



Electronic procurement in the EU

National eAuction Forum
Bratislava, 26 April 2017

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agenda

1. The common e-PP framework in EU
2. Services provided by the Commission: TED, ESPD and e-Certis
3. The state of play in EU
4. e-PP, the game changer
5. The key factors for a successful implementation of e-PP.



1. The common e-PP framework in EU

Four new directives on public procurement

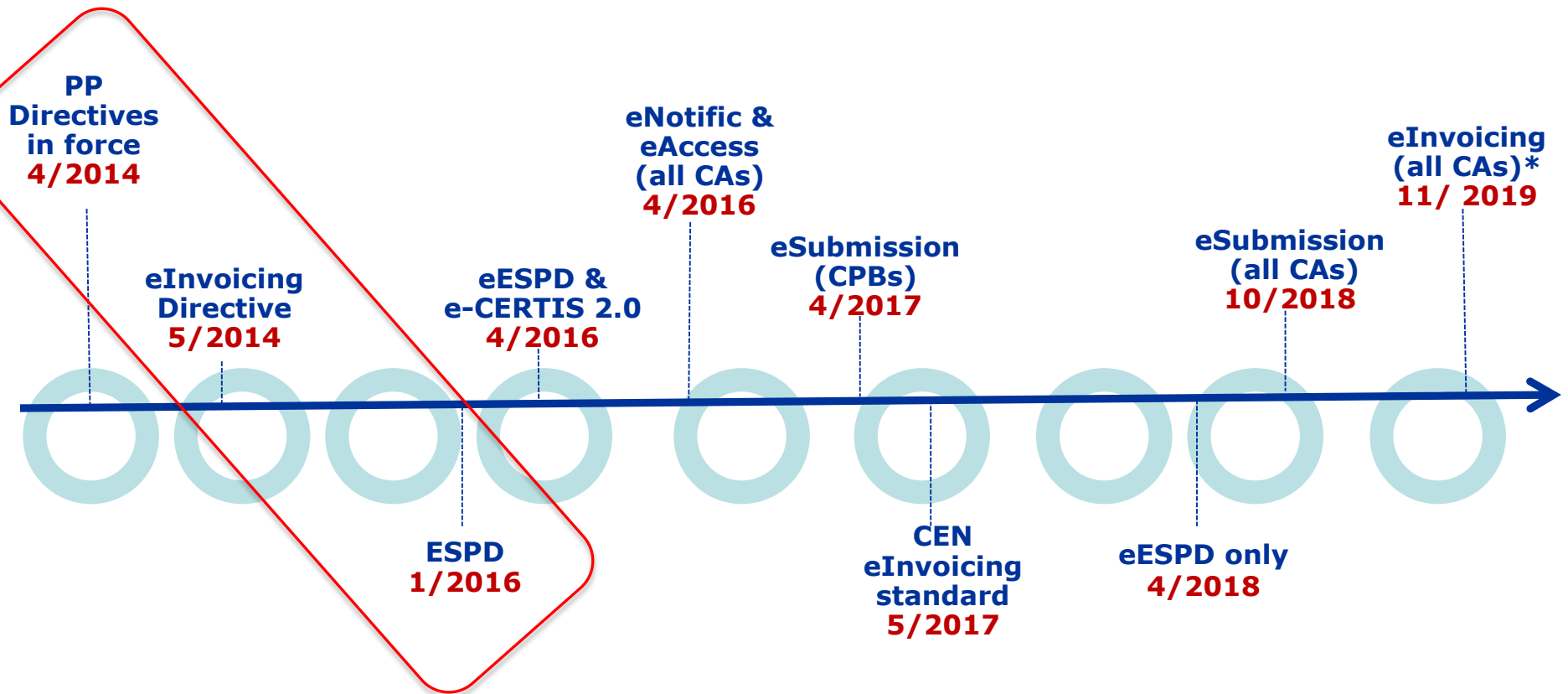
Public
Contracts
2014/24/UE

Utilities
2014/25/UE

Concessions
2014/23/UE

eInvoice
2014/55/UE

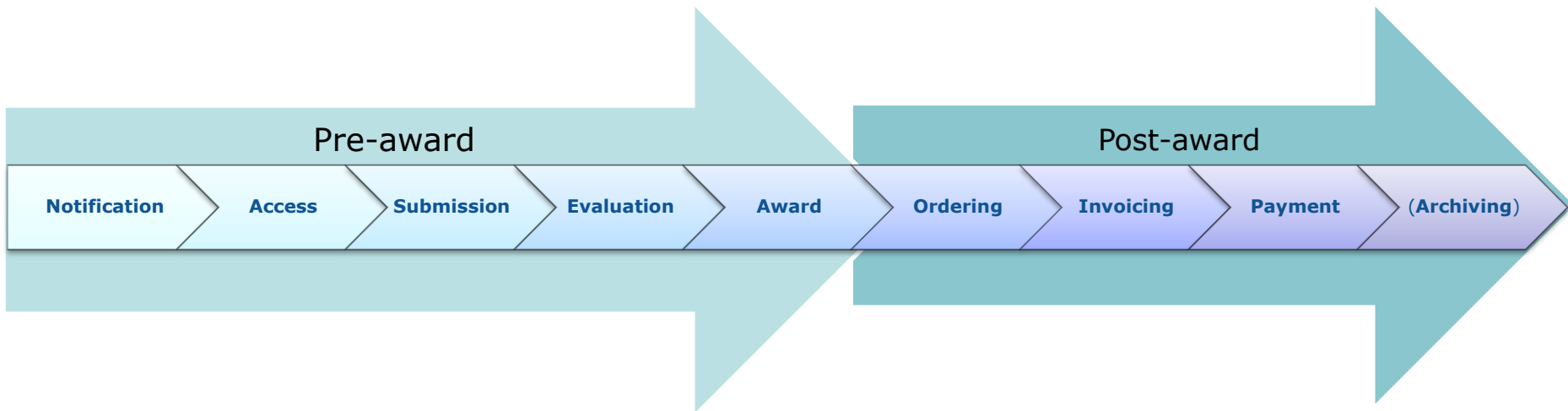
E-Proc milestones



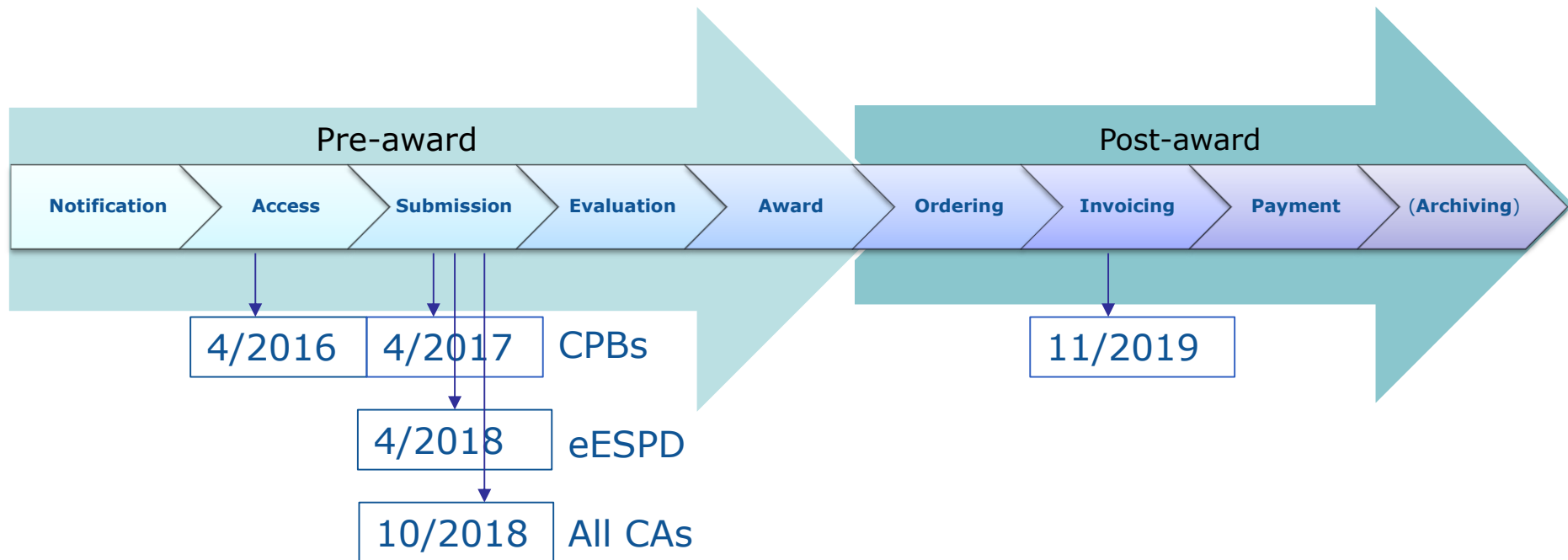
* Depending on the availability of the European standard

The public procurement process

The complete process



Milestones and the process life cycle





2. Services provided by the Commission: TED, ESPD and e-Certis



Tender Electronic Daily (TED)

What is TED?

- TED (Tenders Electronic Daily) is the online version of the 'Supplement to the Official Journal' of the EU, dedicated to European public procurement.
- TED publishes 460 000 calls for tenders per year, for about 420 billion euro of value.

Tender Electronic Daily (TED)

How can I benefit from TED?

- TED provides free access to business opportunities from the European Union, the European Economic Area and beyond.
- Every day, from Tuesday to Saturday, a further 1,700 public procurement notices are published on TED.
- You can browse, search and sort procurement notices by country, region, business sector and more.
- Information about every procurement document is published in the 24 official EU languages. All notices from the EU's institutions are published in full in these languages.

Tender Electronic Daily (TED)

What has to be published ?

Notices from the Public Procurement Network* countries

- **Public works, supplies and services**
- **Utilities contracts (water, energy, transport and telecommunications sectors)**

Notices from the EU institutions, agencies and other bodies

- **Public works, supplies and services**
- **Call for expression of interest**
- **Annual list of contractors**

Projects financed by

- **European Investment Bank**
- **European Investment Fund**
- **European Central Bank**
- **European Bank for Reconstruction and Development**
- **External Aid and European Development Fund (ACP countries)**

*EU member states, candidate countries, EEA countries, and Switzerland

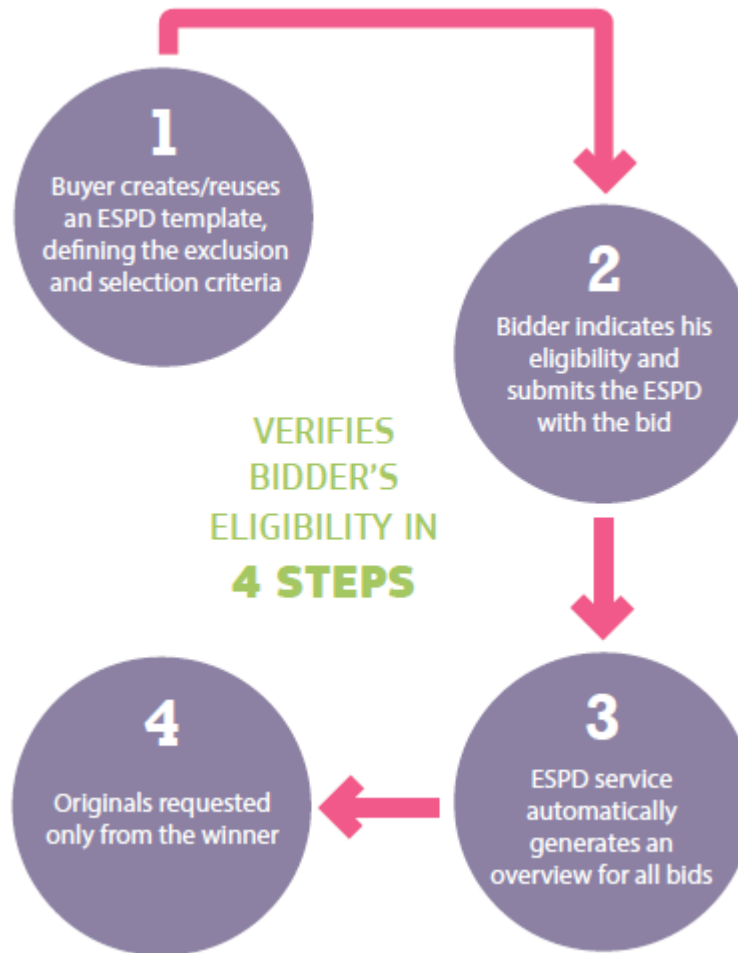
European Single Procurement Document (ESPD)

- Objective: lessen administrative burdens
- To be used as MS transpose Directive 2014/24/EU(*)
- Mandatory for all PP > EU thresholds (concessions excluded)
- Lists all possible exclusion and selection criteria.
- 2 main versions made available by COM (paper + electronic)
- http://ec.europa.eu/growth/single-market/public-procurement/e-procurement/espd/index_en.htm



European
Commission

e-ESPD





European
Commission

e-ESPD



SELF-DECLARATION

as preliminary evidence in public procurement



proof of eligibility provided easily

ONLINE



TEMPLATE

prepared by the buyer and filled in by bidder or automatically



Evidence provided by

WINNERS ONLY



RE-USABLE

in future tenders and bids



FLEXIBLE

reflects member states' needs and data availability



ready for integration with
NATIONAL REGISTERS



EU FUNDING

available to help integration

certification requirements
verifiable via the new

E-CERTIS

<http://ec.europa.eu/growth/ecertis>

e-Certis

- e-Certis is an online database that lists these eligibility criteria and the documentary evidence that is needed in each country.
 - **<https://ec.europa.eu/growth/tools-databases/ecertis/>**
- The Commission manages the system and the Member States are obliged under Article 61 of the Directive to make sure the information is accurate and up to date.

e-Certis

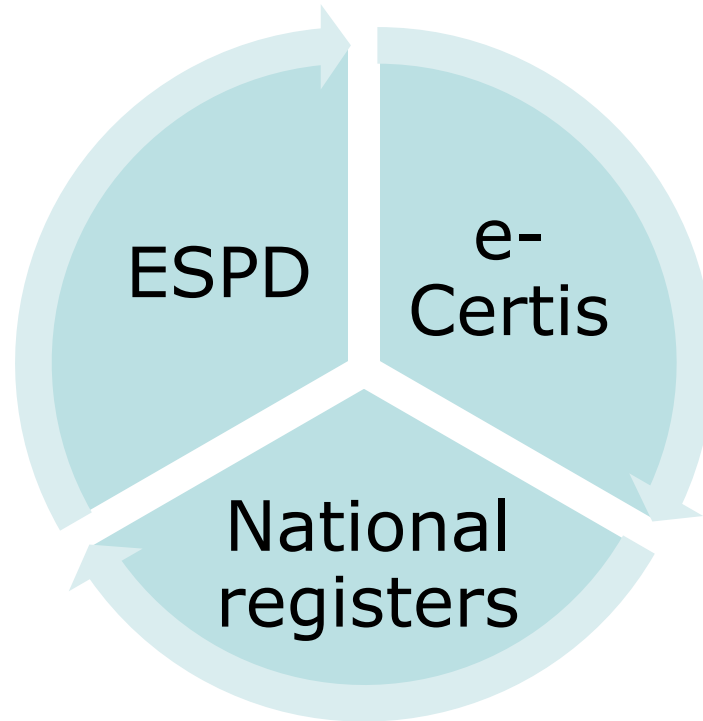
Advantages:

- e-Certis helps:
 - companies (**bidders**) to identify which documents and certificates they need to submit when tendering for a contract in a European country
 - contracting authorities (**buyers**) in European countries to establish which documents they can accept or need to ask bidders for
 - **both parties** to identify equivalent certificates between countries.

e-Certis

- Facts and figures
 - **753** criteria and **274** items of evidence had been added to e-Certis by 21 April 2017.
 - **26 364** unique page views were recorded in the final quarter of 2016.
 - **3 000** unique visitors on average over the same period.
- Participants:
 - All **28** EU Member States, plus Iceland, Liechtenstein and Norway participate in e-Certis

Our vision of OOP in EU-wide PP



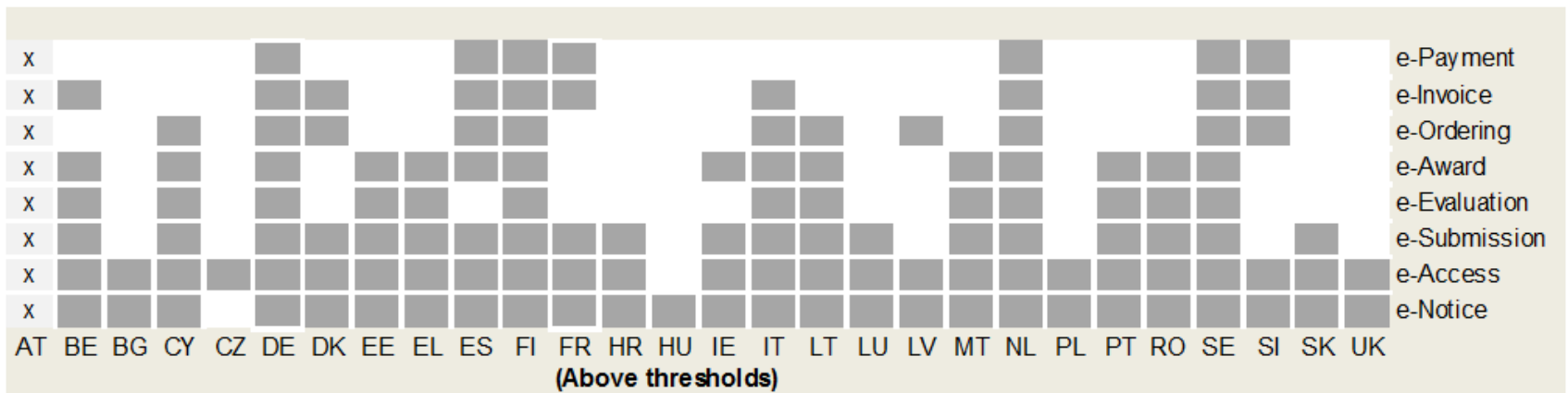


3. The state of play in EU

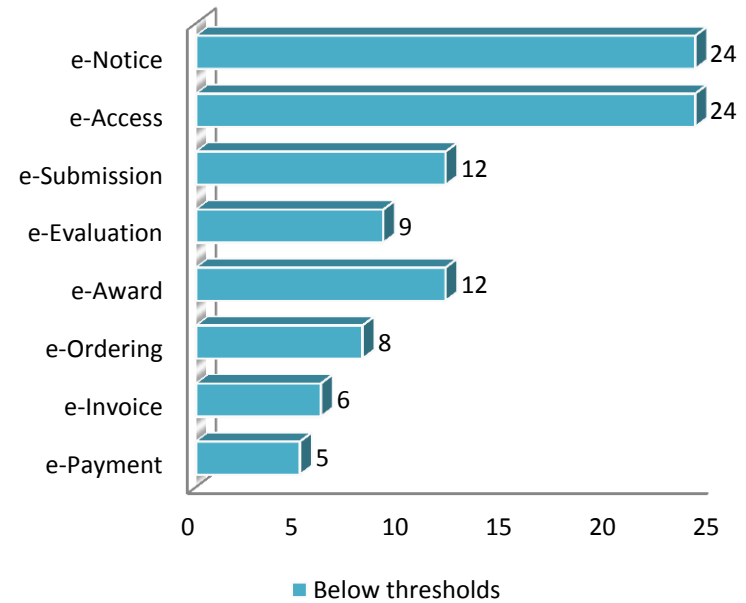
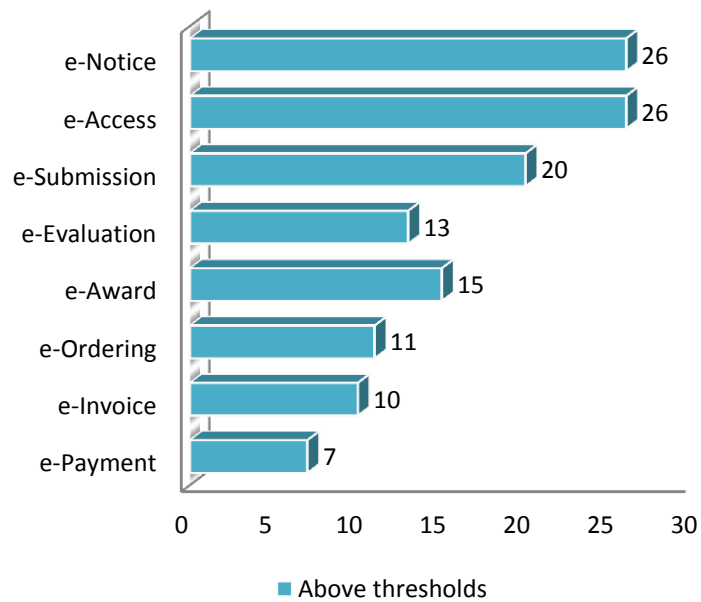
E-Proc survey

- Launched in Summer 2016
- The survey covered 7 topics
- Answers from 27 MSs

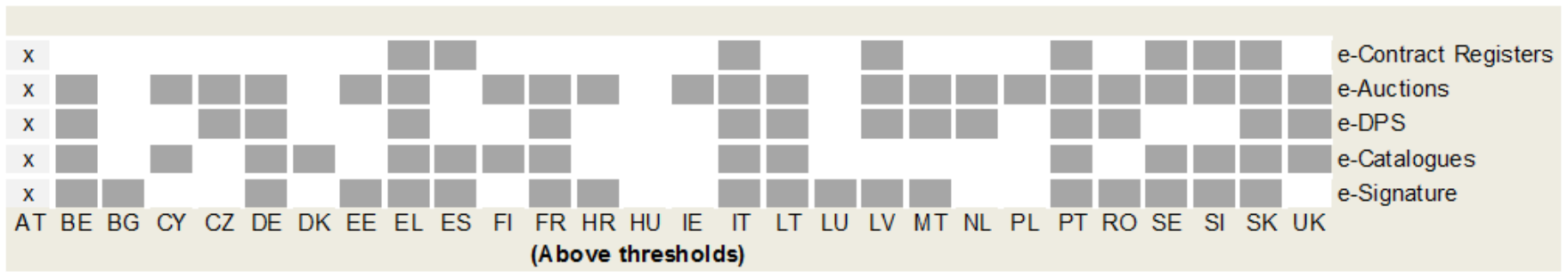
Digitised public procurement phases



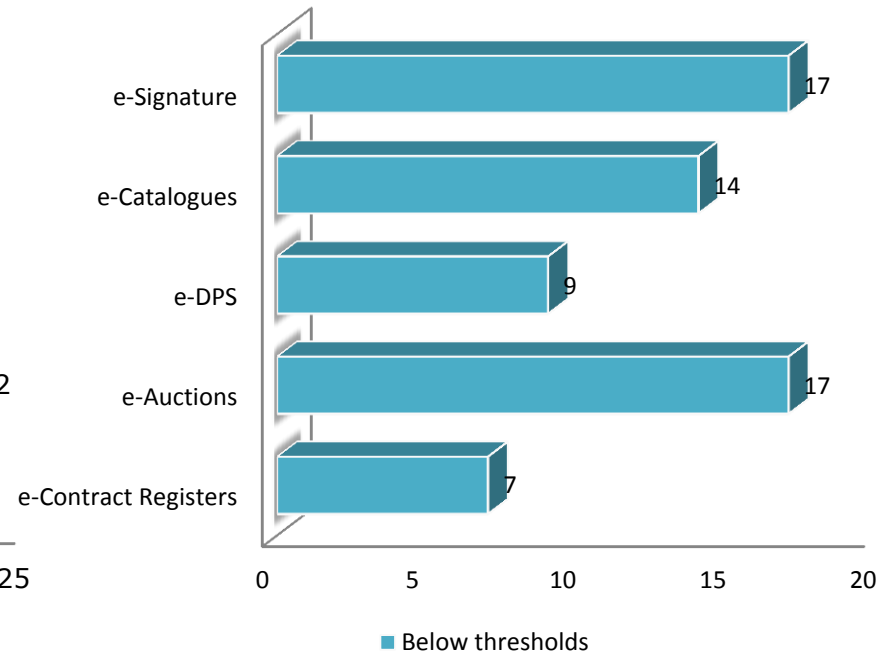
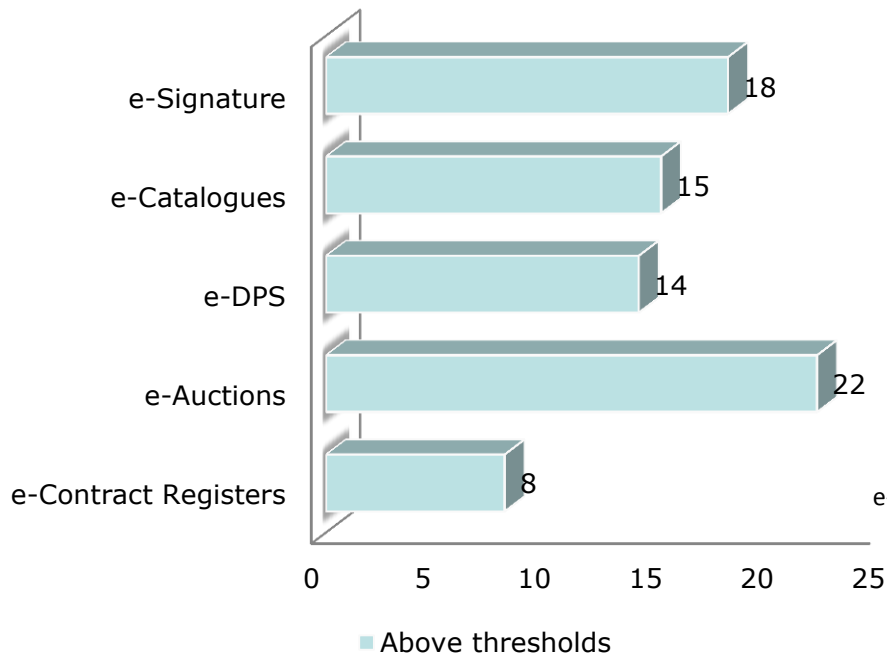
Digitised public procurement phases



e-Procurement functionalities



e-Procurement functionalities



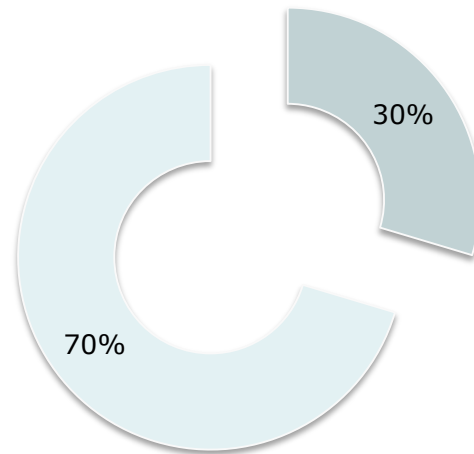
National registers of suppliers

	AT	BE	BG	CY	CZ	DE	DK	EE	EL	ES	FI	FR	HR	HU	IE	IT	LT	LU	LV	MT	NL	PL	PT	RO	SE	SI	SK	UK			
X					■	■	■				■	■	■		■		■	■		■	■	■	■	■	■	■	■	■	■	■	No
X	■							■		■				■														■		For goods	
X	■							■		■				■														■		For services	
X	■	■	■	■				■	■	■				■		■			■				■				■			For public works	

National business model

Single v.s. Multiple Platform

- Several Platforms
- National Platform procured or developed by the State



Comparing business models*

Criteria	1. One national platform	2. Several platforms (national accreditation)	3. Several platforms (requirements and common standards) ²²
1.1 Start-up costs / cost of initial investment	Higher initial costs when developing the platform from scratch. Lower costs if procured as SaaS.	Lower costs if there are FAs provided for the different CAs.	Lower costs when procured as SaaS. Lower costs if there are FAs provided for the different CAs.
1.2 Operational costs (incl. transaction costs) for CAs and EOs	Lower transaction costs when own developed platform. High costs for support / helpdesk and overtime due to a lack of ability to innovate.	Costs higher when there is no license cost, instead it is cost per transaction. Costs for support and education, but depends on how it is procured.	Costs for transactions often higher when SaaS, where there is no license cost, instead it is cost per transaction. Costs for support and education, depends on how it is procured.
2. Time for development /time to procure and implement	Developing the platform from scratch takes longer time than buying it as SaaS.	Shorter time to procure than own development (except if the award will be appealed and long court proceedings, etc).	Shorter time to procure than own development (except if the award will be appealed and long court proceedings, etc).

Source: <http://ec.europa.eu/DocsRoom/documents/20844>

*The report is compilation of reflections of the **subgroup Governance and Capacity Building** that is part of the Multi-Stakeholder Expert Group on e-procurement (EXEP)

Criteria	1. One national platform	2. Several platforms (national accreditation)	3. Several platforms (requirements and common standards) ²²
3. Further development and innovation	Low incentive to innovate when no competition, except where the end-users ask for further development.	More incentive to innovate when the market for e-procurement is competitive.	Higher incentive to innovate when full competition between providers of e-procurement platforms.
4. Ownership and control	Full or more complete ownership when there is one platform developed in house or procured.	Less ownership and control when the platform is procured as SaaS, but the possibility to have more influence depends on the requirements for accreditation and/or when procured.	Less ownership and control when procured as SaaS, but the possibility to have more influence depends on the requirements when procured.
5. Ability to monitor and analyze procurement	High if functionality for this has been developed.	High if this has been requested in the procurement of the platform, and/or also requested for accreditation	High if this has been requested in the procurement of the platform.
6. Accessibility for users	One platform makes it easier for EOs since one single point of access and not several platforms to learn how to use them.	Several platforms with different interfaces can mean more time for the EOs to learn how to use them. Common standards and requirements can however facilitate accessibility.	Several platforms with different interfaces can mean more time for the EOs to learn how to use them. Common standards and requirements can however facilitate accessibility.

7. Criterion: Risk and vulnerability	1. One national platform	2. Several platforms (national accreditation)	3. Several platforms (requirements and common standards)
a) Service Recovery	Medium: In general, government IT solutions are less sophisticated due to the fact public entities are not solely devoted to IT development services.	Low: The accreditation process includes basic requirements. CAs should define SLAs on contract.	Low/Medium: It will depend on CA to define requirements and SLAs on contract. Providers, in general, have higher capacity due to the fact they are dedicated to IT business.
a) IT provider sustainability	Low: In general, functions and commitments assumed by public entities are guaranteed by the State.	Low/Medium: Accreditation process can include requirements on financial capability of providers.	Medium/High: It is up to the CA to define the financial capability when preparing the procurement procedure.



4. e-Proc, the game changer

Benefits for public authorities

- **Contributes to the modernisation of the public sector**
 - More citizen- and business-friendly administration
 - Greater efficiency and effectiveness
- **Potential for significant savings**
 - Simplification of processes
 - Better prices due to increased competition
- **Creates new business opportunities for enterprises**
 - Greater competition
- **Helps to reduce fraud & corruption**
 - Greater transparency, greater security of data, better control mechanisms
- **Reduces risk of litigation**

Issues for public authorities

- **Which model to choose?**
 - Centralised
 - Decentralised
- **Development of systems:** In-house, Buy off the shelf, SaaS (Software as a service; private providers)
- **Ensuring administrative capacity**
- **Communication and coordination with other parts of the public administration**
 - Access to data
- **Dealing with legacy systems**

Benefits for economic operators

- **Administrative simplification/cutting red tape**
 - Simplification of processes
 - Process automation and spill over to other PA areas
- **Shorter purchase-to-pay cycle**
 - Quicker payments
- **Easier access to PP markets, especially SMEs**
 - Increased opportunities
 - Increased competition
- **Greater accountability in the public sector**
 - Greater transparency, greater traceability, better control mechanisms

Issues for economic operators

- Available training and education
- Trust in the available systems
- Lack of interoperability among platforms
- Institutional inertia i.e. unwillingness to change



5. key factors for a successful implementation

The secret ingredient for a successful uptake of e-procurement

- **Governance**
- **Administrative capacity and professionalisation of public administration**
- **Interoperability**
- **Basing the system on good practices:**
 - **Transparency**
 - **Data**
 - **Openness**
 - **User-friendliness**



Thank you!

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