



# eProcurement systems

## A global view

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# Content

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- **The case of Portugal**
- **Aligning priorities and objectives**
- **Lessons to take: Go to the market strategies**



# THE CASE OF PORTUGAL



# The Public Procurement Reform

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electronic Public Procurement:  
set in the context of a broader legal and  
economic reform of public procurement

**2007/2012**

Pressure from the market. Lack of openness and transparency  
Opportunity to improve efficiency in public administration.



# The Public Procurement Reform

## The pillars

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ePP

Three main pillars:

**Law + CPB + ePP**



# Portugal did IT

## How to get reform project right

### **The winner partnership towards the big change**

- **Top Level Government Commitment**
- **Private Sector Support**
- **Public Administration Involvement (central and local)**

### **The success factors**

- **Reform Pillars (Modern Law, CPB, eProcurement tools, FAs)**
- **Changing model: Legal, Economic, Social, Marketing**
- **Setting additional objectives: Economic and Green Procurement**
- **Confidence and Trust in the security of eProcurement platforms**



# Portugal did IT

## How to get reform project right

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The success of the Public Procurement reform in Portugal is by far due to the **constructive commitment of all stakeholders**,. All stakeholders involved in PP **trust** the system and its tools and see it as a value added improvement.

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**Aggregation, centralization of demand and the creation of the CPB helped delivering the change towards e-Procurement**

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### Players involved

Contracting Entities | Economic Operators | Public eTendering Platforms | External Auditors for Platforms' compliance | National Certification Office for e-Tendering Platforms | National Agency for Public Procurement | National Portal for Public Contracts: Base – InCI | Universities | Training Institutes | Lawyers | PP external consultants | Court of Auditors | Administrative Courts | Media | PR & Press | Political Institutions | EU | Citizens



# Portugal did IT

## Key figures

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### The eProcurement usage

- Mandatory since Nov.2009, 7 private eTendering platforms
- In 2013, 39 776 procedures, 5 000 M€, 70% of total value
- In 2013, Manchester index of 87 % (above EU thresholds)

### The national public procurement system (CPB)

- 14 Ministerial Purchasing Units, +1 800 Entities mandatory, +500 voluntary
- 800 millions of annual public expenditure covered (80% of total)  
155 M€ in savings 2009-2012, around 16%
- Over 250 contractors, +70% SME's
- Over 30 Framework Agreements concluded



# ALIGNING PRIORITIES AND OBJECTIVES



# How to get reform project right

## The critical dimensions of an e-P system

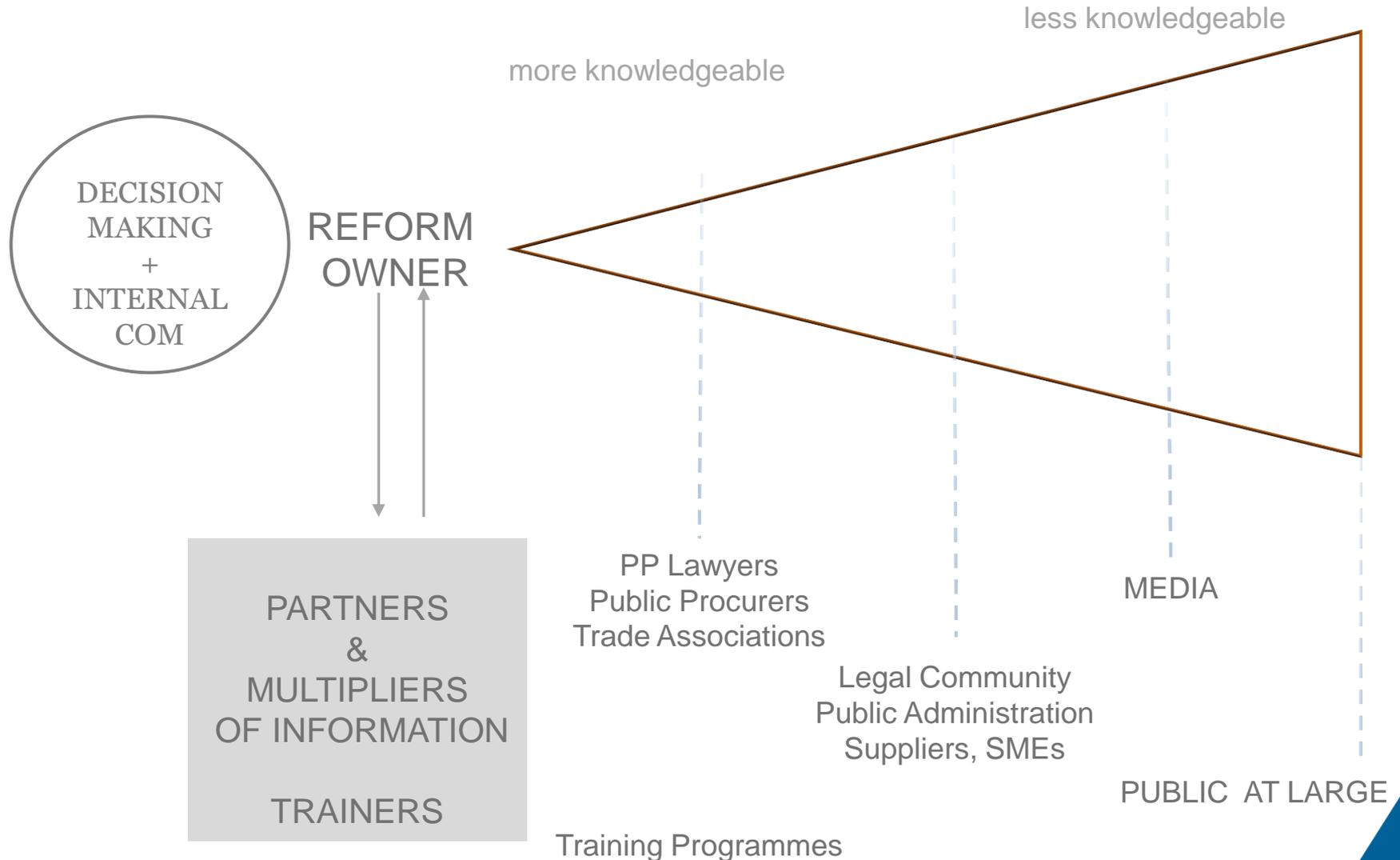
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- (1) Clarity of objectives (for the system)
- (2) Legislative environment
- (3) Institutional context and governance
- (4) Visibility and accessibility of the system to users
- (5) Technical functionality/ergonomy
- (6) Interoperability and links with other systems
- (7) Resources available to the system owner/manager to maintain and develop the system
- (8) Information completeness and quality



# How to get reform project right

## Communication matters... the megaphone





# GO TO THE MARKET STRATEGIES



# Go to the market strategies

## Possible actions to undertake (once...)

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- **Training sessions** and **capacity building seminars** to improve skills in the handling of the eProcurement tools, but also to improve the knowledge about the system (and the use of new tools).

These actions should be **continuous** and included in the annual action plan of the CPBs, and some of them can be targeted to a specific universe, for instance, Municipalities, Ministry of Health or Education or sub-sectors like schools or hospitals. ***It is an ongoing process.***

- A **roadshow** in the major cities intended to enlighten CA, public servants, economic operators or commercial associations, and to explain the mission and role of CPBs, the objectives and coverage of the new system and the expected functions of each part.



# Go to the market strategies

## Possible actions to undertake

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- Design and prepare a **visibility and awareness campaign** to run in parallel. Include media coverage and communication actions envisaged to create a solid understanding of the new system, either to the relevant users or stakeholders. Consider the possibility of engaging relevant opinion makers and high-ranked government officials.
- **Major events with national coverage**, like annual conferences on Public Procurement, with national and international experts, aiming to present the status of the reform and the evolution of the system. These occasions allow also the sharing of experiences and the gathering of feedback from the users.
- **Presence of Directors and officials of the Agency** in several events, seminars and conferences to promote the new system.



# How to get eProc implementation right

## Key factors

eProcurement and CPB set as an approach and part of the Public Procurement and e-Government Strategies

Investing in full fledged / full coverage models optimizes management and decreases waste and redundancy costs

Success depends firstly on streamlining, transparency, getting trustable processes and people's skills, and only then on technology

***Deliver value to the Stakeholders  
(full visibility into costs, risks and performance)***

## Critical Success Factors and Dimensions



Governmental Top-Down project, transforming procurement from tactical to strategic.

***Political***



Create a Governance model for Public Procurement reform and Legislation to support the new trend.

***Financial***



Promote a Change management plan focused on Implementation.

***Social***



# The OECD view on e-Procurement – 1

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- The new 2015 [OECD Recommendation on Public Procurement](#) includes a principle on e-Procurement
- E-procurement refers to the integration of digital technologies in the replacement or redesign of paper-based procedures throughout the procurement process
- It RECOMMENDS that Adherents improve the public procurement system by harnessing the use of digital technologies to support appropriate e-procurement innovation throughout the procurement cycle.



## The OECD view on e-Procurement – 2

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To this end, Adherents should:

- i) Employ recent digital technology developments that allow integrated e-procurement solutions covering the public procurement cycle. Information and communication technologies should be used in public procurement to ensure transparency and access to public tenders, increasing competition, simplifying processes for contract award and management, driving cost savings and integrating public procurement and public finance information.

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## The OECD view on e-Procurement – 3

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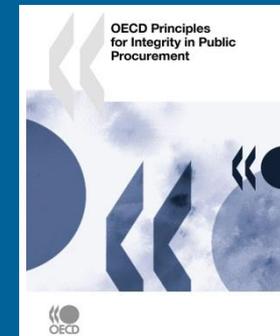
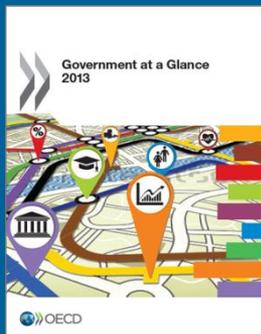
- ii) Pursue state-of-the-art e-procurement tools that are modular, flexible, scalable and secure in order to assure business continuity, privacy and integrity, provide fair treatment and protect sensitive data, while supplying the core capabilities and functions that allow business innovation. E-procurement tools should be simple to use and appropriate to their purpose, and consistent across procurement agencies, to the extent possible; excessively complicated systems could create implementation risks and challenges for new entrants or small and medium enterprises.



# THANK YOU

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**For more information on OECD work on public procurement**



<http://www.oecd.org/gov/ethics/public-procurement.htm>