From eProcurement to Digital Transformation of Public Procurement

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Isabel da Rosa
European Commission, Directorate General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW)
Unit G4 Innovative and electronic procurement

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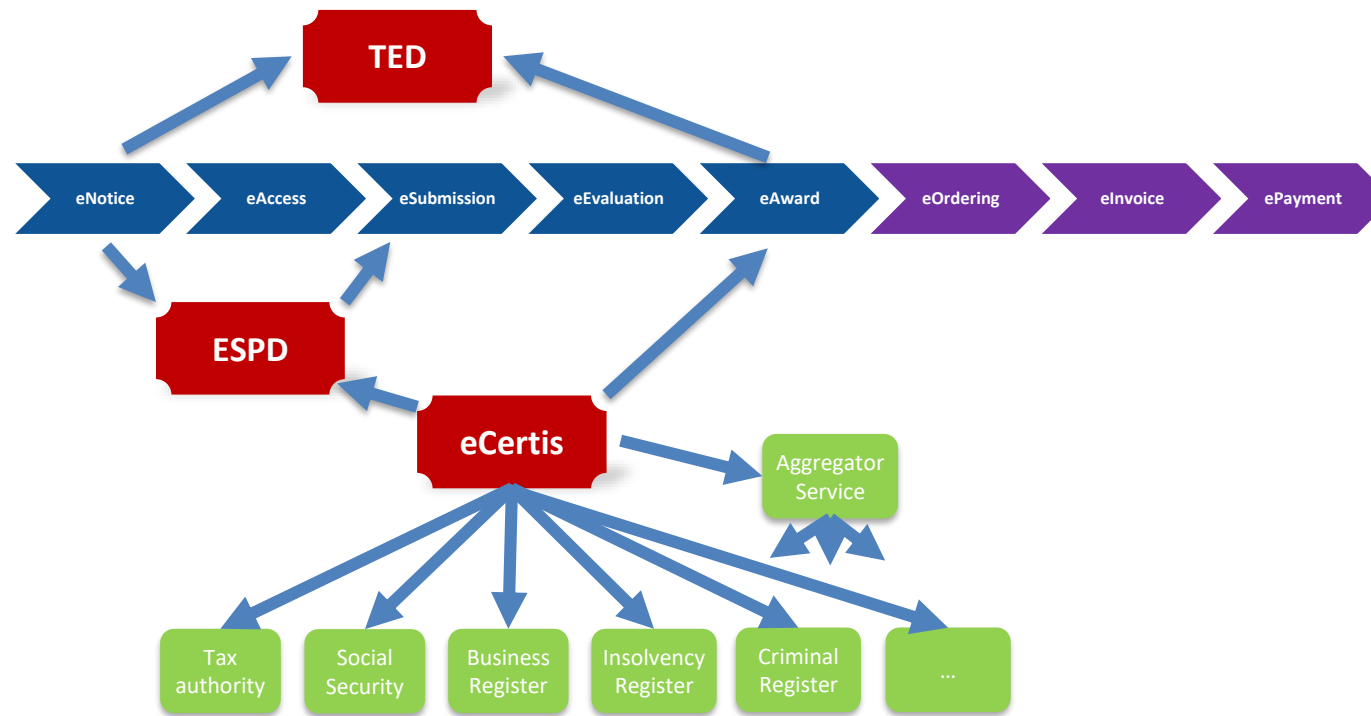ec.europa.eu/bienkowska

Internal market, Industry, Entrepreneurship and SMEs
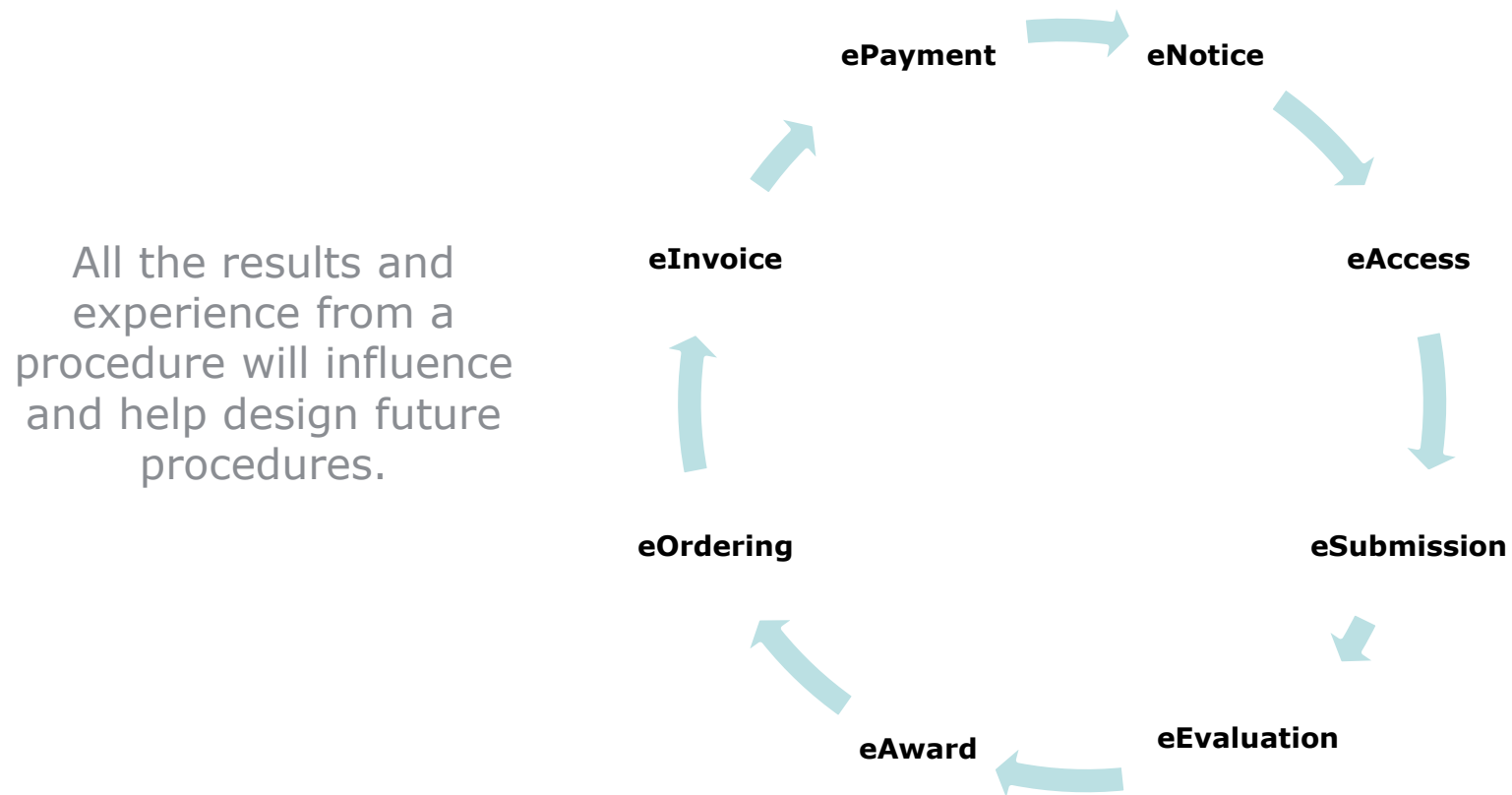
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Outline

- eProcurement

- State of Play

- Digital Transformation

- Future challenges

eProcurement life cycle

Internal market,
Industry,
Entrepreneurship
and SMEs

A better representation of the life cycle

All the results and experience from a procedure will influence and help design future procedures.

ePayment → eNotice
eNotice → eAccess
eAccess → eSubmission
eSubmission → eEvaluation
eEvaluation → eAward
eAward → eOrdering
eOrdering → eInvoice
eInvoice → ePayment

Internal market,
Industry,
Entrepreneurship
and SMEs

The main milestones

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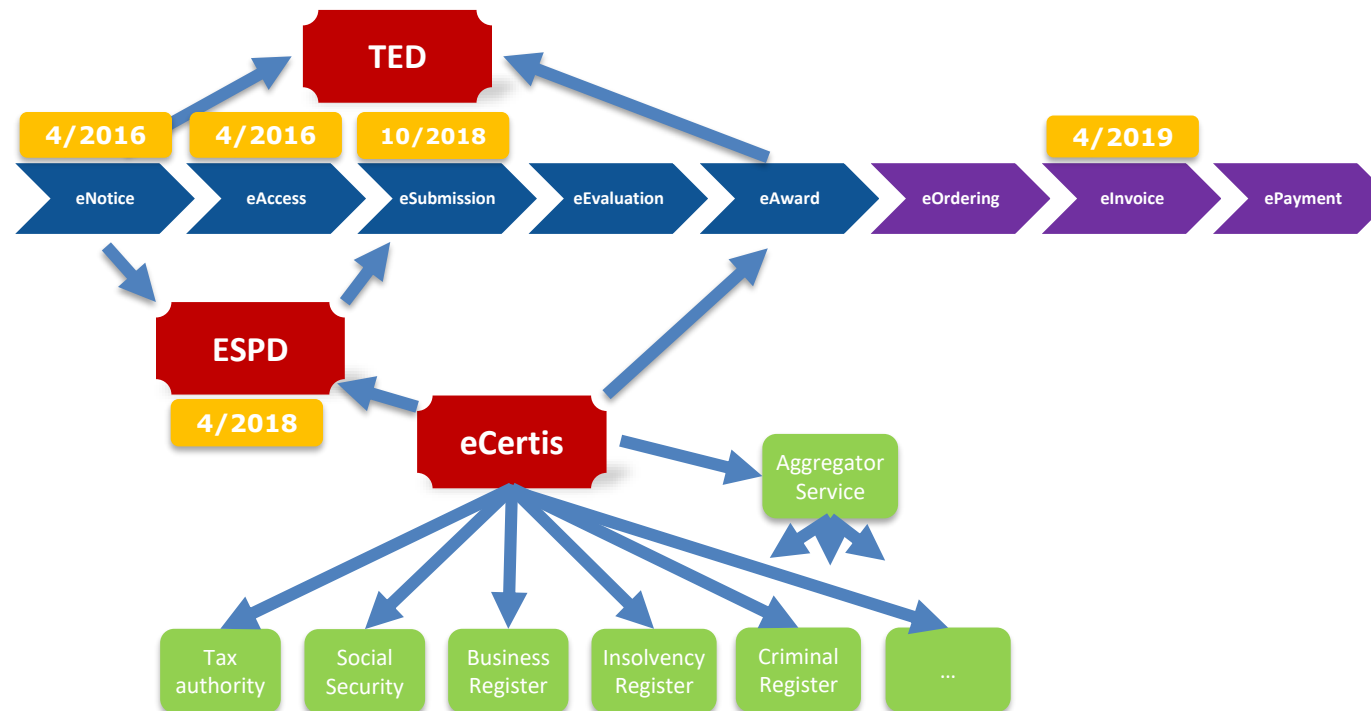
European Single Procurement Document (ESPD)

- The EC supported the uptake of this tool with technical and financial instruments.

- eESPD service from April 2016 to April 2019.

- Currently all MS have solutions available with the exception of CY and LU.

- There are more than 45 solutions available in the EU.

List of ESPD services

This list is compiled through input from the Member States. In order to have your
https://ec.europa.eu/docsroom/documents/34484.

ESPD services in Austria

Service Provider	Link
ANKÖ Auftragnehmerkataster Österreich	https://www.ankoe.at/en/contracting-authority/assess-the-eligibility.html
ANKÖ Service Ges.m.b.H	https://evergabe.ankoe.at
BBG Bundesbeschaffung GmbH	https://evergabe.at; https://evergabe.gv.at; https://ausschreibungen.gv.at
EU-Supply	https://eu.eu-supply.com
Vemap	https://www.vemap.com/kunden

ESPD services in Belgium

Service Provider	Link
EU-Supply	https://eu.eu-supply.com
FPS Policy & Support, DG Federal Accountant & Procurement	https://uea.publicprocurement.be/

eCertis

- Free, on-line source of information to help companies and contracting authorities to cope with the different forms of documentary evidence required for cross-border tenders.

- The Commission is responsible for the IT system. Member States are responsible to keep the information up-to-date (Article 61, EU Directive 2014/24).

**Means of proof
In 31 countries in Europe**

https://ec.europa.eu/tools/ecertis/#/search

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TED, the website with business opportunities from the EU public sector.

500,000 contracts worth €450 bn. per year

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Where we are

Revamping the web interface

- More
  - User centric
  - User friendly
  - Search functions
  - Systems interconnections
- Better services to businesses and citizens

Improving the current standard forms => New eForms

- More
  - Ready for Digital
  - Flexible
  - Relevant
  - Understandable
- A new implementing regulation was adopted on 30 September 2019 (published in EURLEX: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=uriserv%3AOJ.L_.2019.272.01.0007.01.ENG)
- Better data quality
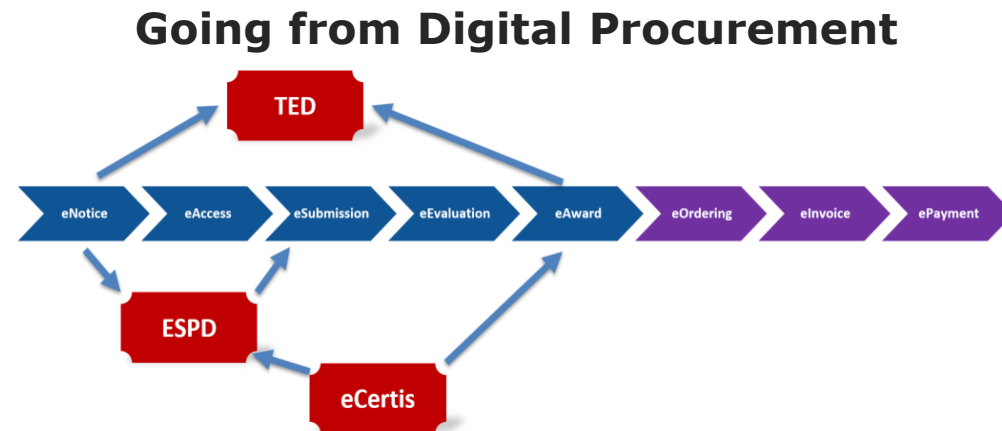- Higher systems interoperability

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Digital capabilities gained since 2016

eProcurement IT ecosystem				External IT resources relevant for PP
Geographical dimension	**Objective**			
	Monitoring, Publication, Transparency	**Tools for PP transaction**	**Interoperability standards for PP transactions**	
National	**eSenders** (about 100 providers) **Contract registers** (20 registers) **Notification portals** (at least 1 x per MS, plus regional/local)	**National ESPD services** (40 services) **Prequalification systems** (8 services) **Eproc services** (80 service providers) **eCatalogues** **eAuctions services** **National eInvocing** Gateways/hubs **eInvoicing services** (250 service providers)		**National databases /registries** (> 60 online systems)[1] **OOP infrastructure** **Financial and Management Information systems** **National Open data Portals** **Risk Management systems**
EU /European	**TED** (various formats since 2011) **Standard forms** (eForms, 2022 est.)	**eCertis** (2010, 2016, 2018) **ESPD COM Service – until April 2019** (2016, 2017) **ESPD** (2016)	**eInvoicing standard** (2017) **ESPD Data Model** (2016, 2017) **CEN BII** (2015)	**BRIS** (2017) **ECRIS** (2012) **Insolvency registers** (2019) **IMI** (Public procurement module) (2017) **SDG** (2021) **EU Open Data Portal**
International	**OCDS**			

Digital Transformation in Public Procurement

- Buying new products/services
  Or

- Buying in a diferente way
  Or

- Creating a new Business Model

https://www.youtube.com/watch?v=Cl8ijPGEKO8

Going from Digital Procurement

To Digital Transformation of Public Procurement

Understanding the application of Digital Transformation in Public Procurement

- Study regarding the application of emerging technologies in Public Procurement worldwide
- Conducted by Deloitte
- Takes place during the year 2019
- Deliverables:
  - **Long list of cases** (around 96, in 70 countries)
  - **20 detailed use cases**
- Deliverables format:
  - **Report**
  - **Workshops**
  - **Online information** (beginning of 2020)

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The Objectives and Scope of the study

01 Identify projects in the EU and outside of the EU, which used/are using new technologies in the field of public procurement, building up a long-list of initiatives across the world.

02 Select a limited number (20) of interesting initiatives to develop as case studies in order to provide lessons learnt and recommendations for Member States in their own efforts with emerging technologies in public procurement.

03 Engage with interested parties in the Member States to build interest and ensure uptake of the results of the study. Involve them in the development of the case studies.

- **Emerging technologies**

  - ✓ **AI (Artificial Intelligence) and ML (Machine Learning)**
  - ✓ **Big Data and Data Analytics**
  - ✓ **Robotic process automation**
  - ✓ **Blockchain**
  - ✓ **IoT (Internet of Things)**
  - ✓ **AR (Augmented Reality) and VR (Virtual Reality)**
  - ✓ **Robots and Drones**
  - ✓ **3D Printing**

- **End-to-end public procurement process**

  - ✓ **Notification**
  - ✓ **Tendering**
  - ✓ **Awarding**
  - ✓ **Contracting**
  - ✓ **Ordering**
  - ✓ **Invoicing**
  - ✓ **Payments**

- **70 Countries around the world**

  - ✓ **28 EU Member States**
  - ✓ **42 extra-EU countries across all continents**
  - ✓ **All levels of administration**

- **Completed, ongoing and planned projects**

  - ✓ **Projects that have already been initiated, piloted/deployed, with tangible effects and measurable impacts**
  - ✓ **Projects being currently piloted/deployed, with tangible effects and estimated impacts**
  - ✓ **Projects being under conception with estimated effects and impacts**

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The results of the first report

Longlist of **96** projects by public authorities making use of emerging technologies

Region		Technolog		Maturity	
EU	36	AI & ML	28	Deployed	31
North America	19	Big data	26	In development	16
Europe (non-EU)	16	Blockchain	24	Pilot	18
Asia	11	RPA	6	Planned	23
Multinational	5	AR & VR	6	Potential future implementation	8
Australasia	2	3D printing	4		
Middle East	2	IoT	1		
		Robots/drones	1		

Some examples of use cases

Brazil, Price Index — Deployed — Analysis of prices — N/A	**Japan, MIAC feasibility study** — Pilot — Data backbone — N/A	**USA, Ask Laura** — Deployed — Chatbot — N/A	**Australia, CAITY** — Deployed — Categorisation of spend — N/A	**Finland, Palkeet RPA** — Deployed — Automation: invoice processing & other — RPA
Belgium, MEDIAAN — Deployed — Pricing analysis — N/A	**Canada, Supplier Registration Information** — Pilot — Data backbone — N/A	**UK, Procurement Information Provider** — Deployed — Chatbot — N/A	**Finland, Explore state spending** — Deployed — Categorisation of spend — N/A	**Portugal, Purchasing management platform** — In development (user testing) — Automation — RPA & Blockchain
Slovenia, MJU — Pilot — Analysis of procurement contracts — N/A	**Mexico, HACKMAX** — Pilot — Automation: evaluation of proposals — N/A	**South Korea, AI product management** — Deployed — Forecasting demand — N/A	**Brazil, Labcontas** — Deployed — Analysis of risk of corruption — BD & DA; RPA	**USA, GSA RPA** — Deployed — Evaluation of suppliers — RPA
Belarus, BI (EBRD project) — Deployed — Analysis – business intelligence — N/A	**South Korea, Yeongdeungpo-gu** — Deployed — Evaluation of proposals — N/A	**USA, HHS Accelerate** — In development — Analysis: pricing / conditions — Blockchain	**Ukraine, Prozorro CPV prediction** — Pilot — Categorisation of spend — N/A	**Germany, Deutsche Bahn** — Deployed — Production of parts — 3D Printing

▬ Big data & analytics	▬ Blockchain	▬ AI & ML	▬ Other technologies (AR/VR, 3D printing, Robots & Drones, IoT, RPA)

Next steps

13 November 2019 – Workshop for presenting the 20 detailed use cases

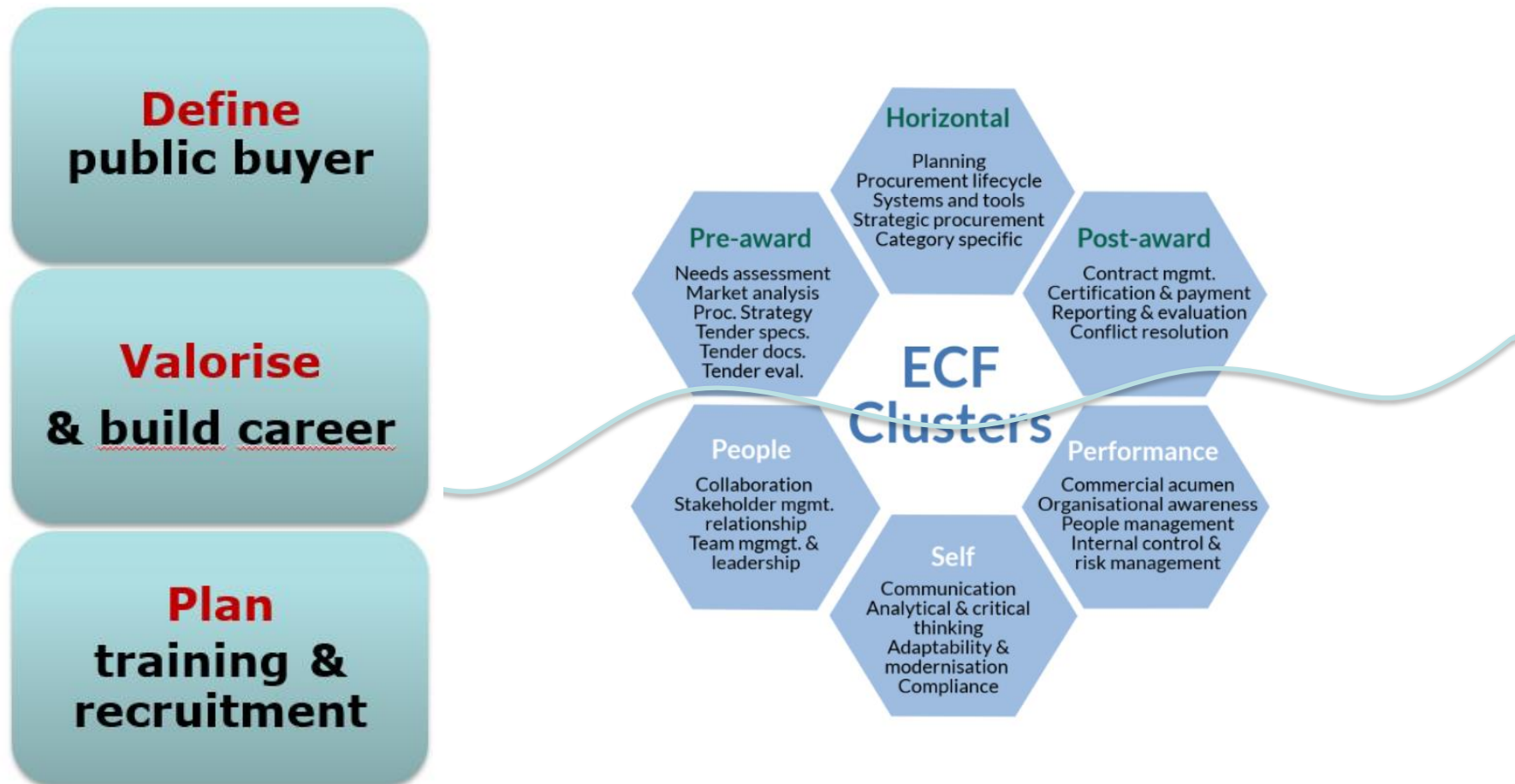**Beginning of 2020** – Results available on GROW's website

More information here:

https://webgate.ec.europa.eu/fpfis/wikis/pages/viewpage.action?pageId=349740885

Digital Transformation Challenges

1. Knowledge/new skills
2. Look into previous experiences
3. Think out of the box
4. Test/pilot/proof-of-concept
5. Start small and escalate later
6. System interconnection
7. Citizen centric vision

European Competency Framework for public buyers

Thank You

Isabel-maria.da-rosa@ec.europa.eu

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