



E-procurements

*International Public Procurements Conference
2011 Hungary*

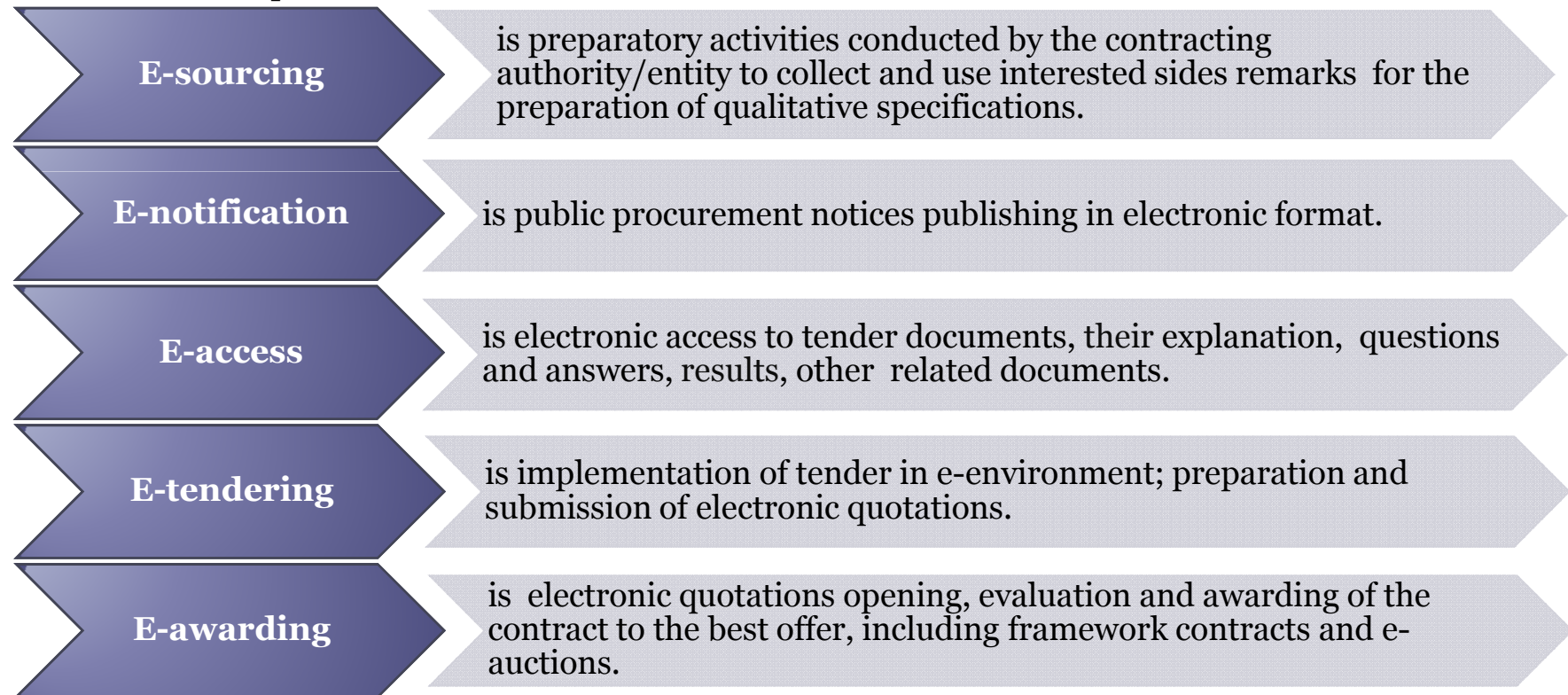
Agenda

- Public procurement process transposition in electronic environment in Lithuania
- Central Public Procurements Information System
- Results
- Faced problems and major challenges

E-procurement process

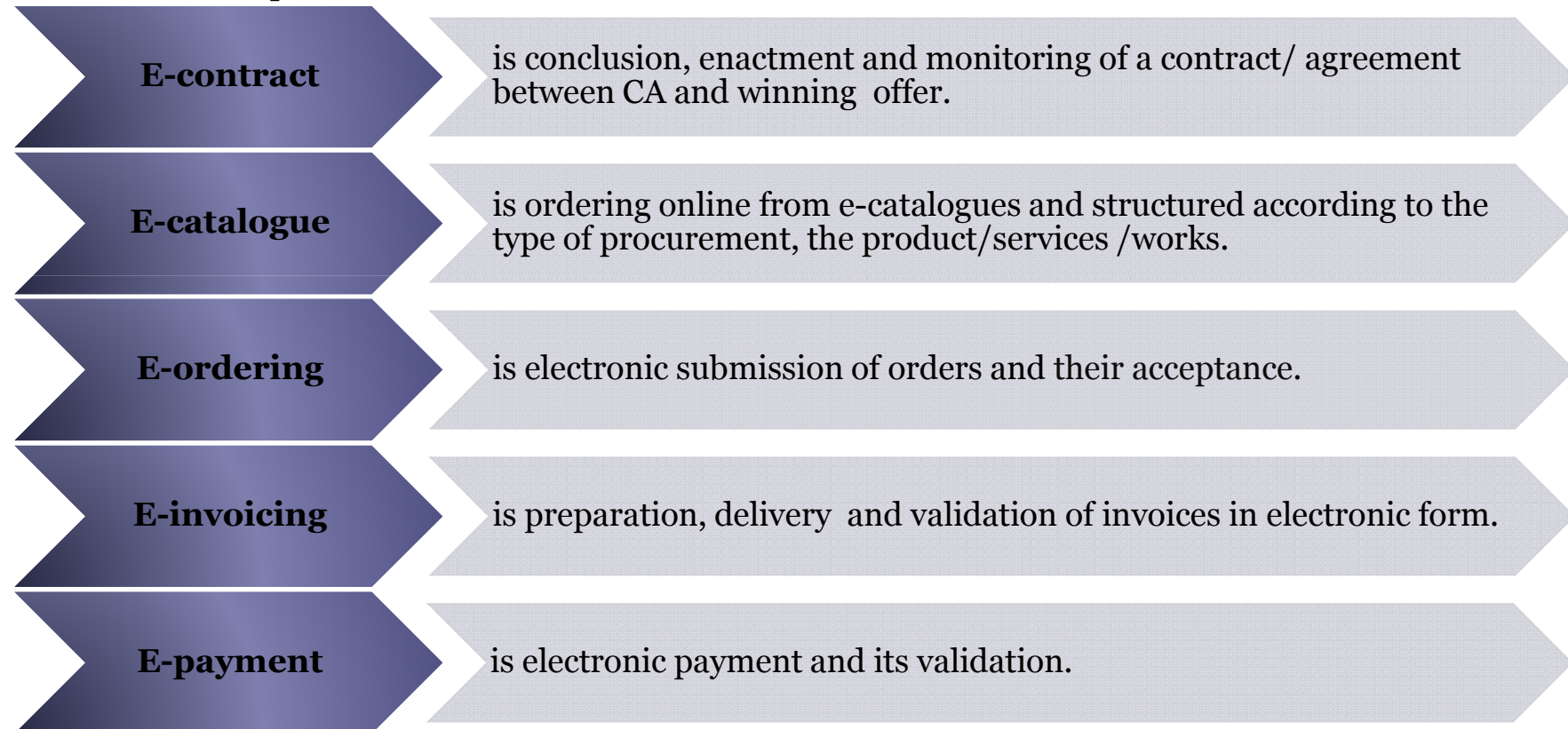
Is public procurement process which is executing in the electronic environment. It can be identified pre-award and post-award phases and following sub-phases of the process:

Pre-award sub-phases



E-procurement process

Post-award sub-phases



Public procurement process transposition in electronic environment in Lithuania

I step *Public Procurement Monitoring Information System (developed in 2002)*

- allows to prepare and submit public procurement notices and public procurement reports in the electronic environment using internet-based forms.

II step *Central Public Procurement Portal (developed in 2004)*

- enables to publish public procurement notices and tender documentation in the electronic environment using internet-based forms. In addition, electronic catalogues used by economic operators to make their products available online.

III step *Central Public procurement Information System (developed in 2008)*

- enables to organize and implement whole cycle of public procurement in the electronic environment, includes PPM IS and CVPP functionality



Aims of CPP IS

- To reduce suppliers costs while participating in public procurement.
- To accelerate public procurement processes.
- To make it possible for contracting authorities to use more different procurement procedures.
- To use contracting authorities human resources more effectively.
- To improve accounting and controlling possibilities of public procurement.
- To increase public procurement transparency.
- To promote small and middle business representatives to participate in public procurement.



Central Public Procurement IS

- organize procurement procedures;
- publish plans, TS projects, get remarks;
- submit notices to PPO for publication or e-request for quotation to potential suppliers;
- publish tenders documents, their explanations, tender results;
- access info revolted to public procurements
- etc....

Authorized contracting authorities/entities



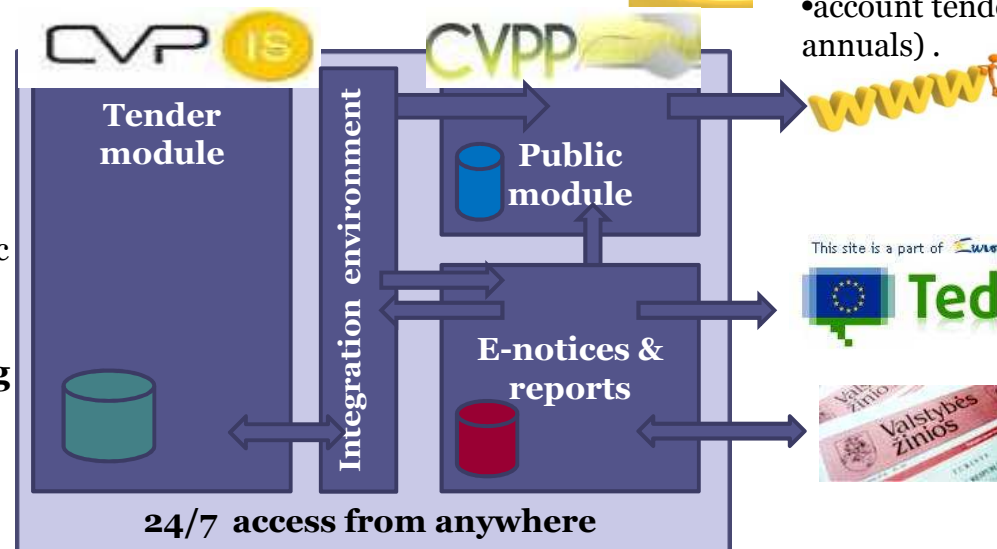
National Audit Office and other controlling organizations

access tender(with CA permission) for its control.



Public procurement office

- administrate system, consult users;
- check and publish notices;
- access tender (with CA permission) for its control;
- prepare and publish information revolted to public procurements;
- account tenders (prepare statistic annuals) .



- access tenders documents and other revolted info;
- submit quotations with digital signature;
- send remarks to TS and questions to CA and receive answers;
- submit profile and identify their areas of interest

Authorized suppliers



Anonymous



access notices, tenders documents, their explanations, other revolted info

Results

Central contracting authority catalogue (CPO)
Contracting authorities/entities must use if
contract object is in e-catalogue



From **September 15th 2009** it's mandatory:

- to publish tender documents, including specification, explanation, questions and answers (*2004-2009 available, but not mandatory*);
- to implement not less than 50 % of procurement value per year in CVP IS.

E-contracting is available, but not mandatory.

From **2010** it's mandatory:

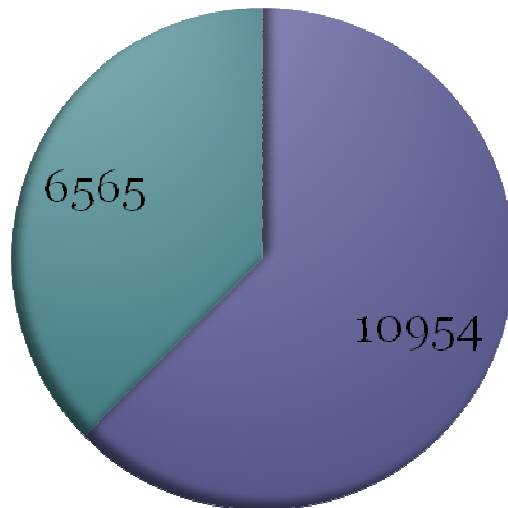
- to publish public procurements plan for a year;
- to publish technical specification for big tenders. (*from 2012 will be mandatory for all tenders*).

2010 first DPS. At the moment 5 DPS (11 tenders in DPS).

Till now was implemented more than 25 e-auctions.

Will be available after
integration with E-
invoice (project started
this year by Ministry
of Finance)

Number of users



- Suppliers
- Contracting authorities/entities

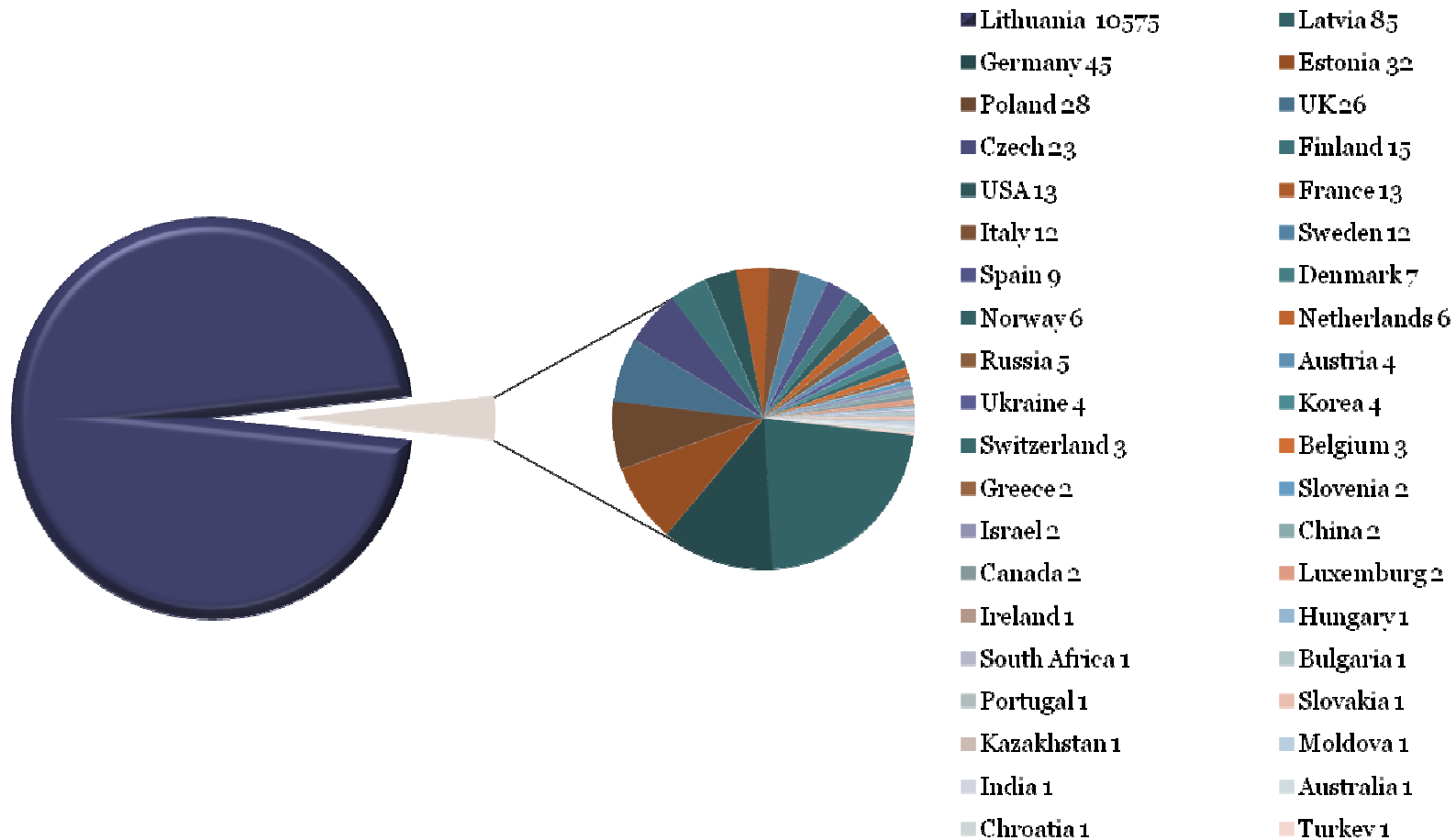
Registration is mandatory for :

- All Contracting authorities/entities;
- Suppliers which plan to submit e-quotation.

Registration is not mandatory for access to notices, tender documents and other public information.

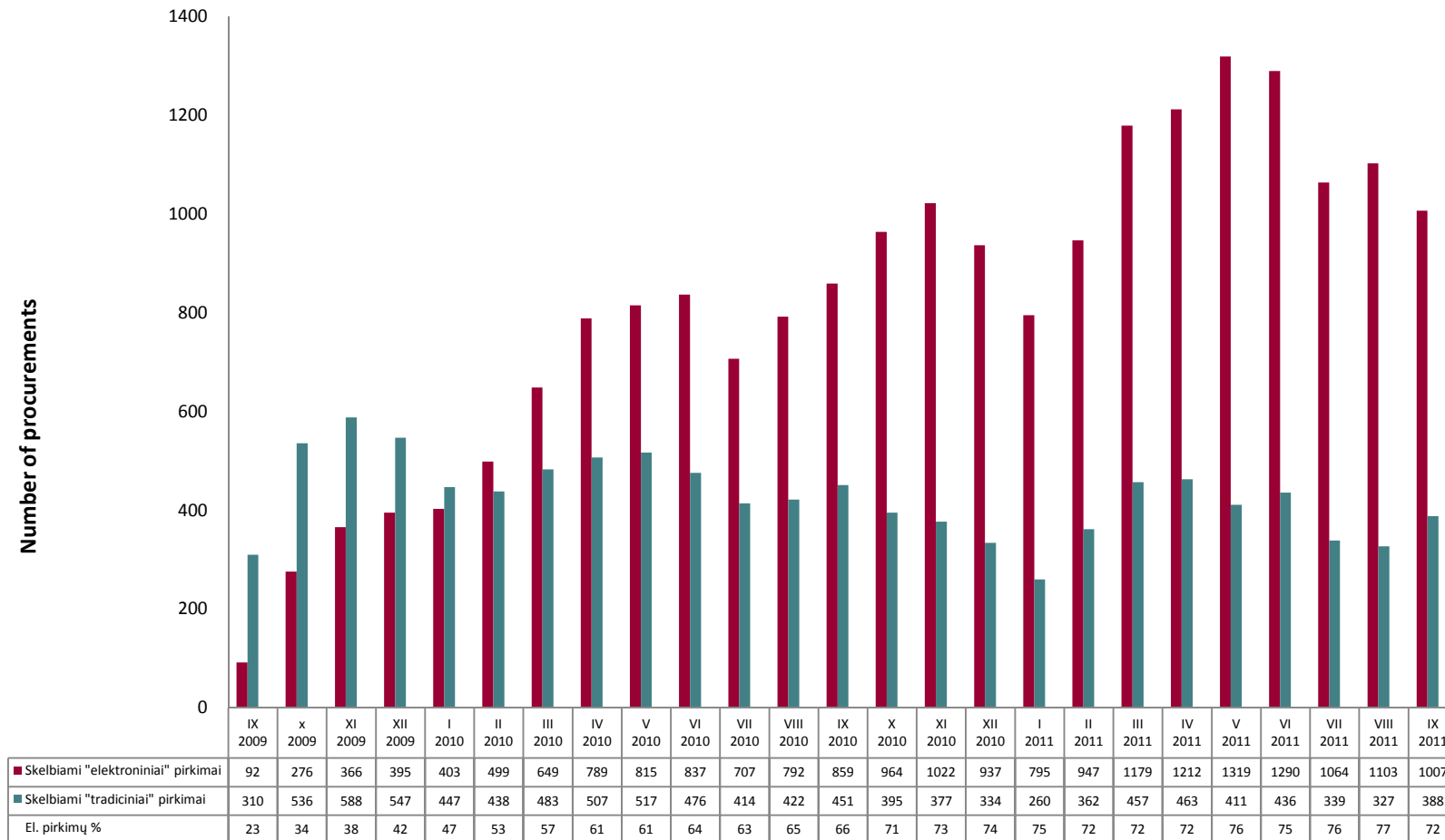
At the moment there is about 40.000 users of more than 17.000 registered entities (legal entities and individuals).

Suppliers' geography



Suppliers from **40** countries are registered in Central Public Procurement IS. 10575 from Lithuania and 379 (**3,5 %**) from another countries.

Traditional and e-procurement, about which were published contract notices (quantity) (September, 2009 – September, 2011)



*Traditional and e-procurement, about which were published contract notices (volume)
2011, I-III qtr.*

| Period of contract signing | Public procurement volume* (except low-value procurements), mln. Lt | | E-procurement volume , proc. |
|----------------------------|--|----------------------|------------------------------|
| | Procurement volume | E-procurement volume | |
| 1 | 2 | 3 | 4 (3/2) |
| 2011 I qtr. | 1.468,1 | 934,4 | 63,6% |
| 2011 II qtr. | 2.229,3 | 1.716,6 | 77,0% |
| 2011 III qtr. | 2.725,3 | 2.057,2 | 75,5% |
| Total: | 6.422,7 | 4.708,2 | 73,3% |

*In the table presented values of public procurements about which were published contract notices. Values of negotiation procedures and low-value procurements (less than 100.000 Lt for servers /goods, and less than 500.000 Lt for works) were not calculated.

E- procurements about which were published contract notices value increased 10 % compared to November, 2010 volume

Faced problems

- Not planned tenders quantity and user activity that influenced system stability.
- Low is more adapted for traditional processes.
- Not clear what to do if supplier can not submit quotation because of system technical problems.
- Not clear if it is possible to organize interactive public procurement commission meetings.
- No common standard for e-document and its legalization.
- No common rules for digital signature using in public procurements.
- Lot of people used to another work model and are using system for scanned documents sending instead of whole system functionality for saving time and resources.
- Lack of awareness about e-documents and digital signature and unwillingness to accept it.
- Complicated accounting.

Major challenges

- Focus on better stability and security.
- User interface improvement to make it more friendly and usable for users with different level of computer skills.
- Develop E-learning module.
- Ensure digital signature validation for users from different countries.
- Enable more structured data seeking to make automatic process for deferent kinds of evaluations, better and easier accounting.
- Eliminate same data double filling in different parts of e-tender.
- Integration with Central contracting authority's e-catalogue; and the Ministry of Finance developing system “E-involve”; common user authorization.
- More transparency in post-awarding phases.
- E-documents and their management standards for tender documents and e-quotations.

Thank you for your attention

*Irina Zalužnaja
Deputy Head of Electronic Procurement Development Division
Public Procurement Office
Lithuania*

*Tel: + 370 5 213 3238
E-mail: irina.zaluznaja@vpt.lt*



<http://www.vpt.lt> <http://www.cvpp.lt> <https://pirkimai.eviesiejipirkimai.lt>