



E-procurement

Purpose of the Checklist

- To guide and support public procurement practitioners in reviewing, developing and updating their procurement framework, according to the 12 principles of the Recommendation of the Council on Public Procurement.
- To encourage self-assessment and providing a starting-point for implementing the Recommendation.
- To provide more detailed information and guidance for each of the 12 principles as well as actions that can be taken to improve the strategic use of public procurement.

Public Procurement
Principle: **E-procurement**

Procurement Stage:
All phases

Audience: **Policy Maker,
Procuring Entity, Private
Sector, Civil Society**

Description

E-procurement can be strengthened by following proposed steps below, while also improving other closely-linked principles (please refer to the box below). Suggestions and comments on the content and format of the Checklist can be sent to: public.procurement@oecd.org.

Main linkages between e-procurement and other principles of the Recommendation

- **Transparency:** E-procurement systems limit direct interactions between officials and potential suppliers.
- **Integrity:** E-procurement tools facilitate the access to public tenders and improve transparency of public procurement processes as well as accountability of procurement officials, which contributes to mitigate risks of corruption inherent to procurement processes.
- **Access:** E-procurement systems ensure access to public tenders and increase competition.
- **Balance:** The effectiveness of procurement in achieving secondary policy objectives can be measured using e-procurement systems.
- **Participation:** The use of e-procurement systems can contribute to the effective communication with suppliers, business associations and other relevant stakeholders as well as to effective information.
- **Efficiency:** E-procurement tools simplify processes for contract award and management and drive cost savings.
- **Capacity:** The public procurement workforce and potential bidders/suppliers need to know how to use e-procurement systems and tools.
- **Evaluation:** E-procurement systems contribute to the assessment of the results of the procurement process by collecting consistent, up-to-date and reliable information and use data on prior procurements.

- **Risk management:** E-procurement systems can contribute to the development of risk management systems, such as red flags.
- **Accountability:** E-procurement systems can be used for the monitoring of the performance of the public procurement.
- **Integration:** E-procurement systems contribute to the integration of public procurement and public finance information.

(A) Recent digital technology developments that allow integrated e-procurement solutions covering the public procurement cycle

Adherents should 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 costs savings and integrating public procurement and public finance information.

A.1 Adherents should employ recent digital technology developments that allow integrated e-procurement solutions covering the public procurement cycle. This can include:

- Developing a legislation, regulation and/or policy that allows or mandates the use of electronic methods and instruments for public procurement,
- Specifying which functionalities provided by the e-procurement systems are mandatory, meaning that the procurement law or other institutions decree state when and how contracting authorities must use e-procurement systems,
- Identifying the institution in charge of the development/management/monitoring of the e-procurement system,
- Ensuring a coverage of the entire public procurement cycle (e-sourcing, e-aggregation, e-notice, e-submission, e-evaluation, e-awarding, e-catalogues, e-orders, e-contract adjustment, e-invoicing, e-payment),
- Developing functionalities to manage suppliers through, for instance, developing a suppliers registry,
- Ensuring consistency across agencies and levels of government,
- Communicating on the e-procurement solutions to assure awareness and acceptance among citizens and companies,
- Monitoring the use of e-procurement systems and its functionalities.

A.2 Adherents should use information and communication technologies in public procurement to ensure transparency and access to public tenders, increasing competition, simplifying processes for contract award and management, driving costs savings and integrating public procurement and public finance information. This can include:

- Developing e-procurement systems that collect consistent, up-to-date and reliable information on prior procurements and future tenders,
- Developing e-procurement systems that allow for efficient data collection, consolidation, extraction and transfer, Developing reports and data visualisation tools,
- Ensuring that data from e-procurement systems is easily transferrable or extractable to support the report generation and data search,
- Ensuring that the collected information is being published in a timely manner and accessible to vendors and other stakeholders (while protecting sensitive data),
- Ensuring that e-procurement systems support internal and external audit and control functions,
- Integrating e-procurement systems with the financial management information and other relevant e-government digital technology systems and ensuring their visibility,
- Measuring the efficiencies/savings generated by the use of e-procurement systems,
- Monitoring the contribution of e-procurement systems to transparency, access to public tenders, competition, simplification of processes, efficiency and integration between public procurement and public finance systems.

(B) State-of-the-art e-procurement tools that are modular, flexible, scalable and secure

Adherents should 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.

B.1 Adherents should 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. This can include:

- Ensuring that the design of the e-procurement system is modular, flexible and scalable,
- Ensuring privacy, security of data and authentication,
- Ensuring that the functionalities are free of charge for bidders/suppliers,
- Introducing quality control mechanisms related to the data included in the e-procurement platforms,
- Ensuring that e-procurement systems are providing real-time data regarding contract opportunities, including detailed information regarding the status of open procurements, pending complaints and award information,
- Introducing distinct access to the e-procurement systems for: the general public, registered suppliers, oversight bodies and/or contracting authorities.

B.2 Adherents should develop e-procurement tools that are simple to use and appropriate to their purpose, and consistent across procurement agencies, to the extent possible; given that excessively complicated systems could create implementation risks and challenges for new entrants or small and medium enterprises. This can include:

- Developing user-friendly tools that are easy to understand and use,
- Ensuring that the tender documentation and other forms used in the e-procurement systems are standardised,
- Ensuring a standardised and harmonised data labelling by procurement officials responsible for product categories,
- Ensuring that bidders/suppliers do not have to provide all administrative information (including certificates and other records of information) for each procurement process and that they can upload some information in the e-procurement system for reference in future procurement processes,
- Providing regular trainings for users (government agencies and bidders/ suppliers),
- Developing a help-desk to answer questions about the use of the e-procurement system.