

9-2010

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Recommended Citation

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BUSINESS TRANSFORMATION: FROM A SUPPLY-DRIVEN TO A DEMAND-DRIVEN APPROACH IN THE EXPERIENCE OF CONSIP SPA

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Abstract

In Italy, the transformation of government procurement began in 2000 with the model developed by Consip SpA (a public company owned by the Ministry of Economy and Finance) for all public agencies across the nation. The paper is aimed to reconstruct the path taken by the public procurement reform in Italy gradually evolving from a supply-driven to a demand-driven approach. The Italian procurement transformation has co-existed with two different approaches to reform, which are working in parallel and sometimes at cross-purposes. A supply-driven approach focuses on tightening the controls on spending to tap economies of scale. A demand-driven approach focuses on decentralization and development of Electronic Public Administration Marketplace (MEPA). The paper discusses the role Consip has played and is still playing to centrally guide the decentralization of public e-procurement, and shows the results of a sample investigation aimed at analysing the level of satisfaction of small/medium firms participating in the MEPA.

Keywords: e-procurement; public administration, Italy, decentralization.

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1 INTRODUCTION

By the end of 1990s, the Italian government had launched a series of interrelated initiatives to reform public sector. Specifically, the government took a dramatic step toward more efficient and effective procurement system across the nation. Moving away from buying goods to acquiring complex services by assessing and aggregating needs, strategically managing contracts, and monitoring performance has taken center stage within public sector reform policies aimed to contain and reduce public spending. Information and technology (IT) procedures supporting procurement processes make it possible to tap efficiency gains and savings in public spending through lower transaction costs, faster ordering, and more standard acquisition operations.

In Italy, the transformation of government procurement began in 2000 with the model developed by Consip SpAⁱ (Public Information Services Agency) for all public agencies across the nation. Consip, a public company owned by the Ministry of Economy and Finance, set up both the IT platform and the operational procedures to carry out acquisition processes at national level. By negotiating the best conditions in terms of price and quality for nationally required supplies, the system aimed to tap economies of scale and to avoid fragmentation, waste, corruption, and latent public spending. Government agencies at all levels were required by law to adopt Consip's electronic catalogue, with the advantage of minimizing transaction costs for tendering, and privately-based negotiations, traditionally carried out to speed up procurement processes.

Since 2003, the situation has changed dramatically. Moving away from a mandatory model of centrally operated electronic catalogues, public agencies now can freely choose vendors and IT instruments that best suit their acquisition needs.

This shift from a centralized to a decentralized procurement system did not result from an intended massive devolution of procurement power to local and regional agencies, nor was it simply the outcome of technological spin-offs at the agency level. Technology is only one part of the current transformation of public procurement, which, instead, is more a mix of law, policy, technology, management choices, and some unintentional results that seemed inadvertent, or, at least, not attributable to strongly intentioned leadership.

The aim of this paper is to reconstruct the path traced by the public procurement reform in Italy which has gradually been evolving from a concentrated and centralized market to an open and accessible market, and to assess the degree of satisfaction of small-medium size firms. The paper is divided into three parts. Part 1 uncovers the theoretical underpinnings of current Italy's public procurement reform efforts unfolding along parallel and at times, cross-purpose directions. It also presents the rationale of the study and its analytic framework and methodology. Part 2, updating a previous survey, empirically analyzes how the centralized public e-procurement model was designed and implemented, and highlights both the results achieved and the perceptions of local public agencies and vendors. Part 3 outlines the results of a survey concerning the satisfaction of a sample of small-medium enterprises which participate in the electronic public administration's market place (MEPA), highlighting its strengths and weaknesses.

2 THE DEBATE ON DECENTRALIZATION AND THE RESEARCH DESIGN

2.1 Theoretical framework

By the end of the 1990s, the Italian government had launched a series of interrelated initiatives to reform the public sector. A growing body of relevant literature analyzes these regulatory initiatives of public procurement and contract law, and reconstructs the various legislative steps undertaken both at the domestic and international level to reform government procurement systems. Yet, there is little

discussion of the implications of such new regulatory prescriptions on organization and management of procurement schemes, and in particular, electronic procurement schemes.

In Italy, procurement transformation has thus far co-existed with two very different approaches to reform, which are working in parallel and sometimes at cross-purposes. One approach focuses on tightening the controls on spending: where more attention is paid to centralizing acquisition processes to reduce public expenditure. One of the main arguments for a centralized approach is that centralized negotiations for substantial volumes from single large suppliers bring economies of scale in purchasing and public spending, i.e. savings for goods and services. Government prefers “packaging” many small contracts into one single large contract to simplify the procurement process through paperless procedures that minimize transaction costs, and shorten the procurement cycle time (Hirschleim, 1993). This ‘control’ approach relies on supply-driven procurement processes in that the central government may negotiate large supplies and channel them locally through standardized electronic procedures (Henderson L.C. e Lee S. 1992; Cox et al. 2004).

Conversely, procurement reform attends more to the qualifications and capacities of employees promoting efforts to decentralize procurement decisions while infusing technology, changing assessment practices and developing networks and partnerships (Pettigrew, A.M., and Fenton, M., 2000). In this perspective, e-procurement is a source of innovation spurring behavioral change within organizations. (Cheeme and Rondinelli, 1983, Bovaird T. 2006) E-procurement has a significant bearing on contracting for complex integrated services (such as facility management services, science and technology equipment), and public agencies have gained access to skilled staff with considerable productivity gains.

The paper seeks to uncover the inherent tensions between centralization and decentralization of public procurement, by examining the Italian reform approach to e-procurement design and implementation. In particular, this study delineates the regulatory framework supporting the new public procurement system, and examines the procedures centrally developed by Consip for e-procurement, and their impact on the spending patterns of local public agencies. In addition it investigates the level of satisfaction of small and medium size firms participating in the MEPA. The following research questions are addressed:

1. What are the main strengths and weaknesses of a centralized system of public procurement?
2. What is the overall level of satisfaction of the enterprises which use MEPA?

As far as the first question is concerned, a 2004 survey (Marra, 2004, 2007) has been updated. The analytical framework adopted by this study integrates analysis of external, institutional and regulatory factors with management capacities and strategies for e-procurement development and effective use. The research focus is on the specific institutional and organizational setting, in which Consip operates. The study highlights key aspects of e-procurement practices as codified by national laws, and as resulting from Consip management capacity to respond to the needs of purchasing agencies.

As far as the second research question is concerned, a technique for the evaluation of customer satisfaction is used, in order to define the overall level of satisfaction and the efficiency gap (Broggi, 2006; Martini A. 2009): a compounded index which includes the perceptions, in terms of importance and satisfaction, on a number of service characteristics of the on-line market (Ghose S. and Dou W., 1998; Wilhite R. 2003).

2.2 Methodology

This study builds on a case-oriented approach (Ragin 1987) so as to identify the key features of the Consip e-procurement model, and to explain both the reasons for its success and limitations. The research updates a previous survey carried out in 2004. Research data were collected through i) 22 semi-structured interviews of samples of informants; ii) analysis of official documents; and iii) a social science literature review; iv) 50 web-based structured questionnaires to the sale director of small-medium size enterprises, randomly chosen among those authorized for the MEPA.

Semi-structured interviews were used to gather opinions and perceptions on how nation-wide changes in procurement procedures were designed and implemented by Consip. The interviews described and analyzed the three major factors expected to affect both the development and implementation of government procurement, that is: external factors, internal factors, and performance. Interviews were conducted between May 2009 and October 2009 with five samples of informants in order to triangulate different perspectives, perceptions, opinions, and descriptions (Ragin 1987).

The samples of informants include: (a) 3 Ministry of Economy and Finance (MEF) top officials responsible for PRSP and 2 high-level policymakers, (b) 4 Consip high-level decision makers and line managers, (c) 4 buyers at the central level, (d) 3 businesses organization representatives and 4 experts, and (e) 3 vendors. First, MEF top officials and policymakers were interviewed to grasp the rationale for procurement centralization and operation through IT procedures. Second, Consip decision makers were interviewed to gain insights on how Consip had operated thus far, its pattern of relationships with public agencies, and its prospects for the future. Third, buyers were interviewed to clarify which technological, organizational, regulatory, and managerial factors were associated with the centralized procurement system and their willingness and experience to use IT services. Fourth, business representatives and experts were interviewed to gather comments and perceptions on the technical and economic aspects of procurement reform. Finally, vendors who had been awarded contracts through e-procurement operations were interviewed to understand the advantages and disadvantages associated with nation-wide required supplies.

The structured questionnaires were put to the staff responsible for sales in 100 small-medium size firms; a random sample of enterprises stratified by sector of activity. The aim of the questionnaires is to gather data on the level of satisfaction of small-medium size firms, the characteristics of the relevant MEPA services and the margin for improvement still existing.

The major study limitation is related to the specificity of the case study as context- and topic-sensitive. Consip is a unique institution and any analysis on its working is inherently related to the specific institutional and organizational arrangements, culture, practices, human resources, pattern of past performance and strategy for the future. Furthermore, the topics of the study are not neutral. What is concluded as far as the use of e-procurement tools is concerned, is that change did occur, and the policy implications relate only to these specific issues in Italy. Second, another limitation concerns the qualitative methodology of the research. Perceptions and opinions, though relevant, are specific to interviewees' experience, understanding, beliefs, culture, and context.

3 PUBLIC PROCUREMENT REFORM

3.1 Consip S.p.A.: the centralization of procurement

Consip was created in 1997 under the then D'Alema government as a public company, 100 percent-owned by the Italian central government, with the mission to design and manage IT within the Ministry of Economy and Finance (MEF). In 2000, under the Amato government, the Consip mission was thoroughly redefined and broadened so as to contribute to public sector modernization not only through IT projects but also and more importantly, through the spread of leadership, efficiency, and quality of public services – in procurement.

In 2001, under the Berlusconi government, the Consip mission shifted to the rationalization of public spending for goods and services. Enhancing innovation and efficiency in procurement processes across public agencies became the number one priority for Consip, with significant implications on its organization. In pursuing such a high-profile mission, Consip internalized knowledge of top ministries' acquisition processes, and information systems. It then externalized, through outsourcing, the implementation of IT projects, and integrated IT skills with project management capacities and specialized consulting competences to promote innovation in public sector.

Consip normally organizes its work along three functional lines, with professionals assigned to separate divisions – that is, 1) IT services, 2) project management for e-procurement, and 3) products assessment through extensive market surveys and technical evaluations.

Consip involvement in the transformation of government procurement began with substantive efforts to contain public expenditure, with value for money, and the effective delivery of public services. With the 2000 budget law (Law n.488,1999), the Italian government launched the Public Spending Rationalization Program (PSRP) aimed at reducing public spending for acquiring goods and services. The government set out to achieve a decrease in public spending by 3,700 million euros in 2003 up to 7,900 million euros in 2006 stemming both from reduction in unit prices, and consumption. One key component of such an ambitious program was the move towards e-procurement at both the national and local level (Ministry of Economy and Finance - MEF 2004).

PSRP aimed to accrue savings in public expenditure through National Framework Contracts (NFCs). These were bundles of contracts for national supplies, which could be divided into geographical lots or segmented by technical features of products or services. These contracts were expected to lower the unit cost of goods and services through economies of scale and to simplify the procurement administrative process through paperless procedures. NFCs were to be operated through IT services to minimize transaction costs, shorten the procurement cycle time, and standardize procurement processes throughout Italy. In 2001, the MEF entrusted Consip with the negotiation of NFCs and the development of the e-procurement platform. As a result, Consip had to (a) assess the aggregate public agencies' demand for goods and services at the national level; (b) invite vendors to bid for national supplies; (c) select the best contract conditions for the quantity of goods and services nationally required; and (d) set up the electronic platform to carry out procurement operations online.

To finalize NFCs, Consip interfaced with both public agencies to aggregate their procurement requests at the national level, and vendors to search for competitive bids on national supplies. Once the NFC was in force, Consip was not in charge of the contract relationship. For their own orders, purchasing agencies were stipulating single contracts with the vendors selected within NFCs, but they could not modify the terms of reference set by Consip nation-wide. Thus, the central procurement model was clearly supply-driven; Consip was channeling to government agencies at all levels a set of standardized solutions for e-procurement operations, with no further involvement at the agency level.

The e-procurement platform developed by Consip relied on a portalⁱⁱ that worked as a “hub” for all e-procurement operations processed by local, regional, and state public agencies. Initially, the portal offered only the electronic catalogue, through which public agencies could purchase the goods and services subject to PRSP requirements.ⁱⁱⁱ But the urge to further contain public spending led soon to broaden the mandatory application of NFCs not only to an increased number of specific categories of items, but also and more importantly, to a growing set of public agencies operating at the local level. In 2001, public agencies required to apply to NFCs included all central government agencies, local health-care providers, and universities. In 2002, provinces, municipalities, mountainous territory protection agencies, and local public agencies' consortia had to apply to NFCs. Though the latter were left with greater acquisition autonomy, the requirement was to benchmark procurement prices with those adopted within NFCs for comparable goods and services.

The true revolution occurred with the 2003 budget law, which made mandatory for all public agencies at all levels of government to apply to NFCs in order to rationalize their purchasing processes. All purchasing entities were required to procure through the electronic catalogue whenever the goods and services they needed were listed in the catalogue. Furthermore, to minimize waste and hidden spending, contracts of more than 50,000 euro were to be negotiated through open invitations to bid so as to assure publicity, transparency, integrity, and broader competition. Consip was called on to support purchasing agencies in defining terms of reference for bidding, and qualifications for vendor accreditation. Consistent with the supply-driven approach, Consip could even replace agencies whenever their administrative capacity was not adequate to carry out the whole procurement process according to the new standards.

Under this mandatory regime, Consip's activity boomed and its own reputation enjoyed a high profile among policy makers and top government officials.^{iv} Since the outset of the e-procurement program in

January 2000 until December 2003, 61 NFCs were stipulated, including 35 categories of goods and services usually acquired by public agencies, and 7 agreements led to the subsequent set-up of the electronic marketplace and online auctions as additional IT services.^v Most important NFCs encompassed telecommunication services, photocopying machines, printers, desktops, software, laptops, vehicles for rent, office stationery, luncheon vouchers, gas, and fuel. Substantially only large firms participated in this business.

The mandatory compliance with Consip's schemes caused much contention both within public administration and among private vendors. Disgruntled local dealers, who had handled previous public agency purchases, reinforced the skepticism of purchasing departments. Vendors decried the potential risk for excessive centralization of acquisition processes, too stringent bidding procedures, and lack of competition, particularly for small and medium size enterprises (SMEs) distributed throughout Italy. In their eyes, this was a case of "unfair competition." Allegations of market concentration as well as SME's crowding out, mounted among small businesses, businesses organizations and some sectors of public administration particularly resistant to giving up their traditional discretionary power.

3.2 The shift to decentralization

Under the pressure of lobbying of small firms and the reluctant purchasing agencies, the government lifted the mandatory compliance set for all public agencies, with the exception for Ministries at the state level. In August 2003, the bulk of the public sector was set free to autonomously negotiate acquisition contracts provided that contract conditions and prices were more favorable than those applied in NFCs. Likewise, local governments were not required to routinely benchmark price conditions vis-à-vis nationally agreed upon, but only did they need to take into account NFCs' quality and price parameters. In 2003 also mandatory invitations to bid for contracts worth 50,000 euro were suspended, while NFCs, now optional, were requested only for nationally relevant supplies of goods and services. Public agencies could consequently, apply to NFCs or alternatively negotiate autonomously acquisition contracts within the price cap set by NFCs.

The lift of mandatory compliance to NFCs was received with mixed feelings. While local agencies welcomed their renewed freedom in procurement processes shared with small firms, Consip found itself in need of thoroughly rethinking its own strategy through a renewed legislative definition of its official mandate.^{vi} Under the pressure of the limelight, Consip began to change its whole approach to e-procurement, addressing the demands emerging from single or a set of public agencies, and involving business organizations in the negotiation of NFCs. Subsequently, Consip concentrated its efforts in the development of MEPA to favour, on the one hand, the decentralization of purchases of local public administrations, and to allow, on the other hand, for SMEs to access the market. The MEPA, managed by Consip on behalf of the Ministry of Economics and Finance, is a digital market within which the providers offer, through structured and dynamic electronic catalogues, goods and services to the public bodies purchasing for amounts below the European Community threshold, by means of "direct order from catalogue" or "request for quotation".

In the MEPA three main actors operate:

1. CONSIP. It guarantees the technological support for purchases and the respect of the MEPA purchasing procedures. It manages the market without profits.
2. Vendors. The enterprises which have the requisites set out in the tender, and have been authorised. They define in full autonomy their commercial strategies and bargain with the public administration in the regulated framework.
3. Public bodies. They are autonomous purchasers of goods and services. The working of MEPA depends on the number of actors involved and their interests.

Public bodies (PB) can purchase goods and services on the MEPA by means of two alternative tools:

A - Direct Order (DO),

B - Request for Quotation (RFQ).

The DO allows the PB to buy directly from the e-catalogue at a prefixed (i.e., posted) price. It is usually adopted to purchase very low-value items. It is suitable when the PB needs to satisfy urgent needs thus avoiding delays generated by competitive procedures. The RFQ is a competitive selection procedure through which the PB solicits a specific group of suppliers to submit a tender. Responding suppliers provide both a price quotation and the details of technical/quality improvements when required. The contract is awarded to the best price-quality combination without using an explicit, that is, publicly announced, scoring rule. Thus PBs have some discretionary power in awarding RFQs. Contracts may be awarded to a supplier who is not first in the price ranking of the product but, for instance, offers valuable services that are not offered by other suppliers (e.g., fast shipping) or is able to deliver at lower costs. A RFQ is then conceived as a way to introduce competition in the acquisition of product/services of relatively more added value (Consp 2010).

The main benefits for public bodies are: a) the simplification of purchasing procedures and reduction of processing times; b) an organizational and cultural change driver; c) a guarantee of transparency and control of expenditure thanks to the traceability of purchasing; d) an increase in the number of providers and reduction of purchasing prices.

For companies the main advantages are: a) the introduction of a new channel to interact with public bodies; b) expansion of the potential market within the public administration; c) improved competitiveness in relation to the localization and specialization of the offer; d) reduction of sales costs and times deriving from the reduction of transaction costs; e) increased transparency of tender procedures. Figure 1 highlights the increase of MEPA in the period 2004 -2009. Figure 2 shows the distribution of providers according to their size. (Consp 2009)

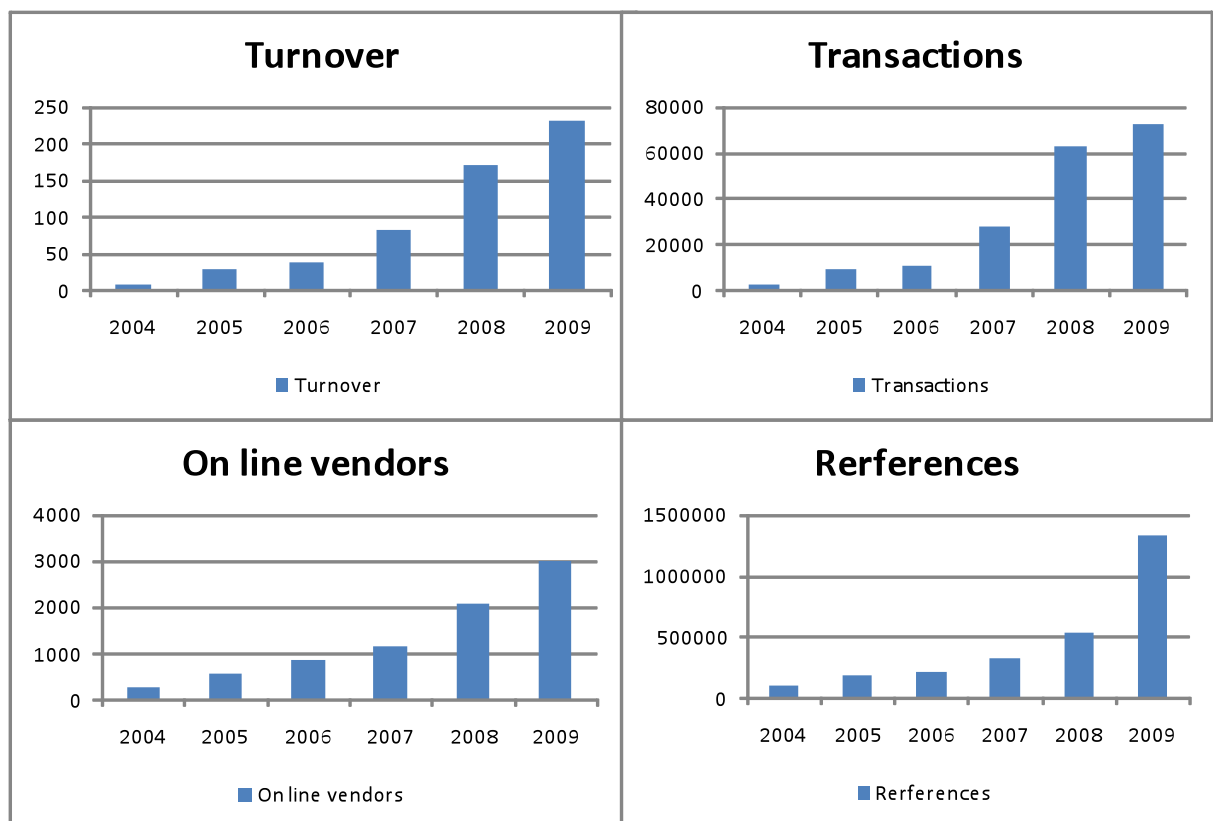


Figure 1. MEPA figures (2004-2009)

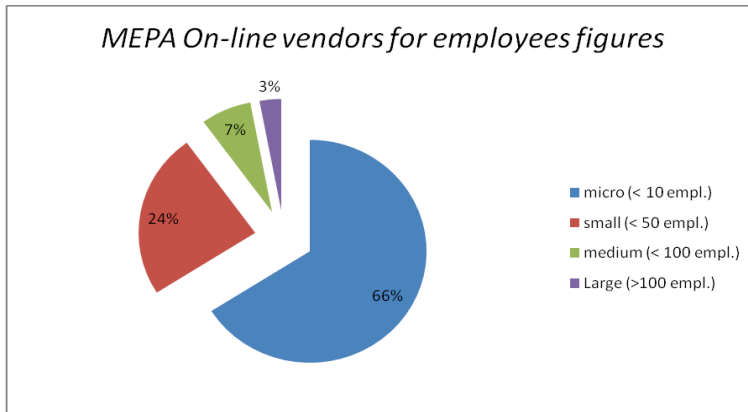


Figure 2. MEPA On-line vendors for employees figures

4 SMALL-MEDIUM FIRMS PARTICIPATION AND SATISFACTION

Despite the marked development of the electronic market, there are no empirical studies measuring or concerning the degree of corporate satisfaction or the characteristics of MEPA services considered more relevant. The present investigation aims at filling such a gap, thus providing useful indications for Consip and, in general, for policy makers and those interested in the contribution technologies can provide for businesses.

The level of satisfaction is generally considered positive.

Taking into account the different business sectors, in those sectors characterised by higher product standardization (office and health materials) the bigger firm size, the higher the level of satisfaction (positive correlation index), while in the business sectors characterized by a lower degree of standardization (ICT and service), the bigger the firm size, the lower the satisfaction level (negative correlation index).

	ICT	Office	Services	Health materials	Other
micro	4	3,8	4,3	3,6	3,8
small	4	3,9	4,2	3,7	4
medium	3,7	4,3	3,8	4,1	3,9
average	3,9	4	4,1	3,8	3,9

Table 1. General satisfaction, for employees and business sector (Likert scale 1-5).

It is quite interesting to observe the efficiency gap, calculated both with reference to the benefits for private firms and to the technological platform.

The efficiency gap is a compounded index, which includes the evaluations expressed by the interviewees in terms of importance and satisfaction concerning a proposed range of services. The interviewers ranked the following topics:

- Selling cost reduction (due to broadening of potential customers base, lower intermediation costs and inexpensive digital platform);
- Superior visibility with respect to the span of Public Bodies (PBs);
- B2G introduction in addition to existing B2B and B2C;

- Development of human capital;
- Extending the platform of potential buyers.

The efficiency gap is linked to two simple indices, relating respectively to perceived importance and satisfaction concerning various aspects of the services.

To allow for a numerical representation, it is possible to identify the inefficiency value for each service aspect, namely the distance between the top value (10) and the perceived *satisfaction value*, and multiply it by the *importance value*.

efficiency gap = (10-satisfaction degree) *importance level.

The larger the resulting percentage value, the lower is the efficiency gap.

The most appreciated aspects of MEPA (Fig. 3) are linked to the possibility of expanding the potential market, while the benefits linked to the reduction of sale costs seem to be less relevant.

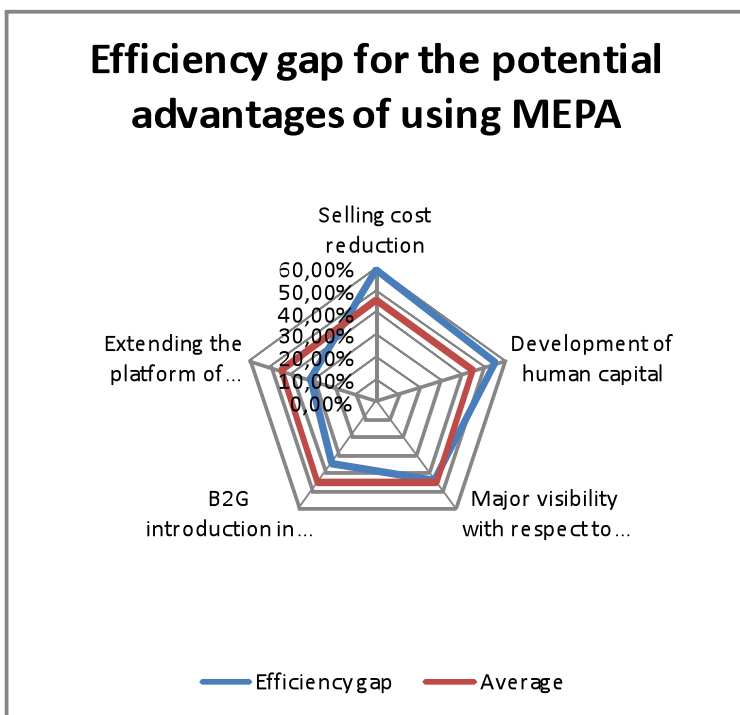


Figure 3. Efficiency gap for the potential advantages of using MEPA

The efficiency gap was calculated also for the principal features of the IT platform using Ghose and Dou (1998), and Wilhate (2003) models which analyzed the link between the quality of interaction and the commercial success in the on-line environment.

Analysisi concerned the following MEPA platform features:

- Education
 - provides good information about MEPA
 - you can learn a lot about MEPA
 - the site answers my question about the work MEPA does
 - it would be easy to explain the work of MEPA to someone else
- Interaction
 - the site is easy to navigate
 - offers two-way dialogue
 - has developed a community

- includes interesting links
- offers ways to help by using MEPA
- Accountability
 - I'm confident that transactions are secure
 - the site makes it clear how my personal data will be used
- Customization
 - platform is easy to tailor to suit my own needs
 - it offers me several way to keep in touch
 - it is easy to tailor the content of site
- Empowerment
 - the site makes me feel that I can make a difference
 - provides me with ideas for possible actions
 - provides me with ways in which I can take action
 - the site sanctions my taking action
- Accessibility
 - the site offers different ways to give support
 - it was easy to use MEPA
 - the site provides customization (tailoring) for disadvantaged people

As can be evinced (fig.4) while the accountability and accessibility are highly valued, it seems that the technological platform could be improved by paying more attention to the contents and the capacity to provide the user with information on the platform.

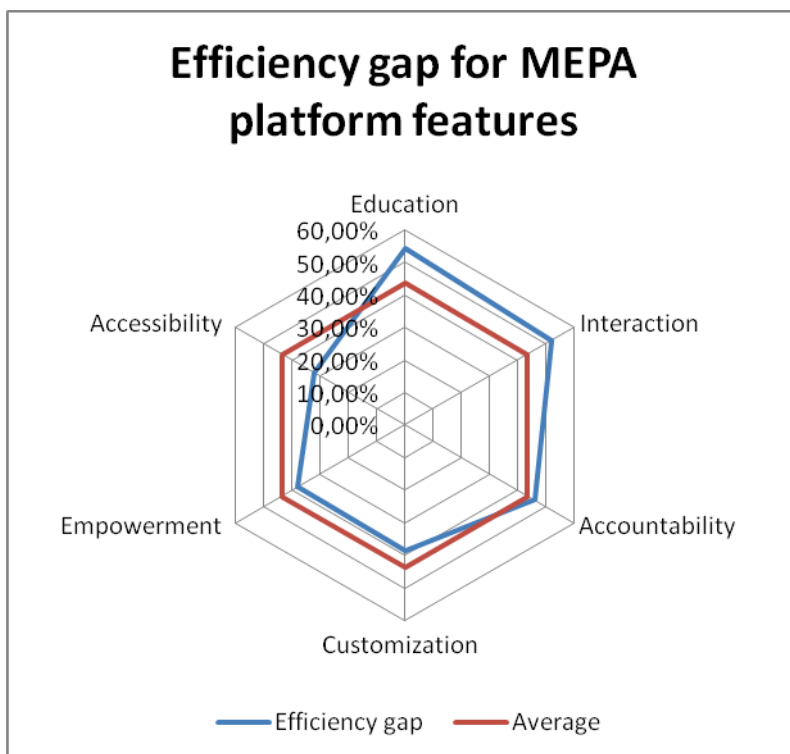


Figure 4. Efficiency gap for MEPA platform features

5 CONCLUSIONS

The Italian central government launched radical government-wide intervention for restructuring acquisition processes, through strong political commitment, long-term vision, and strategic management capacities. Working as a public company, Consip was designed to avoid red tape, operating outside the administrative rules and regulations, in ways such as to elicit higher worker dedication; it included a combination of IT and project management skills, and was more client-sensitive and customized.

Yet, these reform-sustaining programs are difficult to design , and successfully implemented unless they are backed up by local initiatives. It has been widely recognized that simply applying a new top-down set of rules will not affect the bottom-up performance of an organization at the bottom. On these grounds, the Italian case reveals that preoccupation with regulatory compliance, centralization, and the rationalization of public spending were at the expense of procurement results at the agency level: public managers viewed centrally mandatory acquisition operations as keeping their personal conduct formally in line with the new rules, and the culture of the public procurement tended to reinforce that view.

Under the pressure of lobbying small firms and reluctant purchasing agencies, the government lifted the mandatory compliance set for all public agencies, with the exception for Ministries at the state level. In August 2003, the bulk of the public sector was set free to autonomously negotiate acquisition contracts provided that contract conditions and prices were more favourable than those applied in NFCs. Consip consequently developed MEPA, a virtual market for public bodies and certified suppliers open to small and medium size firms.

The present paper shows that, despite the marked development of MEPA, there are still few enterprises using it. However, they show on average a high level of satisfaction, mainly for the opportunities of expanding potential markets. Indeed, the effectiveness of virtual markets depends on the number and level of activity of the enterprises involved. Concerning these aspects, the paper highlights significant margins for improvement. To increase the number of firms, Consip should improve communication, on the one hand, and the technological platform, on the other. The findings from the investigation on the level of satisfaction of small and medium size enterprises operating through MEPA. can be a useful tool for policy makers involved in the development of MEPA. They highlight the most interesting aspects for small and medium firms, concerning communication and promotion initiatives, and provide indications on the potential improvements of the technological platform. In particular, it has emerged that while variables such as the friendliness, accountability and interaction of the platform are acceptable others such as education and empowerment need ameliorating. There are many implications for further research in terms of extending the analysis to large firms in order to have a fuller picture of MEPA.

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Endnotes

ⁱ SpA stands for Limited Responsibility Company. This is a legal expression used for private companies, which has been extended also to public companies. A public company is company owned totally or partially by the state.

ⁱⁱ See www.acquistinretepa.it.

ⁱⁱⁱ Not all expenses were eligible for NFCs. In 2000, PRSP distinguished two kinds of expenditure, which were to be rationalized through NFCs, namely: 1. common expenditure, i.e. the expenditure on goods and services whose features are the same for most public agencies (such as stationery, telephone services, cars, meal coupons, etc.); and 2. specific expenditure, i.e. the expenditure on goods and services that are either sector-specific (such as needles for local health-care agencies, chemical laboratories for universities, etc.) or related to the different levels of public administration (catering, facility management, etc.). The 2000 law disposed that NFCs would primarily concern common expenditure and only parts of specific expenditure.

^{iv} Based on interviews.

^v Based on interviews and document review with Consip staff.

^{vi} Based on interviews with CONSIP high-level decision makers.