risks). If these recommendations are adopted, procurement professionals will keep their freedom to choose training and professionalisation services they consider fit-for-purpose.

The system for the certification of procurement officials varies by country, but some characteristics to determine include the owner (who will manage the system), certification levels, requirement for exams, mandatory or voluntary completion, contents of exams, conditions for certification, validity/expiration, and renewal conditions, among others.

While the provision of training by DCoP and other contracting authorities does not hinder the development of a private market for education services, it is also true that the market is still underdeveloped. A possible reason for this is the lack of a professionalisation strategy and a competency framework to identify skills gaps and signal the kind of training required by procurement officials. It is expected that the market will grow as the professionalisation strategy is launched and implemented over time. Indeed, the practical skills to be strengthened will become evident as the strategy is implemented, opening up opportunities for educational and private entities. Fair competition and public-private co-operation could be advanced by addressing information asymmetries and encouraging suppliers of professionalisation services to inform about their methodologies, programmes, prices, instructors, and assessments by previously trained officials.

Formal training programmes have been offered by educational institutions such as Fidelitas University and the Central American Institute of Public Administration or ICAP (master's degree), as well as UCR (bachelor's degree) and Costa Rica Institute of Technology or TEC (Specialist Programme). Even though the number of formal programmes offered in the market are quite limited, those provided by ICAP or TEC recognised the need to study a variety of disciplines such as law, economics, finance, and conflict resolution. The same can be said about the training provided in Campus Virtual and the webinars organised by DCoP. On the other hand, it is hard to know if these training alternatives are adapted to the

needs of procurement officials as a full assessment of skills gaps based on a competency framework has not been completed.

The regulatory framework for the professionalisation of the procurement function mandates the accreditation of procurement units, but the details for implementation and methodologies are still to be defined. It also anticipates that DcoP may enter into co-operation agreements with universities and training centres to implement training and professionalisation activities. In fact, DcoP is in the process of establishing such agreements with UCR and UNED.

✓ Gaps

Minor gaps

Although there are no formal restrictions to the public procurement education and training markets, there is a perception among procurement officials that they are not free to choose professionalisation or training services, which may be indicative of informal barriers. More coherent standards and rules for the whole-of-government could be useful to avoid perceiving protocols to access professionalisation services as a barrier. Likewise, since certification procedures have not been defined yet, it is unclear to what extent such market will be open to free concurrence.

The professionalisation strategy is still work in progress, but it should follow the same principles provided by the normative framework so that competition and free concurrence are respected.

Formal degree and technical programmes on public procurement are still quite limited. Indeed, there are not so many programmes that recognise the interdisciplinary nature of public procurement.

There is room to leverage more the co-operation with universities and knowledge centres to provide systematic professionalisation services for procurement officials.

Substantive gaps and red flags

There are no detailed methodologies or procedures established for the accreditation of procurement units or the certification of procurement officials, as mandated by the normative framework for the professionalisation of the procurement function. As these two processes are critical for professionalisation, the lack of detailed procedures may lead to wrong perceptions about the objectives of professionalisation initiatives, for example, downsizing the public workforce. If such misconceptions disseminate, resistance will gain strength, potentially derailing the professionalisation process. As the severity of such situation is significant, this is considered a high risk. Moreover, as the implementation of accreditation and certification processes may take time in the context of limited resources and there are no aligned expectations, this is considered a red flag.

The programmes identified in TEC and ICAP addressed the competences in need of strengthening as identified by the OECD and ASPROCA/REDICOP. The same can be said of the training offered by DCoP. The main issue is that the number of programmes is limited and they may not be accessible in all the regions of Costa Rica. Furthermore, some programmes do not seem to be offered anymore. The limited reach of the programmes may lead to lack of consistency in the procurement practice throughout the Costa Rican territory. The risk is deemed medium.

• Recommendations

III.12. As there is a perception among procurement officials that they are not completely free to choose training services, it will be important that DCoP finds out what lies behind such perception. More coherent standards and rules for the whole-of-government could be useful to avoid perceiving them as a barrier to access professionalisation services. In any case, the contracting of professionalisation services should favour competitive and open processes.

III.13. DCoP could work with procurement officials and institutions to understand better the practical barriers to freely choose training and professionalisation services and agree with them on shared solutions to remove such barriers.

III.14. When designing the ACP validation process for certification services provided by public, educational, or private entities, it will be important to be transparent about the requisites and formalities to follow, so that the validation does not become a barrier to enter this market.

III.15. As mandated by the legal framework, DCoP should design the procedures, guidelines, and methodologies to advance the accreditation of the procurement units and the certification of procurement officials. In the case of certification, DCoP should define the different elements of good practice such as owner, certification levels, requirement for exams, mandatory or voluntary completion, contents of exams, conditions for certification, validity/expiration, and renewal conditions, among others. It may rely on elements of good practice from countries like Chile, Croatia, Lithuania, Peru, and Serbia, and national institutions like CCSS.

III.16. DCoP should engage universities, the education, and the private sector as it develops the professionalisation strategy, including the competency matrix and the certification framework, so that these institutions identify training needs and develop tailored programmes.

III.17. Once skills assessments are completed, DCoP could share the results with educational institutions. The results of OECD and ASPROCA/REDICOP surveys already indicate potential topics to develop tailored training.

III.18. The professionalisation strategy should open spaces for public and private educational institutions to develop formal multidisciplinary programmes for procurement professionals.

III.19. In its pursuit to develop capacity-building alternatives, DCoP could ask the market for solutions, so that competition allows for efficient and quality responses (i.e. bids).

III.20. DCoP should engage educational institutions throughout the country to motivate them to design formal training programmes and make them more accessible for procurement officials in the different regions. Fair competition and public-private co-operation could be advanced by addressing information asymmetries and encouraging suppliers of professionalisation services to provide detailed information about their services (i.e. prices, methodologies, assessments, etc.).

III.21. During the fact-finding mission, several stakeholders suggested the idea of creating a training centre for procurement officials, in collaboration between DCoP and educational institutions.

Summary of substantive gaps and recommendations of Prof-Indicator 8

Substantive gap	Risk classification and red flags	Recommendations
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<p>8(b): There are no detailed methodologies or procedures established for the accreditation of procurement units or the certification of procurement officials, as mandated by the normative framework for the professionalisation of the procurement function.</p>	<p>High (red flag): As the accreditation and certification processes are critical for professionalisation, the lack of detailed procedures may lead to wrong perceptions about the objectives of professionalisation initiatives, for example, downsizing the public workforce. If such misconceptions disseminate, resistance will gain strength, potentially derailing the professionalisation process. As the severity of such situation is significant, this is considered a high risk. Moreover, as the implementation of accreditation and certification processes may take time in the context of limited resources and there are no aligned expectations, this is considered a red flag.</p>	<p>III.15. As mandated by the legal framework, DCoP should design the procedures, guidelines, and methodologies to advance the accreditation of the procurement units and the certification of procurement officials. In the case of certification, DCoP should define the different elements of good practice such as owner, certification levels, requirement for exams, mandatory or voluntary completion, contents of exams, conditions for certification, validity/expiration, and renewal conditions, among others. It may rely on elements of good practice from countries like Chile, Croatia, Lithuania, Peru, and Serbia, and national institutions like CCSS.</p>
<p>8(b): The programmes identified in TEC and ICAP addressed the competences in need of strengthening as identified by the OECD and ASPROCA/REDICOP. The same can be said of the training offered by DCoP. The main issue is that the number of programmes is limited and they may not be accessible in all the regions of Costa Rica. Furthermore, some programmes do not seem to be offered anymore.</p>	<p>Medium: The limited reach of the programmes may lead to lack of consistency in the procurement practice throughout the Costa Rican territory. The risk is deemed medium.</p>	<p>III.16. DCoP should engage universities, the education, and the private sector as it develops the professionalisation strategy, including the competency matrix and the certification framework, so that these institutions identify training needs and develop tailored programmes.</p> <p>III.18. The professionalisation strategy should open spaces for public and private educational institutions to develop formal multidisciplinary programmes for procurement professionals.</p> <p>III.20. DCoP should engage educational institutions throughout the country to motivate them to design formal training programmes and make them more accessible for</p>

		procurement officials in the different regions.
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3.4. Pillar IV - Accountability, Integrity and Transparency of the Public Procurement System

The MAPS core methodology, Pillar IV, assesses the integrity of the public procurement system. It reviews the appropriateness of controls and anti-corruption measures and it covers means to enhance transparency. Pillar IV comprises four indicators and a total of seventeen sub-indicators.

This assessment of professionalisation reviews (1) whether the professionalisation policy considers ethics and accountability; and (2) the existence of mechanisms that support professional integrity in public procurement.

Prof-Indicator 9. The professionalisation policy considers ethics and accountability

This indicator evaluates the inclusion of ethical and integrity aspects in the professionalisation policy and plans and the ways in which the policy promotes a culture of management for results and accountability in the profession. There are two sub-indicators (a-b) contributing to this indicator.

✓ **Synthesis of the indicator**

Although the professionalisation strategy for the procurement workforce is work in progress, the normative framework mandates to incorporate ethics and integrity considerations, including training for procurement officials. Indeed, there is almost general agreement that the professionalisation strategy should include integrity considerations. Likewise, several different reforms and initiatives support building a culture of integrity among the procurement workforce. For example, the Public Employment Law (*Ley de Empleo Público*, LEP) mandates to carry out training on ethics and probity for public officials and the Comptroller's General Office (*Contraloría General de la República*, CGR) produced a guide that will be helpful to evaluate ethics in public processes, including public procurement. Furthermore, the National Strategy for Integrity and Prevention of Corruption (*Estrategia Nacional de Integridad y Prevención de la Corrupción*, ENIPC) includes activities to mitigate corruption risks in public procurement. Despite all these references to integrity and ethics, the regulatory framework is weak in terms of detailing management for results and accountability requirements. Likewise, it does not set incentive mechanisms (financial or non-financial) for procurement officials, which could be useful to attract and retain talented professionals.

✓ **Findings**

Although the professionalisation strategy is work in progress, Decree N° 43808-H mandates the incorporation of ethics and integrity considerations, including training of procurement officials. Such a mandate is consistent with other ongoing reforms and processes in Costa Rica. For example, the LEP establishes that the Ministry of Planning (MIDEPLAN) and the Public Ethics Attorney (*Procuraduría de la Ética Pública*, PEP) will issue mandatory guidelines to train public officials in ethics. Furthermore, Costa Rica promotes the ethics management model (*Modelo de Gestión Ética*, MGE), which inserts ethics in several management processes, including public procurement.

A survey applied by OECD to 881 procurement officials in the six institutions with the highest procurement spending found that 95% agree or strongly agree that the professionalisation strategy should include ethics and integrity considerations.

A CGR technical guide (*Guía Técnica para el Desarrollo de Auditorías de la Ética*) provides checklists for the components of an ethical framework and examples of what internal auditors should consider when evaluating ethics in public processes, including public procurement. Likewise, the ENIPC, launched in August 2021, in its component 5 “corruption risk management in the interaction between the public and private sectors” contains activities aimed at mitigating corruption risks in public procurement.

The Directorate for Public Procurement (*Dirección de Contratación Pública*, DCoP) is working in an Ethics Code for public procurement officials. The Costa Rican Institute of Electricity (*Instituto Costarricense de Electricidad*, ICE) already has an ethics code for its *proveeduría* and Costa Rica’s Red Cross developed a code of conduct for suppliers.⁹

As part of the public administration, DCoP participates in the integrity efforts mandated by the regulatory framework and the ENIPC. Decree N° 43808-H states that procurement officials should be guided by the public interest and the principles of good faith and probity, including avoiding conflicts of interest; refusing any gift, bribe, or gratuity; and adapting their behaviours to the highest standards of ethics and probity. Other regulations refer to internal control, ethical principles, and illicit enrichment.

Despite all these references to ethics and integrity and even though the national Constitution provides for the principle of accountability, the normative framework for the professionalisation of the procurement function only refers to management for results in the sense of providing continuous training to procurement officials. Likewise, it does not refer to incentive mechanisms for the procurement workforce, which can be important to attract and retain talented professionals, as well as to motivate their productivity. Incentives could be financial (e.g. wage increases and performance-linked bonuses) or non-financial (e.g. awards and training opportunities).

✓ Gaps

Substantive gaps and red flags

As Law N° 9986 and Decree N° 43808-H are rather general mandates on the professionalisation strategy, they do not provide detailed references to management for results or accountability requirements. Weak performance and accountability can lead to inefficiencies and affect the system as a whole. For example, unclear oversight lines and levels of authority could cause complacency for poor performance among procurement staff and a perception that such results have no individual consequences. For this reason, this is considered a high risk. Furthermore, creating an accountability culture may take time, which makes this omission a red flag.

There is no consideration to rewards or incentive mechanisms in the normative framework for the professionalisation of the procurement function. During the fact-finding mission and the validation workshop, the OECD heard complaints by staff from several institutions in the sense that attracting and retaining procurement professionals is difficult, not only because there is not a specific job profile for

⁹ While Costa Rica’s Red Cross is a civil society organisation, it is subject to Law N° 9986 given that about 40% of its funding comes from public resources.

them, but also because their salaries and compensations do not account for the risks they manage. Given these difficulties, this is considered a high risk. Moreover, given Costa Rica’s fiscal constraints, it might be difficult to opt for financial incentives, so this is also considered a red flag.

- **Recommendations**

IV.1. The professionalisation strategy should include the design of KPI to facilitate management for results. The OECD framework for measuring efficiency, compliance, and strategic goals could be the basis for this exercise.

IV.2. The professionalisation strategy should provide guidelines on accountability measures and supporting competences that will apply to procurement officials, including:

- Identifying clear lines of oversight to ensure that the chains of responsibility are consistent, that oversight mechanisms are in place, and that delegated levels of authority are well defined.
- Developing a system of clear and enforceable sanctions to provide adequate deterrence for wrongdoing, without creating risk-aversion in the procurement workforce.
- Managing complaints and challenges in a fair, timely, and transparent way to prevent wrongdoing, correct mistakes, and build trust in the procurement system.

IV.3. The professionalisation strategy should include a rewards and incentive mechanism to recognise behaviours and outstanding performance and contributions by procurement officials.

IV.4. In recognition of fiscal constraints, the rewards mechanism could include non-financial incentives such as awards, training opportunities, and extra holidays.

Summary of substantive gaps and recommendations of Prof-Indicator 9

Substantive gap	Risk classification and red flags	Recommendations
9(b): As Law N° 9986 and Decree N° 43808-H are rather general mandates on the professionalisation strategy, they do not provide detailed references to management for results or accountability requirements.	High (red flag): Weak performance and accountability can lead to inefficiencies and affect the system as a whole. For example, unclear oversight lines and levels of authority could cause complacency for poor performance among procurement staff and a perception that such results have no individual consequences. For this reason, this is considered a high risk. Furthermore, creating an accountability culture may take time, which makes this omission a red flag.	IV.1. The professionalisation strategy should include the design of KPI to facilitate management for results. IV.2. The professionalisation strategy should provide guidelines on accountability measures and supporting competences that will apply to procurement officials, including: <ul style="list-style-type: none"> - Identifying clear lines of oversight to ensure that the chains of responsibility are consistent, that oversight mechanisms are in place, and that delegated levels of

		<p>authority are well defined.</p> <ul style="list-style-type: none"> - Developing a system of clear and enforceable sanctions to provide adequate deterrence for wrongdoing, without creating risk-aversion in the procurement workforce. - Managing complaints and challenges in a fair, timely, and transparent way to prevent wrongdoing, correct mistakes, and build trust in the procurement system.
<p>9(b): There is no consideration to rewards or incentive mechanisms in the normative framework for the professionalisation of the procurement function.</p>	<p>High (red flag): During the fact-finding mission and the validation workshop, the OECD heard complaints by staff from several institutions in the sense that attracting and retaining procurement professionals is difficult, not only because there is not a specific job profile for them, but also because their salaries and compensations do not account for the risks they manage. Given these difficulties, this is considered a high risk. Moreover, given Costa Rica's fiscal constraints, it might be difficult to opt for financial incentives, so this is also considered a red flag.</p>	<p>IV.3. The professionalisation strategy should include a rewards and incentive mechanism to recognise behaviours and outstanding performance and contributions by procurement officials.</p> <p>IV.4. In recognition of fiscal constraints, the rewards mechanism could include non-financial incentives such as awards, training opportunities, and extra holidays.</p>

Prof-Indicator 10. The country has mechanisms that support professional integrity in public procurement

This indicator evaluates the existence of mechanisms that support professional integrity in public procurement and that sanction unethical conduct by procurement professionals.

In many cases, these mechanisms will be integrated into the general national fiscal control system, and in others will be part of the supervisory mechanisms established by the procurement normative/regulatory

function, or a combination of both, so the assessors could find that the required information coincides with that raised for the evaluation of Indicator 12 of the core methodology.

✓ **Synthesis of the indicator**

The institutional framework for integrity involves several entities such as the General Comptroller's Office (*Contraloría General de la República, CGR*), the internal audit units, the National Commission for Ethics and Values (*Comisión Nacional de Ética y Valores, CNEV*), the Institutional Commissions on Ethics and Values (*Comisiones Institucionales de Ética y Valores, CIEV*), the Public Ethics Attorney (*Procuraduría de la Ética Pública, PEP*), and the Office of the Ombudsman (*Defensoría de los Habitantes de la República, DHR*), among others. Citizens can report to the PEP misbehaviours by public officials. However, by law, the PEP cannot process anonymous reports. The CGR is Costa Rica's supreme audit institution and, as such, supervises the execution of regular and extraordinary budgets. The CGR can recommend the application of administrative sanctions if a public official breaks the rules or has caused damages to the treasury and such recommendations are binding. It is responsible for the asset declarations system as well. The CGR produced a methodology for conducting ethics audits (*Auditorías de la Ética*) to be carried out by internal auditors. The CGR also receives and processes corruption reports and, contrary to the PEP, processes anonymous reports as well. The civil service has established several mechanisms to prevent and detect irregular behaviour and corruption, for example, asset declarations. Leveraging on ICT and data analytics, the CGR reviews all the declarations submitted by public officials. The most common disciplinary sanctions include verbal reprimand or warning, written reprimand or warning, suspension from work without pay, and dismissal, revocation of appointment, or separation of the public function.

✓ **Findings**

The institutional framework for integrity includes the CGR, Internal Audit Units, and the PEP, among other bodies. The PEP carries out activities to prevent, detect, and fight corruption, as well as to advance ethics and transparency. Citizens can report to the PEP misbehaviours by public officials through an electronic platform, in written, or verbally. However, by law, the PEP cannot process anonymous reports. On top of that, the CNEV co-ordinates the National System of Ethics and Values through CIEV. The CNEV is responsible for promoting, developing, and strengthening ethics and values in Costa Rica.

The CGR is Costa Rica's supreme audit institution and, as such, supervises the execution of regular and extraordinary budgets. It also provides guidelines on internal control and maintains a registry of disciplinary sanctions to public servants. The CGR can recommend the application of administrative sanctions if a public official breaks the rules or has caused damages to the treasury and such recommendations are binding. The CGR also receives and processes corruption reports and, contrary to the PEP, processes anonymous reports as well. Likewise, it is responsible for the asset declarations system. After a 2022 OECD Integrity Review and leveraging on ICT and data analytics, the CGR reformed its verification protocols and now reviews all the declarations submitted by public officials. It verifies the information submitted by reviewing data bases such as those of the Social Security System (income), the Civil Registry (family ties), the Property Registry, and the Association of Engineers and Architects (incompatibilities) and leveraging analytics tools and techniques for the transformation, automation, and visualisation of results, supported by programming tools such as SQL and R and business intelligence software such as QlikView and Google Looker. The next table illustrates detected irregularities through the verification of the asset declarations.

<i>Year</i>	<i>Detected irregularity</i>	<i>Type of responsibility</i>	<i>Cases</i>	<i>Sanctions</i>
2021	Omission in the declaration	Administrative	39	7
2022	Omission in the declaration	Administrative	9	21
2023	Omission in the declaration	Administrative	31	13
	False information declared	Criminal	2	0
	Conflicts of interest	Administrative/criminal	9	0

Source: Information provided by the CGR.

Note: Since cases detected are investigated the year after, and given the time it takes for a resolution, the number of sanctions does not correspond to the number of cases in a given year. Cases of false information declared are submitted to the Public Attorney. Conflict of interest cases are submitted to the PEP.

The CGR has long been a leader of public procurement reform in Costa Rica. It completed four audits of public procurement processes in 2020, two in 2021, and sixteen in 2022. Likewise, in 2021 it carried out an operative audit on the effectiveness, efficiency, and economy of sustainable public procurement, and in 2022 on the degree of preparedness by the Ministry of Finance to implement Law N° 9986. The table below shows the compliance audits directed to some of the six institutions with the highest procurement spending over the last three years. Additionally, the CGR audited CONAVI seven times (one financial, one performance, and five compliance audits) during the execution phase of procurement of works such as bridges of the national highway network, SJ San Ramón corridor, highway maintenance, and management of the design of highway infrastructure projects, among others. Likewise, ICE was audited three times. Audit reports are publicly disclosed, which few exceptions anticipated in the legal framework and requiring justification. The number of reports for misbehaviour related to public procurement was 166 in 2020, 241 in 2021, and 242 in 2022.

<i>Year</i>	<i>Subject of the audit</i>
2022	Special audit on the management of procurement processes for goods carried out by the BNCR
2022	Special audit on the management of procurement processes for goods carried out by the municipalities of San José and others
2022	Special audit on the management of the project to widen the highway corridor San José-San Ramón
2021	Special audit on the procurement to address COVID-19 carried out by the CCSS
2019	Special audit on the governance of procurement processes carried out by the CCSS
2019	Special audit on the methodology adopted by CONAVI to control and follow up the deadline and cost during the execution phase of public works projects
2019	Special audit on the management of the project for the construction of the highway Chilamate-Vuelta Kooper

The CGR produced a methodology for conducting ethics audits to be carried out by internal auditors. It defines the ethical framework comprising three elements: Ethical programme, ethical environment, and integration of ethics within the institution's management system. Ethics audits create incentives to improve ethical management in public entities.

On top of all the previous activities, the CGR is currently collecting evidence about challenges in procurement processes to determine the main and more repetitive weaknesses.

Each public entity has an internal audit function whose main role is providing assurance to the entity to contribute to the achievement of the institutional mission. The internal audit function can receive complaints by citizens, while safeguarding the confidentiality of their identity and the evidence gathered during investigations. Corruption reports can also be filed to the public attorney or judicial investigation body.

On its side, the DHR delivers training on corruption prevention and participates in the Inter-Institutional Transparency Network.

In addition to the audit work by the CGR, each institution carries out audits on its processes through Services Comptrollers (*Contraloría de Servicios*), where citizens can file reports of misbehaviour to initiate investigations. The ENIPC includes as one of its objectives strengthening citizen oversight and promoting effective reports and protection of whistleblowers.

In terms of ethics and integrity training, the Ministry of Finance, together with the Attorney General Office (*Procuraduría General de la República*, PGR), developed a self-learning course on ethics and probity, which is used for induction of new officials of the Ministry. This Ministry also offered two courses on ethical rules and principles for procurement officials during the last 12 months. During 2023, DCoP organised webinars on ethics and probity, among other topics. The PEP offers training sessions, upon request, on topics such as reporting of corruption and conflicts of interest. On top of that, some institutions provide ethics training for their own staff, like ICE and CONAVI. ICE developed an Ethics Code for its *proveduría* and a Protocol to engage with suppliers and contractor. Even though training on ethics and probity is provided in the public sector, such training is not available by the educational sector.

The civil service has established several mechanisms to prevent and detect irregular behaviour and corruption, for example, asset declarations. The information to be declared is comprehensive and includes assets, income, and participation in companies, among others. However, there is no obligation to report about previous employment.

Regarding conflicts of interest, Costa Rica's legal framework used to be fragmented with blanket prohibitions and sanctions. The provisions in Law N° 9986 help providing consistency and clarity to address conflicts of interest in public procurement. First, Law N° 9986 adopts a wide scope in determining the officials subject to conflict-of-interest rules, which includes all the stages of the procurement cycle (i.e. from planning to execution and audit) and different roles (i.e. deciding, deliberating, providing opinions and advice). Second, it also provides detailed situations to determine the cases, the officials, and the private individuals and firms who are prohibited from participating in procurement processes. Third, it innovates in incorporating beneficial ownership as part of the prohibitions to participate in procurement processes. Finally, it includes in the prohibitions post-public employment considerations (i.e. legal persons who hire a former public official who intervened in a stage of the procurement process) and cool-off periods of 18 months. In addition, the PEP developed a Guide to prevent, identify, and manage conflicts of interest in the public sector, which provides detailed explanations of the concepts of a conflict of interest (real, apparent, and potential), as well as guidance to avoid, declare, and manage them. For example, while recommending to abstain from participating in a public decision where a conflict of interest exists, it also provides other alternatives such as transferring the official to other position, reassigning duties and responsibilities, and getting rid of the private interest creating the conflict.

While an 18-month cooling off period is consistent with practices in many OECD countries, it is also true that some of them adopt a case-by-case approach to assess risks and the scope of individual conflicts of interest and hence the cool-off period could be adjusted. Such analyses could be anticipated in the professionalisation guidelines for officials to identify their own conflicts of interest, Tailoring the duration of restrictions is also necessary depending on the type of problem area and level of seniority.

The most common disciplinary sanctions are verbal reprimand or warning, written reprimand or warning, suspension from work without pay, and dismissal, revocation of appointment, or separation of the public function.

✓ **Gaps**

Minor gaps

None of the four universities participating in the OECD survey (National University, UCR, UNED, and UTN) report offering programmes on the rules, principles, and regulations on ethics for procurement officials during the last 12 months.

A major integrity concern in many OECD countries is the conflict of interest stemming from movements from the private to the public sector and vice versa. The main challenge for governments is to strike a fair balance between, on the one hand, fostering public integrity and the safeguard of the public interest and, on the other hand, preserving a reasonable measure of employment freedom. A risk-based approach may be appropriate to reach such balance in Costa Rica's procurement authorities.

Substantive gaps

By law, anonymous reports are not processed by the PEP. Even when the identity of the whistleblower is supposed to remain confidential and there are sanctions for officials who disclose such information, this may discourage reporting of corrupt dealings. A culture of integrity requires an open organisational environment, where suspicions of corrupt or illegal acts can be reported without fear of reprisals. Indeed, public officials are often the first to realise when something is wrong, but they may not report because they do not trust the system will deal adequately with the issue, or because of fear of reprimands or being stigmatised. The risks of missing corrupt acts and failing to manage and sanction them may create an environment prone to corruption, so this risk is considered high. The recent approval in the Legislative Assembly of legislation on whistleblower protection should lead to the PEP reassessing its attributions to process anonymous reports, just like the CGR does.

• **Recommendations**

IV.5. The PEP should review its reporting procedures for whistleblowers to allow for anonymous reports, taking advantage of the law just approved by the Legislative Assembly to protect whistleblowers. Anonymous reporting can be critical to build trust and protect whistleblowers. As they may question the capacities of the institutions to protect their identities, confidentiality rules may not be enough to motivate reports.

IV.6. In establishing co-operation agreements with educational institutions and knowledge centres, DcoP could include projects to advance ethics and probity in public procurement.

IV.7. Costa Rica could strengthen its regulations on cool-off periods as the basis for managing conflict of interest, including the assessment of cases based on the risks entailed.

IV.8. DcoP could complement legislation with criteria and guidance for situations where a procurement official moves from or to a sector covered by his portfolio or where he had previous influence over government decisions.

IV.9. DcoP could put together a set of guidelines for procurement officials to manage different kinds of conflict-of-interest situations that go beyond prohibitions and incompatibilities and provide examples on how to resolve specific conflicts.

Summary of substantive gaps and recommendations of Prof-Indicator 10

Substantive gap	Risk classification	Recommendations
<p>10(a): By law, anonymous reports are not processed by the PEP. Even when the identity of the whistleblower is supposed to remain confidential and there are sanctions for officials who disclose such information, this may discourage reporting of corrupt dealings.</p>	<p>High: A culture of integrity requires an open organisational environment, where suspicions of corrupt or illegal acts can be reported without fear of reprisals. Indeed, public officials are often the first to realise when something is wrong, but they may not report because they do not trust the system will deal adequately with the issue, or because of fear of reprimands or being stigmatised. The risks of missing corrupt acts and failing to manage and sanction them may create an environment prone to corruption, so this risk is considered high. The recent approval in the Legislative Assembly of legislation on whistleblower protection should lead to the PEP reassessing its attributions to process anonymous reports, just like the CGR does.</p>	<p>IV.5. The PEP should review its reporting procedures for whistleblowers to allow for anonymous reports, taking advantage of the law just approved by the Legislative Assembly to protect whistleblowers. Anonymous reporting can be critical to build trust and protect whistleblowers. As they may question the capacities of the institutions to protect their identities, confidentiality rules may not be enough to motivate reports.</p>

4. Consolidated Recommendations

Pillar I

I.1. Future guidelines and secondary regulations should aim to provide more detail into the governance of the procurement professionalisation strategy, including the roles of a wider set of stakeholders.

I.2. DcoP could work with stakeholders such as universities and business associations to better understand the practical limitations for the private sector to participate in the procurement professionalisation market and agree on shared solutions.

I.3. Future guidelines and secondary regulations should establish the rules for participation in the procurement professionalisation market, aiming to strike a balance between free concurrence and ensuring the consistency and quality of the services provided. The latter objective may also be achieved through non-regulatory approaches.

I.4. ACP should lead the discussions with the different entities that regulate public employment so that public procurement is recognised as a stand-alone profession. The participation of MIDEPLAN, as leader of the public employment agenda. In the ACP should support this process.

I.5. ACP should elaborate, in the guidelines and implementing regulations, on the different elements that contribute to recognising public procurement as a profession. It may also look at good practices existing, for example, in CCSS and BNCR.

I.6. The guiding documents for the professionalisation of the procurement workforce, including the strategy, will need to go into detail regarding functions, professional levels, and specialisation of procurement officials. A competency matrix would be useful for this purpose.

I.7. In developing the professionalisation strategy and implementing regulations, DcoP could follow the next steps: i) Assessment of the current level of professionalisation; ii) stakeholder engagement; iii) drafting the professionalisation strategy; and iv) monitoring. The strategy should be a standalone document including context, vision, objectives, implementation period, leading entity, and resources.

I.8. The implementing regulations should be explicit about the general and specific objectives to be achieved through professionalisation, how such achievements will be measured, and their impact. Hence, DcoP should anticipate monitoring and evaluation activities (M&E) and key performance indicators (KPI).

I.9. DcoP should develop a competency matrix and a certification framework to be the foundations for profiles, career paths, learning and development strategies, and specialisation criteria.

I.10. One of the elements that the professionalisation strategy should consider is an implementation period. As this represents a structural reform of the procurement system, its implementation should be organised in stages and, ideally, on the basis of an action plan summarising key initiatives, responsible parties, KPI, and timeframe.

I.11. It is critical to map the stakeholders of the professionalisation process and engage them in the development and implementation of the strategy. Key stakeholders may include public entities, contracting authorities, anti-corruption bodies, the private sector, universities, knowledge centres, and civil society.

I.12. The development of the professionalisation strategy should incorporate the mandate and tools to advance strategic public procurement and how it will contribute to the achievement of social and environmental objectives.

Pillar II

II.1. The professionalisation strategy should be structured in a way that supports wider capacity-building initiatives and leverages on them to extend professionalisation throughout the procurement workforce. Indeed, the initiatives already under way can provide useful inputs and experiences to build on and determine other necessary capacity-building activities.

II.2. When drafting the professionalisation strategy, DCOP should consider the assessment and recommendations from the INGP report and the MAPS Professionalisation module. These two inputs could be the basis for a well-grounded strategy, based on robust evidence.

II.3. While drafting the professionalisation strategy, DCOP should align it with the strategic approach focused on results provided by the regulatory framework, as well as with principles such as value for money and sustainability, among others.

II.4. The professionalisation strategy should prescribe the development of a competency framework for procurement officials at different professional levels (i.e. junior, intermediate, advanced, and expert).

II.5. The professionalisation strategy should include details as to how the process will be implemented, including through annual or multi-annual plans at strategic level and at the level of each contracting authority.

II.6. The professionalisation strategy should include details as to how the process will be implemented, including through the formal and systematic assessment of skills needs and gaps at the level of each contracting authority. This could be part of the accreditation of *proveedurías*, which is mandated by Decree N° 43808-H.

II.7. DcoP could review the experience of those few institutions that have prepared professionalisation plans, such as the Municipality of San José, to identify good practices that may serve as a model to develop guidelines and templates that include preparing an assessment, defining objectives, building consensus, planning, and monitoring.

II.8. *Proveedurías*, working jointly with the corresponding human resources units, could take advantage of the mandate of the new LEP to draft their employment plans.

II.9. MIDEPLAN and DGSC should consider *proveedurías* in the guidelines they will draft to implement the new LEP, in alignment with the procurement professionalisation strategy being prepared.

II.10. DcoP should strengthen the sense of shared professionalisation goals and expectations amongst public officials by engaging them in the development of the strategy and institutional plans.

II.11. The professionalisation strategy should elaborate on the tools to provide the foundations for professionalisation plans. Ideally, such tools would allow assessing the maturity of public institutions and evaluating individual skills and knowledge of procurement practitioners.

II.12. As the regulatory framework for public procurement includes a mandate to implement strategic public procurement, professionalisation plans should consider how to contribute to its implementation and develop the relevant skills and competences.

II.13. The existing digital platforms (SDU and Observatory) should incorporate information about professionalisation plans and skills assessments once they are ready. On its side, SIAC information could be integrated with other systems to produce KPI on professionalisation.

II.14. The professionalisation strategy should include a requirement to publish professionalisation plans and assessments following open data standards, so that they are useful for data mining and analytics.

II.15. DcoP should design M&E mechanisms, including KPI, while drafting the professionalisation strategy. KPI should be specific, measurable, achievable, relevant, and timed (SMART).

II.16. When designed, M&E mechanisms for the professionalisation strategy should be included in the performance measurement guidelines of the general public procurement system.

II.17. Using OECD performance measurement framework, the professionalisation strategy should include mechanisms and indicators to assess the impact of professionalisation on the performance of public procurement at three levels: tender, contracting authority, and national.

II.18. The measurement framework should cover the whole procurement cycle, identify three categories of indicators (compliance, efficiency, and strategic objectives), and be used by different stakeholders.

II.19. The professionalisation strategy should incorporate M&E protocols, procedures, and indicators, including how the results of such activities will be used as feedback.

II.20. While developing the professionalisation strategy, DCOP should include the principles provided by Decree N° 43808-H such as ethics, evaluation, and interdisciplinarity.

II.21. The professionalisation strategy should recognise the importance of practical and soft competences, how they will be incorporated in the competency matrix, developed, and certified, and the value of on-the-job training, mentoring, and job swapping.

II.22. The professionalisation strategy should anticipate the development of a competency matrix that includes both, technical and soft skills.

II.23. DcoP may want to look at ProcurCompEU as a source of inspiration to develop the competency matrix for Costa Rica.

II.24. The professionalisation strategy should devise the system and protocols for performance evaluation of procurement officials, including KPI, linking goals to organisational objectives, and measures to support adequate performance.

II.25. The performance evaluation system of procurement officials should support the professionalisation strategy by contributing to the identification of skills gaps and indicating priorities for capacity building.

Pillar III

III.1. The professionalisation strategy should estimate the amount and timing of the budgetary and human resources needed to advance the process effectively and according to the objectives defined. Ideally, such resources would be earmarked to ensure predictability and availability. Additionally, the funding strategy for professionalisation activities could consider raising revenues for procurement-related services and building a network of institutions to support the professionalisation of the procurement function.

III.2. As part of the professionalisation strategy, DcoP could establish a benchmark for training funding based on the size of the procurement workforce and skills gaps in each institution, among other indicators.

III.3. Bearing in mind the corresponding legal and budgetary analyses, the professionalisation strategy could aim at establishing a training institute for procurement professionals at *proveedurías*, which could be funded by budgetary allocations, through fees for services, or both. In any case, this institute would have to compete in the professionalisation market and avoid hindering market entry to keep a balanced playing field. Alternatively, the strategy could leverage on existing institutions such as INA and IFAM.

III.4. DcoP, with MIDEPLAN's support as leader of the public employment agenda, should develop a competency matrix for the procurement function that serves as a key steppingstone of the professionalisation strategy.

III.5. The competency framework to be developed could consider the competences identified by OECD and ASPROCA/REDICOP as in need of strengthening.

III.6. The OECD and ASPROCA/REDICOP surveys, as well as BNCR analysis of institutional capacities, could be the basis for a first draft of a competency framework for the procurement function of Costa Rica.

III.7. The professionalisation strategy should strive to set public procurement as a stand-alone profession with clear career paths and a system of incentives, financial and non-financial, to attract and retain procurement officials, bearing in mind budgetary rules and limitations.

III.8. Elevate the procurement profession by tailoring human resources management processes to the specific skills, duties, features, and needs of procurement officials.

III.9. Together with a competency framework, the certification model is a steppingstone to establish a merit-based career path for procurement professionals. Hence, the professionalisation strategy should define the features and the timeline of the certification model, for example, how it will be structured and expiration, among others.

III.10. The professional certification framework to be developed should allow procurement officials to identify their skill gaps and can be used for human resource management purposes: recruitment, promotion, and training on specific skills and competences.

III.11. Clarifying how competitive the salaries of procurement officials are in order to avoid misperceptions potentially leading to low morale and motivation. This could be done during induction and performance evaluation sessions. At the same time, such competitiveness could be assessed vis-à-vis the responsibilities and risks of the procurement workforce.

III.12. As there is a perception among procurement officials that they are not completely free to choose training services, it will be important that DcoP finds out what lies behind such perception. More coherent standards and rules for the whole-of-government could be useful to avoid perceiving them as a barrier to access professionalisation services. In any case, the contracting of professionalisation services should favour competitive and open processes.

III.13. DcoP could work with procurement officials and institutions to understand better the practical barriers to freely choose training and professionalisation services and agree with them on shared solutions to remove such barriers.

III.14. When designing the ACP validation process for certification services provided by public, educational, or private entities, it will be important to be transparent about the requisites and formalities to follow, so that the validation does not become a barrier to enter this market.

III.15. As mandated by the legal framework, DcoP should design the procedures, guidelines, and methodologies to advance the accreditation of the procurement units and the certification of procurement officials. In the case of certification, DcoP should define the different elements of good practice such as owner, certification levels, requirement for exams, mandatory or voluntary completion, contents of exams, conditions for certification, validity/expiration, and renewal conditions, among others. It may rely on elements of good practice from countries like Chile, Croatia, Lithuania, Peru, and Serbia, and national institutions like CCSS, which are described in the indicator matrix.

III.16. DcoP should engage universities, the education, and the private sector as it develops the professionalisation strategy, including the competency matrix and the certification framework, so that these institutions identify training needs and develop tailored programmes.

III.17. Once skills assessments are completed, DcoP could share the results with educational institutions. The results of OECD and ASPROCA/REDICOP surveys already indicate potential topics to develop tailored training.

III.18. The professionalisation strategy should open spaces for public and private educational institutions to develop formal multidisciplinary programmes for procurement professionals.

III.19. In its pursuit to develop capacity-building alternatives, DcoP could ask the market for solutions, so that competition allows for efficient and quality responses (i.e. bids).

III.20. DcoP should engage educational institutions throughout the country to motivate them to design formal training programmes and make them more accessible for procurement officials in the different regions. Fair competition and public-private co-operation could be advanced by addressing information asymmetries and encouraging suppliers of professionalisation services to provide detailed information about their services (i.e. prices, methodologies, assessments, etc.).

III.21. During the fact-finding mission, several stakeholders suggested the idea of creating a training centre for procurement officials, in collaboration between DcoP and educational institutions.

Pillar IV

IV.1. The professionalisation strategy should include the design of KPI to facilitate management for results. The OECD framework for measuring efficiency, compliance, and strategic goals could be the basis for this exercise.

IV.2. The professionalisation strategy should provide guidelines on accountability measures and supporting competences that will apply to procurement officials, including:

- Identifying clear lines of oversight to ensure that the chains of responsibility are consistent, that oversight mechanisms are in place, and that delegated levels of authority are well defined.
- Developing a system of clear and enforceable sanctions to provide adequate deterrence for wrongdoing, without creating risk-aversion in the procurement workforce.

- Managing complaints and challenges in a fair, timely, and transparent way to prevent wrongdoing, correct mistakes, and build trust in the procurement system.

IV.3. The professionalisation strategy should include a rewards and incentive mechanism to recognise behaviours and outstanding performance and contributions by procurement officials.

IV.4. In recognition of fiscal constraints, the rewards mechanism could include non-financial incentives such as awards, training opportunities, and extra holidays.

IV.5. The PEP should review its reporting procedures for whistleblowers to allow for anonymous reports, taking advantage of the law just approved by the Legislative Assembly to protect whistleblowers. Anonymous reporting can be critical to build trust and protect whistleblowers. As they may question the capacities of the institutions to protect their identities, confidentiality rules may not be enough to motivate reports.

IV.6. In establishing co-operation agreements with educational institutions and knowledge centres, DCoP could include projects to advance ethics and probity in public procurement.

IV.7. Costa Rica could strengthen its regulations on cool-off periods as the basis for managing conflict of interest, including the assessment of cases based on the risks entailed.

IV.8. DCoP could complement legislation with criteria and guidance for situations where a procurement official moves from or to a sector covered by his portfolio or where he had previous influence over government decisions.

IV.9. DCoP could put together a set of guidelines for procurement officials to manage different kinds of conflict-of-interest situations that go beyond prohibitions and incompatibilities and provide examples on how to resolve specific conflicts.

5. Strategic Planning

Action plan for implementing the professionalisation strategy

No.	Initiative	Context	Action	Responsible authority(ies)	Estimated timeframe (*)	Deliverables	Indicators
1	Recognition of public procurement as a stand-alone profession	Public procurement is within a broader administrative classification, and not recognised as a stand-	Recognising public procurement as a stand-alone profession	DGSC ACP	Long	*Clear career paths for procurement officials established in HR rules and manuals. *System of incentives,	*Number of HR rules and manuals (i.e. government-wide and entity-level) establishing career paths for

No.	Initiative	Context	Action	Responsible authority(ies)	Estimated timeframe (*)	Deliverables	Indicators
		alone workstream				financial and non-financial, to attract and retain procurement officials, bearing in mind budgetary rules and limitations	<p>procurement officials.</p> <p>*Number of different financial and non-financial incentives (i.e. government-wide and entity level) established to attract and motivate procurement officials.</p> <p>*Number of financial and non-financial incentives actually granted to procurement officials per year</p>
2	Assessment of the capability level of the public procurement workforce	Costa Rica has not carried out a national-level survey to measure the current capability level of the public procurement workforce. However, Costa Rica has experience in piloting the ProcurCom pEU tools	Launching a national survey to measure the current capability level of the public procurement workforce to identify skills gaps and steer training activities	DCoP	Short	Report on the results of the national survey to measure current capabilities and gaps of the procurement workforce	<p>*Strengths identified</p> <p>*Weaknesses identified</p> <p>*Measures identified to close gaps</p> <p>*Measures implemented to close gaps by year</p>

N o.	Initiative	Context	Action	Responsible authority(ies)	Estimated timeframe (*)	Deliverables	Indicators
3	Competency model	A national competency model for the public procurement workforce does not exist in Costa Rica	Developing a national competency model for the public procurement workforce: <ul style="list-style-type: none"> • Drafting a competency matrix with multiple levels • Defining job profiles related to public procurement 	DCoP MIDEPLAN	Short	Competency model, including competency matrix and job profiles	*Competency model completed? *Number of <i>provedurias</i> implementing the competency model and job profiles
4	Certification framework	A certification framework does not exist in Costa Rica, but Law N° 9986 requires its development	Establishing a certification framework by aligning it with the national competency model for the public procurement workforce	DCoP	Medium	Certification framework defining issues such as owner, certification levels, requirement for exams, mandatory or voluntary completion, contents of exams, conditions for certification, validity/expiration, and renewal conditions	*Certification framework completed? *Number of suggested items addressed *Number of certified officials by year and by <i>proveduria</i>
5	Capacity-building	A formal capacity-building system for procurement officials does not exist in Costa Rica	Assigning an entity(ies) to be in charge of providing training relative to public procurement Developing a capacity-building system (training and	DCoP CECADES / DGSC	Medium	*Mandate to train procurement officials clearly allocated in law or strategy *Training portfolios aligned with gaps identified,	*Mandate to train procurement officials allocated in law or strategy? *Number of training portfolios

N o.	Initiative	Context	Action	Responsible authority(ies)	Estimated timeframe (*)	Deliverables	Indicators
			methodological assistance) by (i) prioritising the topics based on the assessment result of the current capability level of the public procurement workforce to identify skill gaps, and (ii) considering the competency model and the certification framework			competency model, and certification frameworks	<p>developed for procurement officials</p> <p>* Number of trained procurement officials by year and <i>proveeduría</i></p> <p>*Rate of trained officials who are successful in certification, per year and <i>proveeduría</i></p>
6	Financial incentives	A clear career path of the public procurement workforce does not exist in Costa Rica	Setting up a clear career path model for the public procurement workforce	DGSC DCoP	Long	Clear career paths for procurement officials established in HR rules and manuals.	*Number of HR rules and manuals (i.e. government-wide and entity-level) establishing career paths for procurement officials
7	Non-financial incentives	<p>Informal professional network of contracting authorities exists in Costa Rica, but could be formalised, more active and inclusive</p> <p>Excellence award system for public procurement does not exist in Costa Rica</p>	<p>Adopting non-financial incentive mechanisms such as: (i) revamping and formalising the existing professional network of contracting authorities, and (ii) establishing an excellence award system for public procurement</p>	DCoP	Medium	<p>*Communication materials about the network of contracting authorities</p> <p>*Programme of work for the network of contracting authorities</p> <p>*Project to award and recognise outstanding procurement officials (including the essence of the award: financial/non-financial)</p>	<p>*Number of <i>proveedurías</i> participating in the formal network</p> <p>*Number of procurement officials enrolled in the network</p> <p>*Number of procurement officials participating in the activities of the network</p> <p>*Awards (i.e. financial and non-financial) granted to</p>

No.	Initiative	Context	Action	Responsible authority(ies)	Estimated timeframe (*)	Deliverables	Indicators
							procurement officials by year
8	Collaboration with knowledge centers	Collaboration with knowledge centers is still limited in Costa Rica	Reinforcing the collaboration with knowledge centres to professionalise the public procurement workforce (e.g. collaboration to develop training, joint research, seminars, etc.)	DCoP Knowledge centers	Medium	Project to engage knowledge centers in the professionalisation strategy	*Number of knowledge centers engaged *Number of activities (i.e. workshops, courses, research, internships, etc.) carried out by knowledge centers in support of professionalisation strategy

Note: (*) Short term: Recommendations could be implemented within the next 12 months; Medium term: recommendations could be implemented between 1 to 3 years; Long term: recommendations could be implemented in more than 3 years.

6. Validation

The validation process consisted of two steps:

- Sharing the first draft for written comments: The OECD Secretariat sent the first draft of the report, including the indicator matrix, to DCoP for comments and fact-checking on 21 December 2023. DCoP sent comments back to the OECD Secretariat on 29 January 2024. Likewise, the CGR provided comments and suggestions on 7 February and additional support information on 16 February. With all these feedback items, the OECD Secretariat produced a second draft report, which was shared with DCoP on 19 February.
- Validation workshop: The validation workshop took place on 16 April 2024. The stakeholders that took part in the fact-finding mission of September 2023 were invited to participate. Thirty-eight participants from different ministries and agencies of the public sector, as well as representatives from universities and knowledge centres, discussed the report and provided feedback on the

findings and recommendations. The workshop was organised in four sessions, each to discuss a specific pillar. Each session was launched by an introductory intervention by OECD staff, comments by a leading Costa Rican institution (DCoP, CCSS, ICE, and CGR), discussions in working groups, and reports to the plenary. The feedback provided was analysed and incorporated into the final version of the report. The third version produced afterwards was then shared with the Assessment's Technical Advisory Group (ATAG). Annex 2 provides the agenda of the validation workshop; Annex 3 the slides used by the leading Costa Rican institutions; and Annex 4 contains pictures taken during the validation workshop.

Annexes/Appendices

Annex 1: Elements for drafting a professionalisation strategy

Article 132 of Law N° 9986 requires the ACP to develop a professionalisation strategy of the public procurement workforce within 18 months after its entry into force (1 December 2022). This implies that Costa Rica needs to develop a professionalisation strategy by the end of May 2024.

This assessment through the MAPS Professionalisation module will feed the development of the professionalisation strategy by assessing and providing the overall picture of the current initiatives. This annex aims at providing the elements that Costa Rica should consider as the professionalisation strategy is drafted and finalised towards the end of May 2024.

1. Engaging stakeholders

It is critical to identify and engage stakeholders during the process of developing and implementing a strategy, as they might have different views and conflicting interests. This process ensures that the professionalisation reform gains strong support through shared understanding and aligned expectations. The ACP and DCoP, as the leading authorities developing the professionalisation strategy, could consider setting up a multi-stakeholder taskforce as part of the process. This would contribute to setting up a vision and specific goals, clarifying the roles of each stakeholder, and ensuring political and financial commitment.

The following could be the key external stakeholders related to the development of the professionalisation strategy of the public procurement workforce:

- ✓ Public entities in charge of the public procurement system:
 - ACP
 - DCoP
- ✓ Public entities in charge of the civil service system and strategic planning:
 - DGSC (*Dirección General de Servicio Civil*), under MIDEPLAN.
 - MIDEPLAN, which also has a seat in the ACP.
- ✓ Public entities in charge of providing public procurement officials with training:
 - DCoP.



- CECADES, under the DGSC.
- ✓ Public entities related to thematic issues of strategic procurement (ministries and entities related to environmental protection, SME development, labour social affairs, innovation, and digitalisation, sustainable development, anti-corruption, competition, and audit):
 - Steering Committee of Sustainable Public Procurement (CDNCPS) including:
 - MINAE
 - MEIC
 - MTSS
 - PEP
 - COPROCOM
 - CGR
- ✓ Contracting authorities (providing their feedback on current professionalisation initiatives and participating in individual capability assessments).
- ✓ Private sector (economic operators and training providers, as well as relevant business chambers).
- ✓ Civil society and knowledge centers.

2. Drafting the contents of the strategy

Once the stakeholder engagement mechanism is established, ACP and DCoP, as the leading authorities developing the professionalisation strategy, can start drafting it. The professionalisation strategy should be a stand-alone document, as Article 132 of Law N° 9986 requires, and consistent with the six-year public procurement policy (*Plan Nacional de Compra Pública*), which is currently being prepared but has a wider focus, beyond professionalisation.

The professionalisation strategy should include at least the following elements:

- Background
- Key challenges and gaps identified
- Vision / objectives
- Specific actions and initiatives
- Implementation periods
- Leading entity and key stakeholders (roles and responsibilities)
- Alignment with other sectoral and national sustainable development strategies
- Financial resources.

The strategy could start by describing the background, context, and key challenges, as well as gaps identified. This MAPS assessment will feed the necessary elements for such items. They help setting up an overall vision and objectives, which will require close collaboration and discussion with key stakeholders.

The strategy should clearly describe the timeline, the leading entity to implement it, resources available, and the monitoring mechanism. It is important to set up the appropriate implementation period by considering the time required to execute all the activities and initiatives defined in the strategy. It will also be important to clearly mention the financial resources available to implement specific actions and initiatives, considering several factors such as the new Law of Public Employment, which might help to channel financial resources for capacity-building initiatives.



3. Specific actions and initiatives

Based on this MAPS assessment, specific activities to implement the professionalisation strategy in Costa Rica should include:

- Recognising public procurement as a stand-alone profession of the civil service workstream.
- Developing a competency model.
- Assessing the current capability level of the procurement workforce, based on the draft competency matrix.
- Developing a certification framework.
- Designing capacity-building systems.
- Setting-up incentive mechanisms (e.g. financial and non-financial) to increase the attractiveness of public procurement as a profession.
- Promoting collaborative approaches with knowledge centers.

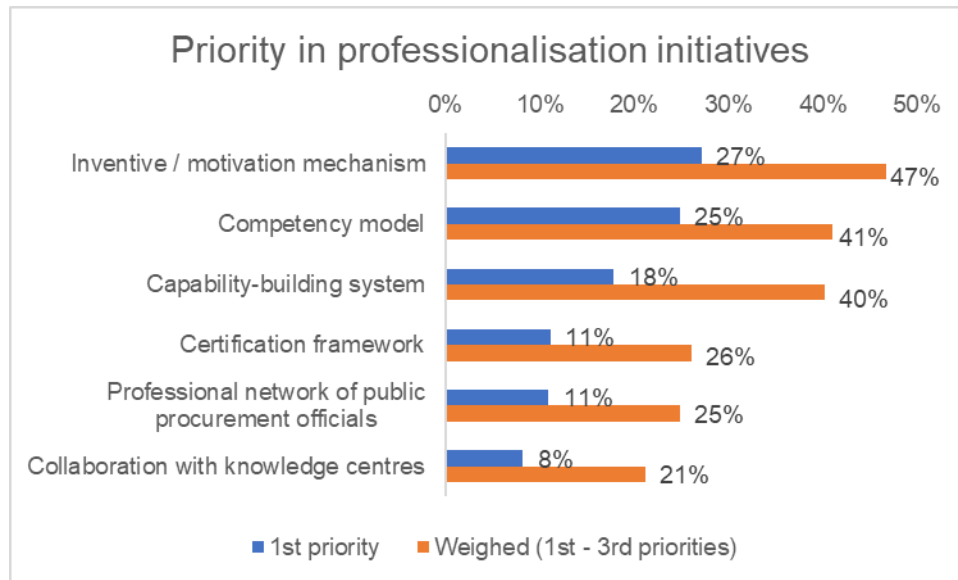
The Table in Chapter 5 (Strategic Planning) provides an example of the action plan for implementing the professionalisation strategy. It should be noted that this MAPS assessment provides insights into the current capability level of the procurement workforce and the current professionalisation initiatives. However, it will be ideal to relaunch the assessment survey at national level after the development of a draft competency model to analyse capability gaps based on the competences listed in the competency model. This would provide useful information to implement other initiatives such as identifying the skills that will need to be strengthened.

During this MAPS assessment process, the OECD applied a survey to 881 public procurement officials at six largest contracting authorities in Costa Rica, in terms of expenditure: National Learning Institute (*Instituto Nacional de Aprendizaje, INA*), Costa Rica's Social Security Fund (*Caja Costarricense de Seguro Social, CCSS*), Municipality of San José, National Bank of Costa Rica (*Banco Nacional de Costa Rica, BNCR*), Costa Rica's Institute of Electricity (*Instituto Costarricense de Electricidad, ICE*), and National Highways Council (*Consejo Nacional de Vialidad, CONAVI*). These six contracting authorities accounted for 42% of the total contract values awarded in 2022 in Costa Rica.

The survey results provide two key elements from the viewpoint of the 881 procurement officials: i) priorities in professionalisation initiatives; and ii) priorities for capability-building procurement topics. The following figure shows the results in terms of priority professionalisation initiatives:

Priority professionalisation initiatives





Note: The percentage of the “1st priority” was calculated for initiative by dividing (i) the number of the votes for the 1st priority by (ii) the total number of the survey participants (881 officials). The percentage of the “Weighted (1st-3rd priorities)” was calculated based on the accumulated score through the following scoring rules: (i) initiative selected as the 1st priority : 3 points, (ii) initiative selected as the 2nd priority : 2 points, (iii) initiative selected as the 3rd priority : 1 point. Then, the accumulated score gained by each initiative was divided by the maximum potential score (2 643 points: 3 points * 881 votes/participants). For example, “Incentive / motivation mechanism” obtained 1 243 points as the total weighted scores, and this 1 243 points was divided by 2 643 points to gain 46.7%.

Source: Prepared by the author based on the response to the survey to 881 public procurement officials working in the six largest contracting authorities in Costa Rica in terms of expenditure: INA, CCSS, Municipality of San José, BNCR, ICE, and CONAVI.

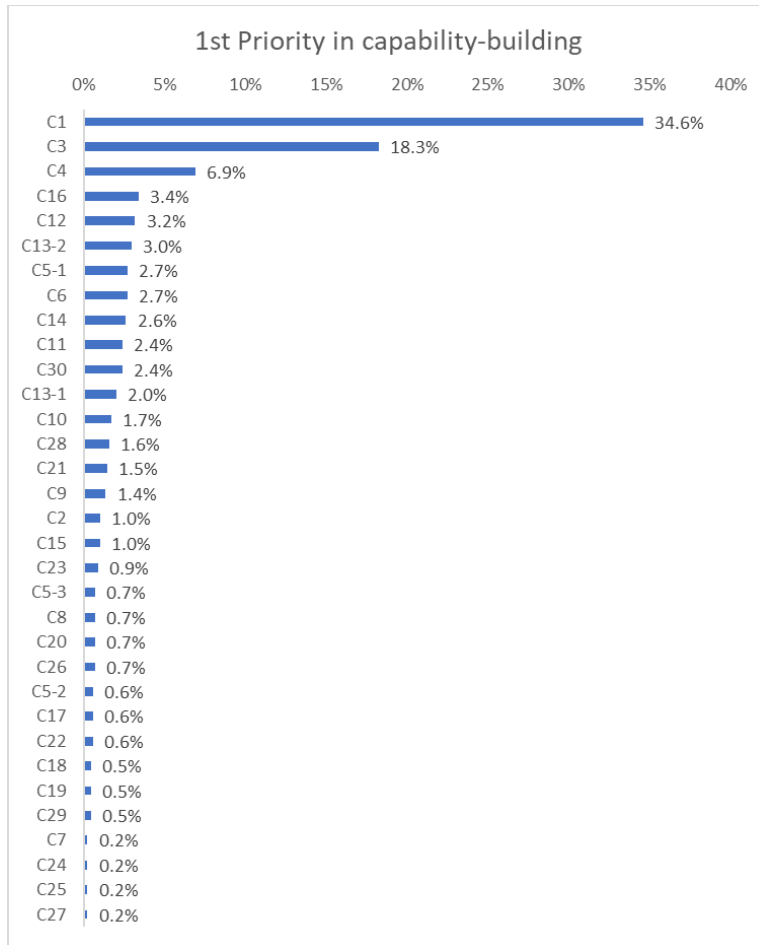
The incentive / motivation mechanism, a competency model, and a capability-building system are identified as the top three priorities. Establishing a certification framework, which is a requirement under the Law N° 9986, is identified as the 4th priority. These priorities should be considered during the development of the professionalisation strategy.

The following two figures list the priority topics for capacity-building initiatives, based on the slightly adjusted competences of the competency matrix of the European competency framework for public procurement professionals (ProcurCompEU). In short, C1 (Planning), C3 (Legislation), and C4 (e-procurement and other IT tools) were identified as the top three priority topics for capacity-building initiatives. These three competences were followed by others such as C5-1 (Sustainable procurement - Green public procurement), C6 (Innovation procurement), C11 (Market analysis & engagement), C12 (Procurement strategy), C13-2 (Evaluation criteria), and C16 (Contract management).

However, it should be noted that the final priorities should be determined after assessing the current capability level of the procurement workforce based on the draft competency matrix.

1st priority topics in capacity-building initiatives





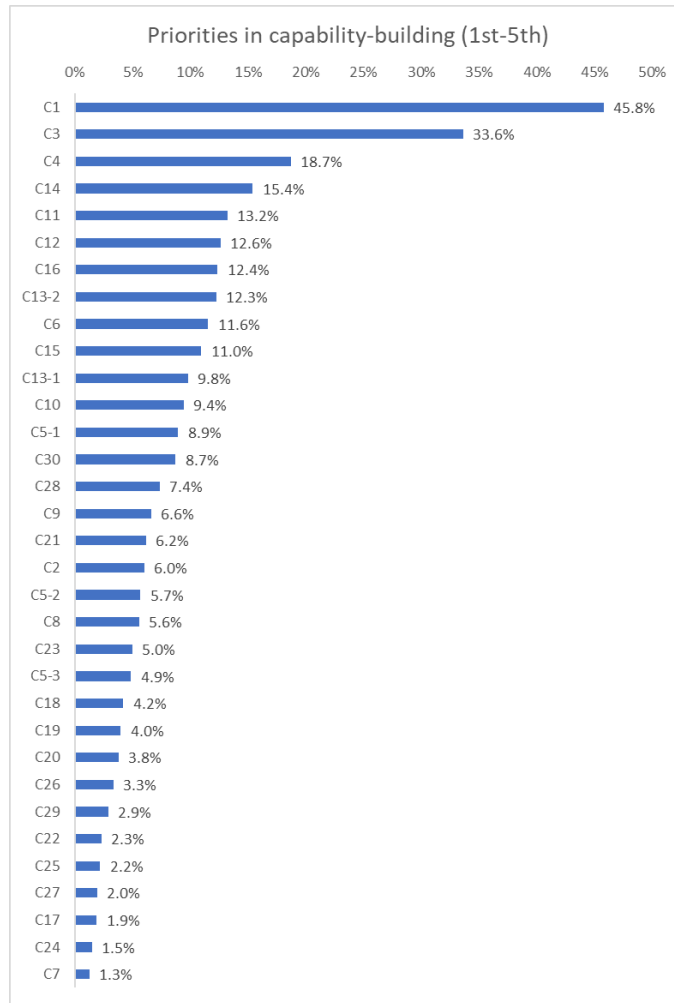
Note: The percentage of the “1st priority” was calculated for each competence by dividing (i) the number of votes for the 1st priority by (ii) the total number of survey participants (881 officials).

C1 Planning, C2 Lifecycle, C3 Legislation, C4 E-procurement and other IT tools, C5-1 Sustainable procurement – Green public procurement, C5-2 Sustainable procurement – Socially responsible public procurement, C5-3 Sustainable procurement – SMEs, C6 Innovation procurement, C7 Category specific, C8 Supplier management, C9 Negotiation, C10 Needs assessment, C11 Market analysis & engagement, C12 Procurement strategy, C13-1 Technical specifications, C13-2 Evaluation criteria, C14 Tender documents, C15 Tender evaluation, C16 Contract management, C17 Certification and payment, C18 Reporting and evaluation, C19 Conflict resolution / mediation, C20 Adaptability and modernisation, C21 Analytical and critical thinking, C22 Communication, C23 Ethics and compliance, C24 Collaboration, C25 Stakeholder relationship management, C26 Team management and leadership, C27 Organisational awareness, C28 Project management, C29 Performance orientation, C30 Risk management and internal control

Source: Prepared by the author based on the response to the survey to 881 public procurement officials working at the six largest contracting authorities in Costa Rica in terms of expenditure.



Priorities in capacity-building initiatives (weighed with 1st – 5th priorities)



Note: The percentage of the “Weighted (1st-5th priorities)” was calculated based on the accumulated score through the following scoring rules: (i) competence selected as the 1st priority : 5 points, (ii) 2nd priority : 4 points, (iii) 3rd priority : 3 points, (iv) 4th priority : 2 points, (v) 5th priority: 1 point. Then, the accumulated score for each initiative was divided by the maximum potential score (4 405 points: 5 points * 881 votes/participants). For example, “C1” obtained 2 017 points as the total weighted score, and these 2 017 points were divided by 4 405 points to gain 45.8%.

C1 Planning, C2 Lifecycle, C3 Legislation, C4 E-procurement and other IT tools, C5-1 Sustainable procurement – Green public procurement, C5-2 Sustainable procurement – Socially responsible public procurement, C5-3 Sustainable procurement – SMEs, C6 Innovation procurement, C7 Category specific, C8 Supplier management, C9 Negotiation, C10 Needs assessment, C11 Market analysis & engagement, C12 Procurement strategy, C13-1 Technical specifications, C13-2 Evaluation criteria, C14 Tender documents, C15 Tender evaluation, C16 Contract management, C17 Certification and payment, C18 Reporting and evaluation, C19 Conflict resolution / mediation, C20 Adaptability and modernisation, C21 Analytical and critical thinking, C22 Communication, C23 Ethics and compliance, C24 Collaboration, C25 Stakeholder relationship management, C26 Team management and leadership, C27 Organisational awareness, C28 Project management, C29 Performance orientation, C30 Risk management and internal control

Source: Prepared by the author based on the response to the survey to 881 public procurement officials working at the six largest contracting authorities in Costa Rica in terms of expenditure.

The strategy could be accompanied by the action plan table that summarises key initiatives to be taken, responsible entities, and timeframe. The progress of the action plan could then be monitored with the support of key performance indicators. The table in the previous section provides an example of the action plan for implementing specific initiatives under the professionalisation strategy.



Annex 2: Agenda of the validation workshop

Session	Thematic
8:30 - 8:45 Welcome	<p>This session will present the objectives of the workshop and how it fits into the MAPS report validation process.</p> <ul style="list-style-type: none"> • Miguel Hernández Mejía, Deputy Director of Public Procurement, Ministry of Finance (5 mins) • Paulo Magina, Acting Head of the Infrastructure and Public Procurement Division, OECD (5 mins) • Francisco Javier Urra, Country Representative, IDB (5 mins)
8:45 - 10:10 Pillar I: Legal, Regulatory and Policy Framework	<p>This session will discuss the findings and recommendations of the Pillar I indicators. Participants will have the opportunity to provide feedback and make suggestions to refine the text of the report and maximise its usefulness for Costa Rica, in the context of the drafting of the strategy for professionalisation of the public procurement function.</p> <ul style="list-style-type: none"> • Jacobo Pastor García Villarreal, Senior Specialist on Integrity and Procurement Policies, OECD (10 mins) • Comments by: Arelys Chavarria Loria, Head of the Professionalisation and Accreditation Unit, DCoP (10 mins) • Discussion (65 mins)
10:10 - 10:25	Coffee break
10:25 - 11:50 Pillar II: Institutional Framework and Management Capacity	<p>This session will discuss the findings and recommendations of the indicators under Pillar II. Participants will have the opportunity to provide feedback and make suggestions to refine the text of the report and maximise its usefulness for Costa Rica, in the context of the drafting of the strategy for professionalisation of the public procurement function.</p> <ul style="list-style-type: none"> • Paulo Magina, Acting Head of the Infrastructure and Public Procurement Division, OECD (10 mins) • Comments by: Sofía Espinoza Salas, Costa Rica's Social Security Fund (10 mins) • Discussion (65 mins)
11:50 - 13:00	Lunch
13:00 - 14:25 Pillar III: Public Procurement Operations and Market Practices	<p>This session will discuss the findings and recommendations of the indicators under Pillar III. Participants will have the opportunity to provide feedback and make suggestions to refine the text of the report and maximise its usefulness for Costa Rica, in the context of the drafting of the strategy for professionalisation of the public procurement function.</p> <ul style="list-style-type: none"> • Paulo Magina, Acting Head of the Infrastructure and Public Procurement Division, OECD (10 mins) • Comments by: Jenny Vargas Navarro, Director of Procurement, ICE (10 mins) • Discussion (65 mins)
14:25 - 14:40	Coffee break



<p>14:40 - 16:05</p> <p>Pillar IV: Accountability, Integrity and Transparency of the Public Procurement System</p>	<p>This session will discuss the findings and recommendations of the indicators under Pillar IV. Participants will have the opportunity to provide feedback and make suggestions to refine the text of the report and maximise its usefulness for Costa Rica, in the context of the drafting of the strategy for professionalisation of the public procurement function.</p> <ul style="list-style-type: none"> • Jacobo Pastor García Villarreal, Senior Specialist on Integrity and Procurement Policies, OECD (10 mins) • Comments by: Roberto Rodríguez, Head of the Public Procurement Division, Office of the Comptroller General of the Republic (10 mins) • Discussion (65 mins)
<p>16:05 - 16:20</p> <p>Closing</p>	<p>This session will take stock of the workshop and outline the next steps towards the publication of the MAPS report.</p> <ul style="list-style-type: none"> • Jacobo Pastor García Villarreal, Senior Specialist on Integrity and Procurement Policies, OECD

Annex 3: Slides used by the leading Costa Rican institutions during the validation workshop¹⁰

Slides by DCOP to comment on Pillar I



¹⁰ The ICE representative did not use slides during her intervention in the session relative to Pillar III.





Aspectos generales



Identificar los aspectos fundamentales del marco legal y regulatorio que sustentan la profesionalización.

Busca alinear las prácticas con estándares internacionales

El éxito de estas regulaciones depende de una implementación efectiva

Integre a las entidades competentes y los actores interesados.



Los hallazgos capturan de manera efectiva las problemáticas que enfrentamos, especialmente en lo que respecta a la necesidad de una estrategia clara y coherente de profesionalización, así como de las normas para garantizar su gobernanza.

Otro criterio relevante detallado en este estudio refiere al riesgo de la falta de apoyo político.

Ni la Ley No. 9986 ni el Decreto No 43808-H exigen la participación de las partes interesadas para el desarrollo y la aplicación de la estrategia de profesionalización.

Sería beneficioso explorar más a fondo cómo las barreras informales, mencionadas en el informe, pueden ser abordadas para facilitar una verdadera cultura de profesionalización en el sector

Hallazgos



Recomendaciones



Destacan la importancia de desarrollar normas claras de participación en el mercado y de reconocer la contratación pública como una profesión.

Deben acompañarse de sugerencias más específicas para su implementación, considerando el contexto y las capacidades actuales de las instituciones públicas.

Para el éxito de las recomendaciones propuestas, se debe fomentar una mayor colaboración entre el sector público y privado para enriquecer la profesionalización con prácticas innovadoras y eficientes.



Conclusiones

Debemos enfocarnos no solo en la creación de marcos legales y regulatorios sino también en su aplicación efectiva, la colaboración interinstitucional y la eliminación de barreras informales

Demostrar el impacto positivo para el país, para asegurar el apoyo de los tomadores de decisión.

Existe algún grado de preocupación por parte de la ACP en cuanto a la responsabilidad de emitir lineamientos en materia de empleo, como la definición de perfiles, la disposición del marco de certificación e incluso lo relacionado a establecer la contratación pública como una profesión, que pudiera exceder las competencias de la ACP.



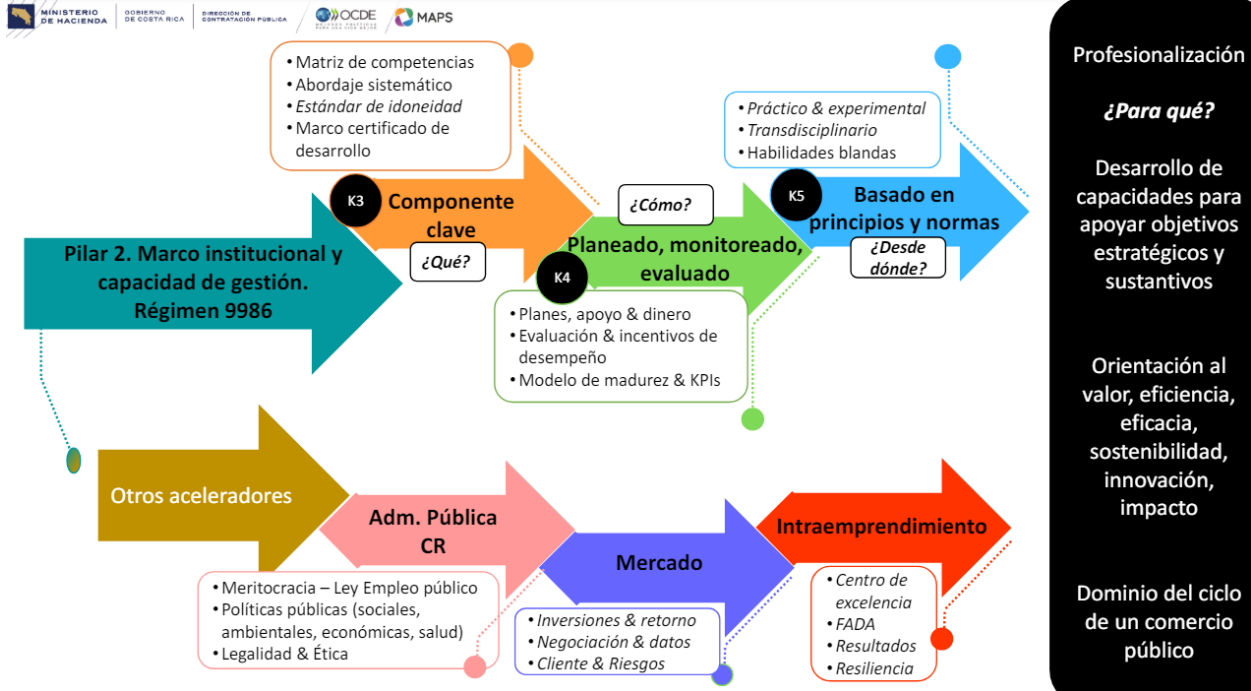
MINISTERIO
DE HACIENDA

GOBIERNO
DE COSTA RICA

¡Muchas gracias!

Slides by CCSS to comment on Pillar II





Slides by CGR to comment on Pillar IV

Evaluación del sistema de contratación pública de Costa Rica Versión 2.0

Pilar IV - Rendición de cuentas, integridad y transparencia del sistema de contratación pública

Roberto Rodríguez
Gerente de la División de Contratación Pública



Consideraciones puntuales



Annex 4: Pictures taken during the validation workshop

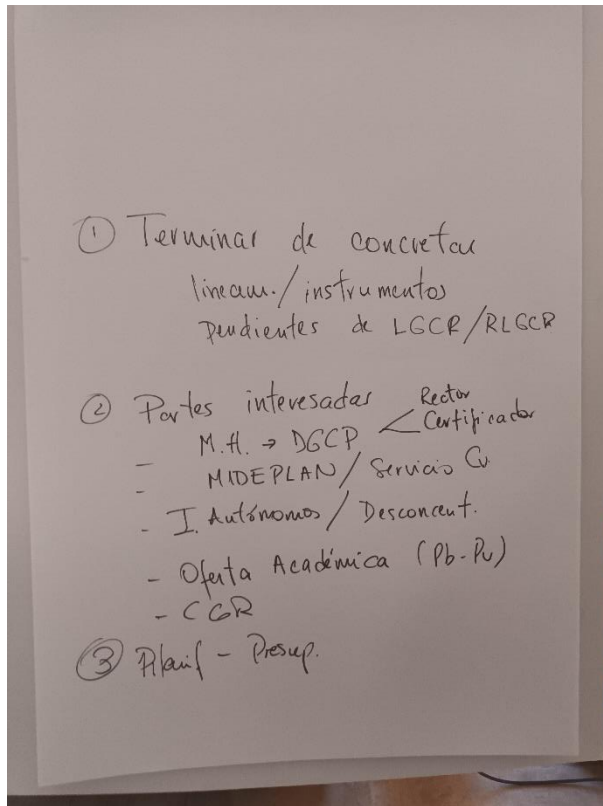


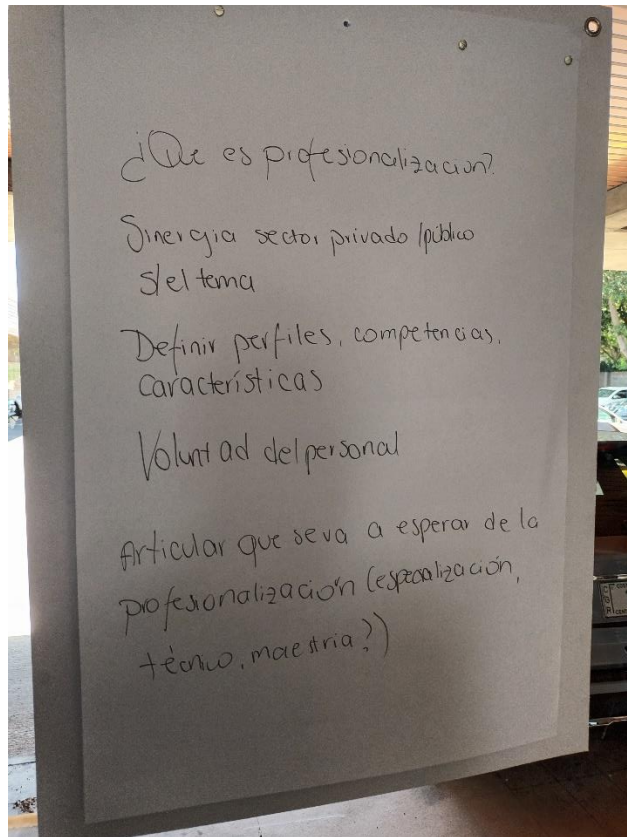
- Indicadores

- Cambio debe integrar a jurídico, junta directiva, gerencia, capital humano, ética, planificación y otras comisiones.
- Estabilidad y Seguimiento para el cumplimiento institucional
- Evaluación y Cumplimiento (DGP)
- Normativa interna y acompañamiento de DGP.

- ① Revisar perfiles en la aplicación
- ② ¿Cómo crear carrera en la aplicación?
- ③ ¿Cómo se dará la acreditación y la transferencia de conocimiento?
- ④ Presupuesto y formalización gubernamental
- ⑤ Compromiso institucional y gubernamental.







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