Several global organizations have committed to enhancing contract performance through transparency and monitoring under the umbrella of Open Contracting. This note explains why Open Contracting is important and how we plan to advance this agenda. It also provides details on the upcoming global meeting in South Africa.

**Why Open Contracting?**

Failings in public contracting are undermining development. Public revenues are not being generated, allocated and spent as effectively as they could be. Such factors as corruption, opaque contracting processes and poor oversight of contract implementation are undermining results and citizens are paying the price in terms of schools not built, environmental damage, bridges not fixed to standard, and hospitals unable to offer necessary medicines.

Open Contracting can positively transform this. Creating a level playing field with transparent and fair contracting processes and providing for third party monitoring of these processes, benefits all of society – government, private sector and citizens. Open Contracting has the potential to strengthen procurement outcomes and service delivery, resulting in more effective use of public resources. A growing number of countries and organizations are already working on Open Contracting and related procurement and good governance issues.

**What is meant by Open Contracting?**

Open Contracting refers to norms, practices and methodologies for increased transparency and monitoring in public contracting, including contracts implemented by multilateral donors. Open Contracting begins with the disclosure of the relevant public procurement information from pre-award activities through contract award and implementation to allow for effective monitoring and accountability for results. It covers the variety of contract types, with an initial emphasis on large scale concessions deals in land, extractive industries, infrastructure, forestry, and service delivery procurement contracts.

**What is the Open Contracting proposed scope of work?**

Open Contracting seeks to reinforce existing initiatives while also broadening participation from government, civil society and the private sector at the global and country levels. At the global level, Open Contracting will facilitate the creation of global principles that governments and standards setting bodies may draw upon in redefining contracting norms in favor of greater transparency and accountability. At the country level, Open Contracting will seek to reinforce good practice on the ground and enhance disclosure and effective monitoring, including through citizen engagement around use of public resources. Action at global and country levels will be supported by world-class capacity building, knowledge exchange, impact measurement and coordination functions. Priorities include developing the evidence base, documenting good practice, sharpening the business case for Open Contracting and ensuring alignment with other transparency initiatives.
**What is the next step?**

The World Bank Institute, the German Federal Ministry for Economic Cooperation and Development BMZ (implemented by GIZ), and partners have convened stakeholders from across government, private sector, civil society, and multilateral and bilateral agencies to participate in an **Open Contracting global meeting, October 24-26, 2012** in Johannesburg, South Africa. This meeting will serve to highlight emerging Open Contracting practices across countries and key sectors, refine the Open Contracting approach, explore how to embed Open Contracting components within international standards and norms, and launch a dynamic community of practitioners collaborating on the Open Contracting agenda.

**What are the meeting objectives?**

The objectives of this meeting have been decided by the partners and are as follows:

- To profile and position the issue of open contracting in the larger international debate
- To bring together a diverse group of innovative actors interested in advancing Open Contracting work around the world
- To develop the agenda and initial focus for the Open Contracting movement – building on and refining the insights from the design meeting
- Articulate key streams of activity and targets that will move the work of Open Contracting forward in the coming 24 months

**Who is involved?**

This event is the continuation of a collaboration between Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), and the World Bank Institute. This collaborative effort has been developed for several months, and has attracted multiple additional partners along the way. All who are interested and committed to Open Contracting are invited to participate in its evolution and implementation. It is anticipated that participation will grow and evolve over time. Those already committed include the World Bank Institute, GIZ, the Construction Sector Transparency Initiative, Transparency International, Oxfam America and the Philippines’ Public Procurement Board.