2. Country: Austria

Structure of the Austrian public procurement system

Major organisation of procurement at the national level

Name: BBG Bundesbeschaffung GmbH (Public Procurement Agency)
https://bbg.portal.at/

Short Description: founded in 2001 as centralised procurement agency under the Ministry of Finance. Responsible for procurement of goods and services for public departments and public customers. In 2002 it procured goods and services for around 290 Mio €. Public procurement tenders can be searched via an online database.

Name: Ministry of Finance
Responsible ministry for Austrian public procurement rules, regulations and legislation.
http://www.bmf.gv.at

Name: Bundesvergabeamt
http://www.bva.gv.at/BVA/default.htm
Reorganized in 2002 within the framework of the streamlining of Austrian public procurement legislation and practices. Government agency to control and to rule upon public procurement procedures at the federal level.

Tribunals in the sense of the EU directive to rule upon publish procurement procedures conducted by public entities which fall within the competence of the Bundesländer, cities and municipalities.

Name: Ministry of Defence
Procurement of military equipment
http://www.bmlv.gv.at

Name: Auftragnehmerkataster Österreich
http://www.ankoe.at/ankoe_home.asp
The Austrian cadastral agency (Auftragnehmerkataster) was founded in 2000 by the regional authorities and municipalities and other stakeholders. The institute administers a database of suitable and approved companies and provides support for economical procurement pro-
cedures for clients, tenderers and applicants.

**Name:** Auftrag.at

Electronic platform which provides the tender publishing and further services regarding manuals and tender documents. It also enables the tender procedure on the internet.

**Name:** Beschaffungsservice Austria

Information on sustainable (public) procurement.

http://www.ifz.tugraz.at/index.php/article/articleview/19/1/9/

**Name:** Wirtschaftskammer Österreich

Bundling expertise on (public) procurement in Austria and organising procurement courses

http://wko.at./rp

---

### Major documents: Are there guidelines, toolkits etc. that have an impact on the role of innovation in procurement?

- Besides the "Check it" criteria catalogue which is quite comprehensive but which only deals with sustainable (meaning basically ecological) procurement, no guidelines, toolkits etc. could be found regarding public procurement in Austria. Everything seems to be dealt with by BBG internally and there are no external documents accessible.
- Annual Report of the Bundesvergabeamt:
  
- Public Procurement Law (2002; in German):
  
- Law to establish the National Public Procurement Agency (Bundesbeschaffung GmbH-Gesetz 2001):
  
- Modification of §3 BBG-GmbH Law:
  
  https://www.bmf.gv.at/Budget/AktuellesThema1926/ArchivAktuelleThemen503/ReformderBundesbesc639/VOpars.pdf

---

### Does innovation play a role somehow in the documents?

There is basically no reference to innovation whatsoever in any documents or on any internet sites.

Solely in the introduction to the "Check it"-criteria catalogue (2000), it is stated that:

"[…] the Check-it criteria catalogue is a tangible and useable tool for procuring ministries and agencies to be able to integrate ecological criteria in public procurement systems."
The integration of those criteria in procurement procedures is an important step to improve the environmental performance of governments. By applying these criteria, incentives are given to foster innovative and sustainable economic development."

This criteria catalogue is very extensive. It is supposed to be used by procuring public ministries, agencies, organisations, but is should also be useable for private businesses and others interested. It gives practical information and support to design tenders in a more sustainable way in a broad range of product areas. Even a report on legal obstacles and implications is part of it.

Furthermore, on the Beschaffungsservice Austria homepage (http://www.ifz.tugraz.at/index.php/article/articleview/67/1/9), which deals with sustainable procurement it is stated, that:

"public as well as industrial procurement are important instruments for promoting environmental protection. The decision to buy or plan sustainable products and services can reduce the environmental pollution considerably. This specific demand for sustainable products or services encourages and fosters sustainable product innovations. Therefore, public procurement should lead the way for private consumers and businesses in this respect and thus back the national environmental policies. New tools for commercialization and financing, e.g. leasing or contracting, could be demonstrated and pushed by pilot projects to show their advantages and feasibility. [...] Environmentally friendly procurement has a direct impact on a better environment, stimulates product innovations and has, at the same time, a considerable potential for cost reduction in certain fields."

### Any principles of procurement as relates to innovation?

See above

### Any recent structural or changes?

The Austrian system of public procurement used to be quite decentralised. Then, in 2001, the procurement regulation/law was updated and the structures streamlined. Though, there is still decentralised public procurement on the sub-national level.

- In 2001: organisational change from a decentralised procurement to a centralised public procurement (establishment of BBG) with the following goals:
  - Synergies by bundling of decentralised procurement structures,
  - Optimal use of the federal purchase-position,
  - Provision of regional supply-structure of SMEs.

To reduce the overall national administration costs also federal states and municipalities are welcome to use the services of the BBG.

Sources:
- https://www.bmf.gv.at/budget/aktuellessthema1926/archivaktuellethemen503/reformderbundesbesc639/_start.htm;
Reform of the system of public procurement
The new National Procurement Law entered into force on 1st July 2003. It aims to assure an efficient and harmonized procedure, although procurement will remain decentralized. From then on, only one law is to be applied to public procurement procedures on the national as well as on the sub national (Länder) level. The new law also regulates the use of electronic media, e.g. e-procurement and electronic auctions, and enhances the system of legal protection.
Sources:
https://www.bmf.gv.at/Wirtschaftspolitik/Wirtschaftspolitik506/Strukturpolitik533/Reformdesffentliche2719/_start.htm;
http://www.bva.gv.at/BVA/Rechtsgrundlagen/default.htm

From 1st of January 2005, the existing 80 tax offices were merged to 41 tax offices. These bigger organizational units are supposed to work more efficient and they took over considerable competences from the 7 federal tax offices. In the future, the local tax offices are able to decide independently about procurement activities, personnel and cost management.
Sources:
https://www.bmf.gv.at/steuern/Reform/_start.htm;
https://www.bmf.gv.at/presse/archiv/2003/november/fld.htm

E-procurement: The BBG is conducting a pilot study on using e-procurement in Austria (including e-tendering and e-shop). The new procurement law (Bundesvergabegesetz 2002), gives way to e-procurement with respect to the legal requirements to procure online.
Sources:
https://bbg.portal.at/Internet/ElektronischeBeschaffung/_start.htm;
https://bbg.portal.at/internet/beruns/GeschäftsfelderReferenzen.htm

In the aftermath of the ELAK procurement (see case 3) a new regulation has been introduced which limits the time within which companies can attack a tendering process once they think they have been disadvantaged or the tender process has in any other way not been accurate. The habit of attacking procurement processes in Austria has been characterised as a major obstacle, as procurers have become very cautious and rigid in formulating specification criteria, and flexibility has been minimal.

Any reactions to the EU directive (does it make a difference)?
Up till quite recently, the EU procurement directives were implemented by one national and 9 federal laws. After the reform there is only one law to be applied to public procurement in Austria. (see also above "structural changes")
No other reference to EU-Legislation on Public Procurement, besides within the "Check it" sustainable procurement project. ("In der Rechtsstudie [von "Check it"]
werden die Möglichkeiten und Grenzen einer ökologisch orientierten Beschaffung im Rahmen der derzeit geltenden Vergaberichtlinien der EU [1999] sowie des EU-Primärrechts aufgezeigt."

Further comments

There is only very little information on public procurement in Austria on the relevant internet sites and there is no information at all on procurement procedures, best practices and the like. Only with regard to sustainable procurement in the framework of EU projects, there is some information on procurement in Austria (Promise, EU-Program LIFE), especially the "Check it"-criteria catalogue is quite extensive.

The industry in Austria sees the public market as extremely interesting and is committed to deliver good value for money. However, the formal guidelines in the tendering processes are perceived as being too strict, too narrow. Public administrations are to be very concrete in the specification. Moreover, there is a culture of filing a formal protest in procurement process by those who did not win it. Thus, procurers are rather cautious and prefer to define their specifications very detailed. In the private sector the Wirtschaftskammer Österreich (Federal Economic Chamber) tries to push its own companies and also the public sector in the direction to be more daring in procurement. The WKÖ has established a master degree for procurers, and principles in order to procure also innovatively. This course stresses the importance of the pre-specification phase, i.e. market intelligence, internal technological knowledge and external consultancy and the management by objective, i.e. clear perception of what functionality is needed – and finally a sound project management. The Chamber itself tries to set an example and has pioneered its own procurement with electronic signature and with a systematic internal team building for each major procurement in order to involve all stakeholders interested and/or affected. The Chamber believes that through training and through strong political backing procurement in Austria is to be improved as for enabling innovation.