



Electronic Public Procurement in EU Member States: Country Reviews

Extract of the Extended Impact Assessment Study:
Action Plan on electronic public procurement
Part 1 Baseline Analysis

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1. Introduction

The Internal Market Strategy sets out the target by 2006, to carry out a significant part of public procurement on an electronic basis and by 2010, to ensure that electronic public procurement has been generalised to meet the Lisbon objectives. To meet the targets, the European Commission adopted an Action Plan on e-public procurement and conducted an Impact Assessment of the Action Plan. The Extended Impact Assessment study was carried out by RAMBOLL Management for the Internal Market Directorate-General.

As part of the report on the Extended Impact Assessment, the following sections contain the presentations of the current status of electronic public procurement in each of the EU Member States. Each section follows the same structure and includes descriptions of:

- The organizations and institutions responsible for implementing e-public procurement
- The national strategies and objectives for e-public procurement
- Legal framework
- Current usage of electronic means in public procurement
- Promotion of e-public procurement

The country reviews are based on two main sources of data:

- Desk research of official documents, strategy papers etc. in EU Member States, reports and analyses of e-public procurement and public procurement at country level and at European level and of the forthcoming European public procurement directives.
- Interviews and consultations with experts in Member States and representatives of governmental institutions responsible for or involved in public procurement and the development of e-public procurement in the country.

In this regard it should be noted that the reviews attempt to include use and experiences of e-public procurement systems at all levels of government in the Member States (national, regional, local), but does not uncover the vast total number of existing e-public procurement systems and primarily looks at the situation in a Member State seen from the perspective of the central level (due to the fact that the main data sources are key documents prepared at the national level and interviews with experts and representatives at the central, governmental level).

2. Austria

2.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	Federal Chancellery (Bundeskanzleramt, www.bka.gv.at)
Responsible institution(s) for legal aspects	Federal Chancellery (Bundeskanzleramt, www.bka.gv.at) The "Länder" (regions, according to the Austrian Federal Constitution) regarding remedies procedures
Responsible institution(s) for technical solutions	Austrian Federal Economic Chamber (Wirtschaftskammer Österreich) has been dealing with the implementation of e-procurement in practice. It initiated the electronic public procurement service "er@t" which is now continued by the tender service company Auftrag.at ausschreibungsservice GmbH (www.auftrag.at). It contains all Austrian tenders as well as EU-wide tenders (TED). Austrian Standards Institute (www.on-norm.at) is currently working on a contractual standard for public e-procurement
Central procurement institution(s)	Federal Procurement Company Ltd. (Bundesbeschaffung GmbH, www.bbg.gv.at) organizes the field of procurement, excluding works at the national level. The Federal Procurement company is the purchasing service provider, mainly to the federal state administration and offers its services also to the regional governments and municipalities. Its responsibility lies in realizing a large number of enumerated services and supplies procurements for the federal state, whereas the regional and local levels do not have a central procurement facility and procurement is mostly done by the individual institutions.
Other important organisations	Chief Information Office (www.cio.gv.at) creates, coordinates and supports the implementation of e-government. ICT-Board is staffed by the federal chief information officer and one member of each Federal Ministry. It is the central department for consolidating the different IT-activities at the state level.
Type of coordination between different institutions	-

2.2 Strategy

Within the area of e-procurement there is no explicit strategy and no quantitative objectives due to lack of staff capacities within public procurement institutions to work with e-public procurement.

However, the overall federal Austrian e-government strategy is based on tight cooperation between all public stakeholders, which means the national level, regions, cities and municipalities as well as lobbies and major public institutions. Innovative e-government is therefore an important aim.

Another key element is to work for the adoption of uniform interfaces and for clear as well as open standards. This would avoid further adjustments between single parts of applications. Therefore, there is a need to define uniform standardized processes, data formats and specifications for all proceeding steps.

2.2.1 *Statement of objectives*

With the overall readjustment of the administration towards e-government, the Austrian government highly prioritizes its e-government efforts and with it e-public procurement.

There are no specific objectives on e-public procurement. However, the main objective hereby lies in the online provision of all federal administration services to the public by 2005.¹

As public services are not excluded from the budgetary savings, the Austrian government is very motivated to extend its provision of e-government in order to realize financial savings of administrative costs that are expected to account to EUR 1.5 billion. Also, it emphasizes increasing efficiency. The government plans to create the most advanced European administration in the upcoming years.

Another overall objective is to implement the new procurement directives to facilitate e-public procurement and to create and transmit tenders electronically using electronic signature

2.2.2 *Scope of strategy*

Levels of government involved	Information unavailable
Legal framework	Information unavailable
Allocated resources	Information unavailable
Time frame	A year of fulfilment has yet to be set

2.2.3 *Existing guidelines*

A special regulation for electronic procurement especially concerning e-offers, has been issued ("Verordnung der Bundesregierung betreffend die Erstellung und Übermittlung von elektronischen Angeboten in Vergabeverfahren – E-Procurement-Verordnung 2004")

¹ http://www.cio.gv.at/egovernment/strategy/Teil_I.html

2.3 Legal framework

2.3.1 Legal status of the use of electronic means in Public Procurement

So far, the areas "rules applicable to communication", "storage of data" and "the use of specific procedures, e.g. e-auctions" are regulated in the legal framework.

Austria was the first country to implement the Directive on Electronic Signatures with its Electronic Signature Act in 1999 (Signaturgesetz BGBl I 1999/1). The same day that the EU directive (e-signatures Directive, 1999/93/EC) became effective, the Austrian Electronic Signature Act was implemented as well.

According to national standards for the electronic exchange of data there are two norms in the field of works: Ö-Norm B 2063 and Ö-Norm B 2064.

2.3.2 Implementation of the Directives

The government expects that the forthcoming EU public procurement directives will be implemented in 2005.

2.3.3 Status of tools

Public procurement portals	There is no official central electronic public procurement portal in Austria so far. At present the Bundeskanzleramt is planning a portal which should be implemented in approximately two years. So far, the most important portal on national level is the portal "@-AVA" of the national railways company "Österreichische Bundesbahnen", www.oebb.at www.lieferanzeiger.at is an online database by the official Viennese newspaper and a private enterprise The construction industry has its own database Ausschreibung (www.ausschreibung.at) which offers tenders online. It has open as well as public tenders and offers information on the bidders as well.
Electronic signature	An advanced electronic signature based on qualified certified has been introduced. The use of electronic signature is mandatory when participating in public calls for competition
Electronic catalogues	Pilot schemes of the implementation of e-catalogues have been outlined
Electronic auctions	On an experimental level, implementation of an e-auction system has been started
Dynamic Purchasing Systems	Pilot schemes of the implementation of dynamic purchasing systems have been outlined
Framework agreements	Below the threshold values the use of framework agreements is possible

2.3.4 Reference to the relevant legal acts

Use of electronic means is regulated by:

- E-Government-Gesetz, BGBl. I 2004/10: The government passed the e-government law in February 2004 which regulates the electronic communication with public bodies. Accompanying the e-government law, the government passed the administration signature regulation (Verwaltungssignaturverordnung (VerwSigVO), BGBl. II 2004/159). It contains the security, technical and organisational relevant requirements for the administration signature.
- Bundesvergabegesetz (BVerG), BGBl I 2002/ 99: The law on Federal tender creates the legal conditions for electronic tender. Since July 2003, it is possible to make overall invitations to tender for the state, regions and municipalities. Accompanying the BVerG a special regulation for electronic procurement has been issued (see above 1.2.3.)
- Bundesbeschaffung GmbH (BB-GmbH-Gesetz) BGBl I 2002/99: The Federal Procurement Company was created with the passing of the Law in 2002. This concentrated the task of federal procurement into one body.

2.4 Current usage of electronic means in Public Procurement

So far, there is very little experience with electronic means in public procurement. Nevertheless, the Federal Procurement company is running pilot projects in each field of the procurement phase and hopes to implement them shortly for regular use.

An international study found out that Austria is the country that had the highest growth in full electronic case handling in its e-government activities and in the field of e-public procurement in 2003. (Full electronic case handling means that the publicly accessible website offers the possibility to completely treat the public service via the website, including decision and delivery. No other formal procedure is necessary for the applicant via "paperwork"). Compared to 2002 it increased by 48 per cent to now 68 per cent in terms of percentage of services that offer a complete electronic case handling. This is the largest progress inside the EU and gives Austria a good standing at second place of the EU-wide study².

2.4.1 Which phases of procurement are covered?

The status for automating procurement phases in Austria is as follows:

- Notification about tender (to some extent)
- Publication of tender (to some extent)
- Management of receipt/submission of tenders (to a low extent today)
- Evaluation of tenders (to a low extent today)
- Ordering (to a low extent today)
- Invoicing (to a low extent today).

² Source: Cap Gemini Ernst & Young

2.5 Raising awareness & Promotion of electronic means

Austria is expecting that 'buyer profile' will be implemented by the end of 2005. At present some of the regions together with the Austrian confederation of municipalities (Gemeindebund) and the confederation of cities (Städtebund) participate in an electronic public procurement project "ANKÖ" (Auftragsnehmerkataster Österreich, www.ankoe.at). This is a supplier database of suitable contractors who fulfil the legal requirements for public tenders.

The Austrian municipalities have implemented a joint venture internet portal for the communal level which also contains tender information (www.kommunalnet.at).

Impact assessments of the introduction of e-procurement are of no major concern to the government. At present it is discussed whether to do it within the next three years.

3. Belgium

3.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	Federal Steering Group on Joint E-Procurement (major federal organisms are represented)
Responsible institution(s) for legal aspects	Public Procurement Commission (Commission des marches publics)
Responsible institution(s) for technical solutions	Federal ICT Department (FEDICT) ³
Central procurement institution(s)	A central procurement body called "Services contrat-cadre multi-SPF" (Multi-ministry framework contract service) organises grouped purchases (IT material, cars, office stationery, and furniture). Its services are being used by some federal authorities and are accessible through the federal Intranet.
Other important organisations	-
Type of coordination between different institutions	Other Belgian non-federal public entities such as the federated (regional and community) entities, local and parastatal authorities will be able to file orders and use the same applications as federal authorities. It is now possible for all these entities to sub-scribe to JEPP (see below). The Walloon Region has developed its own e-public procurement strategy and portal ⁴ . The Flemish and Brussels regions have not started own initiatives as yet.

3.2 Strategy

Although no overall strategy for e-public procurement has been designed yet, a working group will, on the basis of the consultation of businesses mentioned below, draft a strategic paper ("*plan d'informatisation*") which will contain a business case, a calendar for implementation and a budget for 2005.

The first step of the Belgian e-procurement has been realised on a "buy a little, test a little field a little" strategy. This activity covers the e-publication phase and has been placed under the lead of the Ministry of Defence. A second step (e-payment or e-tendering) is under consideration and initial coordination on the feasibility is ongoing.

³ Technically, e-public procurement projects are conducted by line ministries in cooperation with and under the coordination of the Federal ICT Service (SPF FEDICT). Due to its large spending budget, SPF Défense (Federal Ministry of Defence) has been particularly involved in the activities. SPF Justice (Federal Ministry of Justice) has also been involved since it runs the official journal (Moniteur belge – Bulletin des adjudications)

⁴ <http://avis.marchespublics.wallonie.be/>

The e-public procurement initiatives are embedded in the overall government strategy of administrative simplification and reduction of administrative burden as well as the government's e-government strategy. There are also regional and local initiatives like by the walloon region (<http://avis.marchespublics.wallonie.be/>)

3.2.1 *Statement of objectives*

The main objective is to lower the administrative burden for enterprises. In terms of timeframe, the authorities involved have issued the aim of publishing all federal calls for competition by end of 2004.

3.2.2 *Scope of strategy*

Levels of government involved	Central government (federal)
Legal framework	EC directives and guidelines complemented by or translated into royal decrees (AR)
Allocated resources	-
Time frame	2006

3.2.3 *Existing guidelines*

Information unavailable

3.3 **Legal framework**

3.3.1 *Legal status of the use of electronic means in Public Procurement*

A royal decree (*arrêté royal*) of 18 February 2004 authorises the use of electronic means in all or part of the public procurement procedure. It contains rules applicable to communication, regulates storage of data, but does not cover specific procedures such as e-auctions. A special law on electronic signatures has been passed in 1999. While Belgian authorities will probably not be authorised to use electronic auctions, they may employ Dynamic Purchasing Systems and e-catalogues.

3.3.2 Implementation of the Directives

All existing and future applications are compliant with the European public procurement directives and it is expected that they will be fully implemented after formal endorsement of the relevant EC directives/regulations.

Status of tools

Public procurement portals

www.jepp.be – Joint Electronic Public Procurement (JEPP) is the instrument used by the Belgian federal government for electronic publication of calls for tender. JEPP was launched on 13 November 2002 and is available to companies since 6 January 2003. At the beginning only the Federal Ministry of Defence published in JEPP, other federal organisms follow suit. The objective is that, at least, all federal calls for tender are published in JEPP by end of 2004.

As a first major evolution of the system it is the intention to generalize use of the JEPP portal to non-federal entities by end of 2005.

JEPP is today providing the following services : the objective is to assist buyers in drafting their calls for tender and submit them electronically to the official publication organisms⁵

A pyramidal structure of websites (a joint national portal, a portal for each public entity, and a site for each adjudicating authority) make the calls for tender and the terms of reference available online. A search engine assist is finding and downloading these documents. General data such as information on purchasing services or technical notes can be published as well.

Enterprises have the faculty to subscribe to the JEPP system, which automatically notifies them by e-mail on new opportunities which correspond to the chosen criteria. Businesses can also choose to be automatically informed on errata on documents they have downloaded.

The adjudicating authorities can use JEPP to notify contract awards, invitations to tender as well as other documents such as minutes of clarification meetings.

It is foreseen that the JEPP joint portal will eventually become the official publication site of the Bulletin des Adjudications which will unify all Belgian public procurement publications, offering the private sectors services equivalent to those described above.

Public entities can affiliate to JEPP in three different ways:

The JEPP application is working within the installations of the concerned public entity. The successful tenderer will take upon itself the delivery and installation of the necessary software and hardware.

The successful tenderer plays the role of an Application Service Provider (host). In this case the public entity only needs a simple browser.

The public entity only acquires a user licence. It will have to install JEPP on its own responsibility.

⁵ Official Journal of the European Union, Bulletin des Adjudications - Belgian official journal

	In order to reduce costs, several public entities can group together in order to file a joint order and install the application in a single spot. A federal grouped managed by the Federal ICT Service (FEDICT) allows each federal service and each parastatal under its authority to benefit from JEPP services.
Electronic signature	The introduction of qualified electronic signatures has been delayed, but certifying organisms are being established now. The signature will be based on the electronic identity card, a pilot project now being rolled out to all of Belgium and supposed to cover all citizens by 2007.
Electronic catalogues	Electronic catalogues are being used by the above-mentioned central purchasing agency <i>Services contrat-cadre multi-SPF</i>
Electronic auctions	No electronic auctions activities have been tested so far
Dynamic Purchasing Systems	No Dynamic Purchasing Systems activities have been initiated so far
Framework agreements	Framework contracts are being used by the above-mentioned central purchasing agency <i>Services contrat-cadre multi-SPF</i>

3.3.3 Reference to the relevant legal acts

Information unavailable.

3.4 Current usage of electronic means in Public Procurement

3.4.1 Practical use of electronic means in Public Procurement

Phase I of the e-public procurement project which was running from 2001 to 2002 led to the establishment of a central e-public procurement portal (JEPP⁶) at federal level, which was established at the beginning of 2003. It is operational, but it is not used yet by all federal public entities and covers only the publication phase of the tendering process. The aim is that all federal entities use the portal by end of 2004.

Concepts for other applications have been drafted; however, they have not been developed yet. Since the Belgian federal e-public procurement activities have been re-launched in January 2004, an inter-ministerial working group is preparing Phase II of the e-public procurement activities, going well beyond publication and covering the actual tendering process. Prior to updating the e-public procurement plan and to drafting a timetable and a budget, the group has launched a request (through the Belgian Official Journal) for information to enterprises and organisations in order to allow for a stocktaking of current applications on the market. This will feed into the terms of reference for a tender on the new application.

⁶ <http://www.jepp.be>

Different applications have been conceived at federal level, however apart from JEPP, none of these applications is operational yet, and most of them are still in the concept phase:

- JEPP: electronic publication (see above)
- E-Bid: electronic bidding (see below)
- E-registered mail (see below)
- E-File (see below)
- E-Cat: electronic catalogues (see below)
- E-Payable: electronic invoicing and payment (see below)

Currently no systematic assessment of the impact of e-public procurement is carried out or planned in Belgium. Evaluation is not yet integral part of the Belgian administrative culture, but some kind of assessment mechanism will form part of the strategic paper developed by the e-public procurement working group to be delivered by September 2004. Monitoring will take place at least on an annual basis.

3.4.2 *Which phases of procurement are covered?*

In Belgium, only the publication phase has been automated so far, all other phases are expected to be automated within 5 years. However, the Belgian federal services have already developed concepts for several modular but integrated and communicating applications for e-public procurement, and have ensured the possibility to connect with back office IT legacy such as logistical systems and budgetary data bases. The user will therefore only perceive a single system. The interface of the synchronised system will be an Enterprise Application Integration (EAI) which will manage this interchange based on the accepted W3C XML standard. This EAI will be sufficiently flexible in order to connect budgetary information systems of different federal public services to the same e-public procurement application (e.g. the federal e-catalogue).

3.5 **Raising awareness & Promotion of electronic means**

The Belgian federal government has launched its first e-public procurement activities under its public administration modernisation programme in the 1999-2003 legislatures, between 2001 and 2002. The current state of affairs in e-public procurement can be viewed on the Belgian government's web portal⁷. This initiative was then put on hold for a year. In January 2004 it was re-launched and put on top of the agenda again, when a federal Council of Ministers meeting decided to accelerate the development of e-public procurement activities.

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<http://www.belgium.be/eportal/application?origin=navigationBanner.jsp&event=bea.portal.framework.internal.refresh&pageid=indexPage&navId=4603>

Forthcoming initiatives:

Apart from JEPP, several applications have been conceived, but they are still in the concept phase:

E-Bid

The objective of this project is to allow public entities to receive bids and expressions of interest, to give them a time stamping, to control the validity of the digital signature and to keep these documents in a well-secured and widely accessible system. This phase is still in the market-survey and information gathering phase.

The launch of E-Bid depends on certain prerequisites, such as the adaptation of Belgian legislation on public procurement. The draft royal decree on the use of electronic means in public procurement has been approved by the Public Procurement Committee in March 2003 and follows its way. The difficulties in this process are related to proper implementation of agreed interoperable procedures and the availability of proven technologies.

E-File

In order to accelerate the public procurement procedures and to simplify administrative work, it is envisaged to completely digitalise the files handled by purchasing services. These digital files would circulate between the various authorities involved (e.g. Inspecteur des Finances – tax inspector) by means of an electronic workflow system.

Particular attention will be paid to the availability of an integrated tool to manage the evolution of these files and to the integration of this software within the other applications (logistical, budgetary or public procurement). This project will be implemented when the above projects will have succeeded.

E-Cat

Open markets are only useful when information flows well. Buyers must know possibilities of ordering, the adjudicating authorities wish to follow the progress of their calls, and tenderers demand administrative simplification. A catalogue accessible online, which is reliable and taking into account of the common rights and requirements of everybody involved, is therefore an indispensable tool to support the new model of federal grouped purchases.

The following functions are envisaged:

- Loading and updating of the catalogue
- Consultation of the catalogue
- Approval workflow
- Control of budgetary availability
- Drafting and sending of a letter to the successful bidder
- Confirmation of receipt by the bidder
- Confirmation of the order to the buyer

The other usual functions for e-catalogues (delivery request, billing etc.) are part of the E-Payable project since they have no particularities compared with a closed contract.

The two main difficulties for e-catalogues are the non-existence of universally accepted standards and the administrative burden of loading and controlling the catalogue. The solution envisaged in Belgium is to impose for the offers a normalised inventory in one or several commercially available and widely supported standards (e.g Excel or DTD XML) and to apply to the chosen bidder's inventory an automatic conversion and loading tool.

The feasibility study for this project has been closed, and it is planned to launch the project shortly to support the new purchasing model of the federal administration.

E-Payable

The area of E-Payable starts with the request of receipt and ends with the payment of the invoice. It aims at:

- giving the administration a powerful management tool
- allowing electronic invoicing
- allowing electronic settlement (invoice control), remittance and payment
- improving the information of winning tenderers
- accelerating payments and thus meeting tenderers expectation for a work well done.

4. Republic of Cyprus

4.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	The Public Procurement Directorate Treasury of the Republic of Cyprus
Responsible institution(s) for legal aspects	The Public Procurement Directorate Treasury of the Republic of Cyprus
Responsible institution(s) for technical solutions	The Public Procurement Directorate Treasury of the Republic of Cyprus
Central procurement institution(s)	Public Procurement Department is at the national level authorized to and responsible for the procurement of common used items for individual government and public institutions ⁸
Other important organisations	-
Type of coordination between different institutions	Information unavailable

4.2 Strategy

The strategy for introducing and developing an electronic public procurement system for government and public institutions in The Republic of Cyprus is an integrated part of the Cyprus Government strategy on modernizing public procurement procedures.

4.2.1 *Statement of objectives*

An overall objective is to ensure that a large proportion of public procurements shall be awarded through electronic procurement procedures by 2008. In the endeavour of realizing this overall objective the Cyprus Government has set as objective to design an electronic system making government institutions capable for undertaking procurements by electronic means.

⁸ Based on interview with Mr. Stelios Kountouris, Public Procurement Department, Treasury of the Republic of Cyprus

4.2.2 *Scope of strategy*

Levels of government involved	Central and local government are included
Legal framework	Information unavailable
Allocated resources	The government will spend EUR 100.000 on an assessment for the introduction of electronic procurement and EUR 2.4 million over a period of three years with the purpose of implementing electronic procurement in all levels of state level authorities. The resources have been allocated to the following areas: <ul style="list-style-type: none">• IT hardware: EUR 500.000• IT software: EUR 1.700.000• Training: EUR 200.000
Time frame	Implementation of an electronically based procurement system will take place during 2005 and is estimated to be fulfilled in year 2007

4.2.3 *Existing guidelines*

No specific guidelines guiding electronic public procurement have so far been issued.

4.3 Legal framework

4.3.1 *Legal status of the use of electronic means in Public Procurement*

Operational electronic procurement systems in Cyprus that are compliant with the requirements in the Directives do not presently exist. Specifically, the use of electronic means for communication in public procurement process is not regulated by national legislation.

4.3.2 *Implementation of the Directives*

The Cyprus Government estimates that the new EU public procurement directives will be implemented in January 2006.

It is considered by the government that all contracting authorities will have access to Electronic Auctions. Dynamic Purchasing Systems is expected to be used by central purchasing authorities for common used items.

4.3.3 Status of tools

Public procurement portal(s)	-
Electronic signature	Electronic signature does not exist but will be introduced
Electronic catalogues	Government authorities have no experience with e-catalogues
Electronic auctions	Government authorities have no experience with e-auctions
Dynamic Purchasing Systems	Government authorities have no experience with dynamic purchasing systems
Framework agreements	Framework agreements are not being used

4.3.4 Reference to the relevant legal acts

Information unavailable

4.4 Current usage of electronic means in Public Procurement

4.4.1 Practical use of electronic means in Public Procurement

Presently, no data on practical use of electronic means in Public Procurement are available. However, the Cyprus government is planning to do an assessment on the impact of introducing electronic public procurement.

The Cyprus Government expects that a system operating with an automated electronic public procurement cycle will be implemented within three years. The elements included in the procurement system are: notification about tender, publication of tender, management of receipt/submission of tender and evaluation of tender

4.4.2 Which phases of procurement are covered?

Information unavailable

4.5 Raising awareness & Promotion of electronic means

Since July 2003 the Treasury has worked with implementing suggestions from a study of e-commerce in Cyprus. The study concerned among other things assessment of the existing legal framework and suggestions for changes and recommendations on legal and institutional infrastructure for the promotion and operation of e-commerce in Cyprus.

With the purpose of stimulating the general use of electronic procurement in Cyprus the Government has made a proposal for the financing of a project through the Transition Facility Funds of the EU. This proposal includes objectives on implementing electronically procurement procedures for public institutions.

5. Czech Republic

5.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	Ministry of Informatics (www.micr.cz) is in charge of policy formulation in the area of electronic public procurement
Responsible institution(s) for legal aspects	Ministry of Informatics (www.micr.cz) Ministry of Regional Development (www.mmr.cz)
Responsible institution(s) for technical solutions	-
Central procurement institution(s)	-
Other important organisations	-
Type of coordination between different institutions	At the national level, a central body is responsible for public procurement. Furthermore, selection of suppliers is a responsibility for the central procurement body. No individual public institutions are involved in selecting suppliers for procurements.

5.2 Strategy

Since 2002 the Government of the Czech Republic has had electronic public procurement as a political priority. At the moment the government considers the development of electronic public procurement as having a medium political priority.

Strategy and priorities on electronic public procurement are integrated in the overall strategy on the Information Society and E-government among others "State Information Policy (SIP)" (1999)

5.2.1 Statement of objectives

The overall objective is to promote an electronic marketplace used for repeated and bulk purchases in the whole field of the public administration.

The central body for the electronic market place is the Ministry of Informatics but just for office facilities including information and communication technology (under condition that it is lower than 2 millions czech crowns).⁹

⁹ Based on information from David Kotris, Ministry of Informatics

5.2.2 *Scope of strategy*

Levels of government involved	The strategy on electronic public procurement includes the central government. Regional and local governments are at the moment not included in the strategy for electronic public procurement
Legal framework	-
Allocated resources	Information on amount of allocation is presently unavailable
Time frame	2002 – 2006

5.2.3 *Existing guidelines*

Special guidelines for electronic public procurement have been developed, but it is not obligatory to use them

5.3 **Legal framework**

5.3.1 *Legal status of the use of electronic means in Public Procurement*

National legislation regulates the use of electronic means in the public procurement process. The legislation concerns specific rules for the communication process related to the electronic procurement process.

5.3.2 *Implementation of the Directives*

The government has not yet formulated an exact time-schedule for implementing the new EU Directives on public procurement.

The government intends to introduce national standards for the electronic exchange of data in the electronic public procurement process.

According to the EU Directives the government expects that the use of both electronic actions and dynamic purchasing may be regulated by the use of Contracting Authorities. It is not expected that Contracting Authorities may publish tender-related information on a 'buyer profile'.

5.3.3 *Status of tools*

Public procurement portals	A public electronic procurement portal for electronic procurements is expected to be functional within few years.
Electronic signature	An electronic signature has been introduced by the government. At the moment the signature is used to a medium degree. It is expected that the use of the signature will be obligatorily for actors participating in public calls for competition.
Electronic catalogues	Authorities have no experiences with systems for procurement involving catalogues
Electronic auctions	Authorities have no experiences with systems for procurement involving electronic auctions
Dynamic Purchasing Systems	Authorities have no experiences with systems for procurement involving electronic purchasing systems
Framework agreements	-

5.3.4 *Reference to the relevant legal acts*

5.4 Current usage of electronic means in Public Procurement

5.4.1 *Practical use of electronic means in Public Procurement*

There are no operational public procurement systems compliant with the requirements of the forthcoming European Public Procurement Directives in The Czech Republic presently.

The Czech Republic government has implemented an automated electronic public procurement system for procurements in the public sector. In this respect, procedures for notification about tender as well as publications about tender are integrated in the procurement cycle. This procurement phase has been automated to a large extent.

5.4.2 *Which phases of procurement are covered?*

Procedures for ordering and invoicing are integrated in the automated electronic procurement system. This procurement phase has been automated to some extent.

5.5 Raising awareness & Promotion of electronic means

Within the next three years the Government of the Czech Republic is planning to introduce regular assessments of the impacts expected to be related to the introduction of electronic public procurement.

6. Denmark

6.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	The Danish Competition Authority (www.ks.dk) under the Danish Ministry of Economic and Business Affairs (www.oem.dk) Ministry of Finance (www.fm.dk)
Responsible institution(s) for legal aspects	The Danish Competition Authority (www.ks.dk) under the Danish Ministry of Economic and Business Affairs (www.oem.dk)
Responsible institution(s) for technical solutions	The Agency for Governmental Management (www.oes.dk) under the Danish Ministry of Finance (www.fm.dk)
Central procurement institution(s)	National Procurement Ltd. (SKI, www.ski.dk) was established to ensure the highest possible procurement efficiency in public organizations. It has more than 8500 public organization subscribers, around 250 suppliers on framework agreements many with distributors and totalling more than 1200 order addresses in Denmark. SKI runs the e-tendering systems ETHICS, Netindkøb and Netkatalog.
Other important organisations	The Ministry of Science, Technology and Innovation (www.vtu.dk) and Local Government Denmark (KL, www.kl.dk), an association of Danish municipalities.
Type of coordination between different institutions	Procurement is organized as a mixture of a centralized and decentralized approach: <ul style="list-style-type: none"> • The main principle is that each individual public authority is responsible for procurement (award of contract) and arrangement of framework contracts • Each institution e.g. ministry or agency can organize procurement in a centralized or decentralized way • There is a central public procurement body, SKI which arranges framework contracts, which can be used by all public authorities in Denmark. However, the individual public authority is free to arrange individual framework agreements. • The total procurement through national framework contracts (SKI) is approximately 0.5 billion Euro per year. Figures for regional and local level are unknown.

6.2 Strategy

The national strategy on e-public procurement is part of the existing strategy for e-commerce from 2002

- "IT for everybody" (Ministry of Science, Technology and Innovation, 2002)
- "Strategy for e-commerce 2002" (Ministry of Science, Technology and Innovation, 2002)

A new strategy from the government and the coalition of municipalities includes guidelines for digitizing towards 2006 has been published:

- "Strategy for digital administration 2004-06" (The Digital Taskforce, 2004)

6.2.1 *Statement of objectives*

There are no specific objectives on e-public procurement as a whole. However, some overall objectives for all of the initiatives and strategies have been defined:

- to save money by centralizing the procurement process
- to make the public sector a leading force in electronic procurement and commerce
- to realize un-utilized economic potential within electronic commerce in both the public and private sector

6.2.2 *Scope of strategy*

The strategy has four core elements:

- **Electronic public procurement:** Promoting electronic communication in the relation between the private suppliers and public buyers. The strategy calls for a far more efficient public sector in close partnership with private businesses. Various initiatives have been made already. For example the establishment of the Public Procurement Portal (DOIP) in the beginning of 2002 (see below).
- **Safety and increased knowledge on e-commerce:** Technical and legal insecurity are main barriers for making use of the full potential for e-commerce. Various projects have been put in effect (see later).
- **Legal and technical e-commerce infrastructure:** Coordinating the effort concerning standardization of data exchange for example in the area of e-payment.
- **International dimensions within e-commerce:** A major part of e-commerce is cross-border trading. This has led to a focus on customs barriers, etc. Various projects have been initiated in relation to European initiatives.

In addition, the regional and local players have a high priority on electronic commerce and digital government/administration. A new strategy (February 2004) from the Danish government and the coalition of municipalities includes guidelines for digitizing towards 2006.

Levels of government involved	National, regional and local government are included in the strategies.
Legal framework	No information
Allocated resources	Public investment has been made to introduce e-public procurement, but there is no available specification of the amount spent (or allocated).
Time frame	Year of fulfilment has not been specified

6.2.3 Existing guidelines

As part of its modernization program for the public sector (from 2003), a guide on public procurement was published including guidelines on electronic procurement. It is required that all state institutions use electronic procurement whenever possible and of economic advantage to the state.

- “The digital supplier” (Ministry of Science, Technology and Innovation, 2002)¹⁰: Specific guidelines on electronic public procurement for the private supplier. Recommends DOIP.
- “The digital buyer” (Ministry of Science, Technology and Innovation, 2002): Specific guidelines on electronic public procurement for the private and public buyer at all levels of administration. Recommends DOIP but is open to the fact that the buyer might also use other systems.
- “Public procurement Guidelines” (Ministry of Finance, 2003)¹¹: General guidelines on public procurement in the national administration. The target group is buyers in the public sector. No recommendations on solutions.

6.3 Legal framework

6.3.1 Legal status of the use of electronic means in Public Procurement

According to National Procurement Ltd., ETHICS fulfils the requirements of the forthcoming EU public procurement directives. DOIP shouldn't conflict with the directives either, but it remains to be seen when further guidelines, etc. will be published.

Buyer profiles to publish tender-related information on a 'buyer profile' are being used in systems such as DOIP, KMD and RAKAT.

6.3.2 Implementation of the Directives

The forthcoming EU public procurement directives are expected to be implemented in the beginning of 2005. Public procurement is regulated in national legislation, and follows the EU public procurement directives. Use of electronic means in the public procurement process falls within the general rules for entering into an agreement.

With the new EU directives, the Danish government will provide that Contracting Authorities may use electronic auctions and dynamic purchasing systems. However, a restriction on electronic auctions is foreseen on works contracts.

¹⁰ See www.videnskabsministeriet.dk

¹¹ See <http://www.moderniseringsprogram.dk/visArtikel.asp?artikelID=5462>

6.3.3 Status of tools

Public procurement portal(s)	<p>www.doip.dk is provided by GateTrade and was launched in 2002. The portal is a web-based system based on Oracle exchange software. The current version supports: e-auctions, e-catalogues and integration with back-office systems.¹²</p> <p>www.rakat.dk is run by the private company COMCARE. Functionalities are mainly e-purchasing (ordering and electronic invoice). Up to 40 regional and local authorities have selected RAKAT.</p> <p>KMD Webindkøb (www.kmd.dk) is run by the private company KMD. Functionalities are mainly e-purchasing (ordering and electronic invoice). Up to 70 regional and local authorities have selected KMD Webindkøb.</p> <p>ETHICS (http://ski.ethics.dk/), www.netkatalog and www.netindkøb is operated by National Procurement Ltd. Functionalities on these portals include e-tendering.</p>
Electronic signature	An electronic signature has been introduced (www.digitalsignatur.dk), but not been used for electronic public procurement.
Electronic catalogues	Electronic catalogues are being used.
Electronic auctions	Electronic auctions are being used to a low extent.
Dynamic Purchasing Systems	There is no experience with dynamic purchasing systems.
Framework agreements	Framework agreements are used on national, regional and local level of government.

6.3.4 Reference to the relevant legal acts

Information unavailable since special rules do not exist.

6.4 Current usage of electronic means in Public Procurement

6.4.1 Practical use of electronic means in Public Procurement

Electronic public procurement is not being monitored specifically, but other data on e-commerce are available:

- 54% of state authorities use an e-procurement system.
- 63% of regional authorities use an e-procurement system.
- 34% of local authorities use an e-procurement system.

Source: "IT i praksis[®] 2003", RAMBOLL Management

Moreover, turnover at the Public Procurement portal (DOIP) increased to approximately 5 million Euro in 2003, which represented a significant increase.

¹² IDA "State of the Art Report. Version 0.60" Brussels (2004)

6.4.2 Which phases of procurement are covered?

The following is the status for automating procurement phases in Denmark:

- Notification about tenders (to a large extent today)
- Publication of tenders (to some extent today, but a further increase the next three years is expected)
- Management of receipts/submission of tenders (to a low extent today, a further increase the next three years is expected)
- Evaluation of tenders (to a low extent today, a further increase the next three years is expected)
- Ordering (to some extent today, a further increase the next three years is expected)
- Invoicing (to a low extent today, a further increase the next three years is expected)

6.5 Raising awareness & Promotion of electronic means

Several initiatives have been started to provide free help-desk for public organizations, establish interest in e-commerce in smaller municipalities and counties through campaigns and workshops, set off pilot projects and collect best practice, and create a special award for best e-merchant every year.

Various projects have been put in effect in the area of safety and knowledge, including the e-brand ("E-handelsmærket"), to help small and medium-sized businesses start e-commerce.

Generally, international standards are followed, implemented and translated, e.g. EDI/EDIFACT and XML. Danish Standards Association has established a special working group on e-public procurement (Group 380 on e-business). Standard formats for all public contracting authorities on tendering or purchasing have not yet been issued.

The Danish Ministry of Science, Technology and Innovation has chosen XML as the core communication standard in the public sector (Source: Handlingsplan for e-handel 2002).

A XML project consisting of two main sub-projects was started:

- Standardizing public data. The main target to determine standards for exchanging data between public authorities and between public and private institutions/organizations.
- Establishment of the Infostructurebase has, as the key objective, to create a database with information on the content of public databases and how to access these data. (Source: <http://www.oio.dk/XML>). The main purpose and value is to support exchange and reuse of data related to public and private service delivery.

It is the vision that it will be possible from this website to look up all the above types of information from public and private organizations, and thus to collect information about what data are available and how data are accessed. An important part of the content will be standards approved by the Danish e-Government IT-architecture and XML committees. The formal status of content will be part of the metadata of the content. (Source: <http://isb.oio.dk/info/>)

In January Denmark became the first country to adopt an early version of OASIS Universal Business Language (UBL) as a standard for e-Commerce in the public sector. Following a 30-day public hearing, the Danish XML Committee decided to use UBL 0.7 to enable integration between systems controlled by state authorities and the Public Procurement Portal (DOIP). UBL provides an XML library of common business data components together with a set of standard business documents such as purchase orders and invoices that are assembled from the component library.

Another project on establishing standards for e-commerce in Denmark is translating the international UNSPEC coding initiated by the Ministry of Science, Technology and Innovation.

7. Estonia

7.1 Organisations and Institutions

There are only few core actors in the field of electronic public procurement in Estonia. It is mainly a State level initiative and it is in the phase of beginning.

Responsible institution(s) for public procurement policy	Ministry of Finance (www.fin.ee)
Responsible institution(s) for legal aspects	Ministry of Finance (www.fin.ee)
Responsible institution(s) for technical solutions	Ministry of Finance (www.fin.ee)
Central procurement institution(s)	-
Other important organisations	-
Type of coordination between different institutions	The selection of suppliers is the responsibility of the individual public institutions – there is no central procurement body which is responsible for framework agreements etc.

7.2 Strategy

Development of e-public procurement is a priority and a strategy on e-public procurement is expected to be formulated and introduced in 2005¹³.

7.2.1 Statement of objectives

The process of drafting of new Public Procurement Act has been started to transpose the new directives. In the new Public Procurement Act the principles of e-public procurement will be provided¹⁴. By introducing e-public procurement achieving such objectives like additional transparency, lower transaction costs and more effective supervision are expected.

¹³ Based on interview with Mr. Märt Kiisel, State Aid and Public Procurement Division, Financial Policy Department, Ministry of Finance

¹⁴ Based on interview with Mr. Märt Kiisel, State Aid and Public Procurement Division, Financial Policy Department, Ministry of Finance

7.2.2 *Scope of strategy*

The content of the strategy has not been formulated.

Levels of government involved	Information unavailable
Legal framework	Information unavailable
Allocated resources	Information unavailable
Time frame	Information unavailable

7.2.3 *Existing guidelines*

Basic guidelines for using the electronic Public Procurement State Register have been issued. Guidelines are improved continually.

7.3 **Legal framework**

7.3.1 *Legal status of the use of electronic means in Public Procurement*

Public Procurement Act and Government Regulation establishing the Public procurement State Register cover rules for e-notifying via Public Procurement State Register. Rules for communication (e.g. e-mailing, using of e-signature) and moreover storage of data are regulated by other legal acts.

7.3.2 *Implementation of the Directives*

The new directives on public procurement are expected to be transposed by the end of 2005¹⁵. Issues concerning use of electronic means in e-public procurement are already regulated with different legal acts e.g. the electronic signature.

In course of transposing the principles of the new public procurement directives into national law no restrictions for using e-public procurement systems described in the directives have been planned (contracting authorities may use in the public procurement process all e-public procurement systems described in the directives - e-auctions, dynamic purchasing systems, e-catalogues etc.). In the area of standards no specific provisions have been planned.

¹⁵ Based on interview with Mr. Märt Kiisel, State Aid and Public Procurement Division, Financial Policy Department, Ministry of Finance

7.3.3 Status of tools

Public procurement portal(s)	The Public Procurement State Register (established in 2001, http://register.rha.gov.ee/) is a simple e-public procurement portal, where <u>all public procurement notices</u> are published electronically. The register is using CPV standards in the catalogue, and all the information in the register is publicly accessible via internet free of charge.
Electronic signature	Electronic signature has been introduced, but is being used to low extent. However, it will be made mandatory to use the e-signature to participate in public calls for competition.
Electronic catalogues	No experience with e-catalogues.
Electronic auctions	No experience with e-auctions.
Dynamic Purchasing Systems	No experience with dynamic purchasing systems.
Framework agreements	Information unavailable.

7.3.4 Reference to the relevant legal acts

Public Procurement Act, Databases Act, Digital Signature Act, Administrative Procedure Act.

7.4 Current usage of electronic means in Public Procurement

7.4.1 Practical use of electronic means in Public Procurement

In 2003 the number of procurements advertised via Public Procurement State Register was 4,859 with the value declared of EUR 663 Million.

7.4.2 Which phases of procurement are covered?

Till now there is covered only publicising phase of the public procurement notices. Further impact of the use of electronic means in public procurement has not been assessed yet, but it is planned to measure impact of electronic public procurement in the future. The following aspects will be assessed: number of electronic transactions, types of purchases, transaction costs, effect on price and number of bidders.

7.5 Raising awareness & Promotion of electronic means

Information unavailable.

8. Finland

8.1 Organisations and Institutions

The main institutions in the field of electronic public procurement are:

- Ministry of Finance
- Ministry of Trade and Industry
- Ministry of Transport and Communication
- Hansel Ltd.

Responsible institution(s) for public procurement policy	Ministry of Finance ¹⁶
Responsible institution(s) for legal aspects	Ministry of Trade and Industry ¹⁷
Responsible institution(s) for technical solutions	Ministry of Finance Ministry of Trade and Industry
Central procurement institution(s)	Hansel Ltd. ¹⁸
Other important organisations	The Finnish Association of Local Authorities Finnish Information Society Development Centre (Tieke)
Type of coordination between different institutions	Public Procurement in Finland is organized as a mixture of a centralized and decentralized approach: <ul style="list-style-type: none"> • There is a central public procurement body for state entities, Hansel Ltd (www.hansel.fi). Hansel is a government owned public procurement company. • It arranges framework contracts which can be used by all state authorities¹⁹ in Finland. However, individual public authorities are free to arrange individual framework agreements (buying through or with help of Hansel is not compulsory). • Procurement (selection of suppliers) is a responsibility of the individual public authority.

¹⁶ Ministry of Finance is responsible of policymaking with regard public procurement in general which includes eProcurement; the ministry is also responsible for development of electronic administration

¹⁷ Ministry of Trade and Industry is responsible of legal framework for public procurement in general which includes also implementation of new electronic measures/procedures from new public procurement directives

¹⁸ Hansel is a state owned central purchasing authority

¹⁹ Municipalities are not allowed to buy direct (without competition) from Hansel. Hansel is central purchasing body only for state entities.

8.2 Strategy

The government procurement strategy was published in January 2004, and the government's "Information Society Programme" in April 2004.

Initiatives on e-public procurement are integrated in the government's overall strategy on public procurement. According to it utilization of information technology is one element when developing public procurement and its eProcurement policies and procedures. Pilot projects will be initiated to improve procurement procedures and utilization of information technology.

The municipalities are independent and the government procurement strategy does not apply to them. They do not have a common procurement or e-procurement strategy. However, municipalities are more and more cooperating when doing or developing procurement.

8.2.1 Statement of objectives

The overall objective is to take advantage of information technology to enhance effectiveness of public procurement

8.2.2 Scope of strategy

Levels of government involved	Procurement strategies cover only central government
Legal framework	Is at the moment under renewal. First draft of the new pp law shall be at the end of October 2004. Deadline for implementation is the end of 2005.
Allocated resources	Public resources are allocated but specific information concerning the size of the amount is unavailable
Time frame	-

8.2.3 Existing guidelines

A recommendation for electronic public procurement has been issued on electronic invoicing - another on electronic ordering is being prepared.

8.3 Legal framework

8.3.1 Legal status of the use of electronic means in Public Procurement

None of the current e-procurement systems are expected to fulfil the requirements of the forthcoming EU public procurement directives fully (e.g. systems for the entire procurement process and digital signature), but it remains to be seen when further guidelines etc. are published.

8.3.2 Implementation of the Directives

The forthcoming EU public procurement directives are expected to be implemented in 2005. Public procurement is regulated in national legislation, which follows the EU public procurement directives. Use of electronic means in the public procurement process falls within the general rules for entering into an agreement.

8.3.3 Status of tools

Public procurement portals ²⁰	www.ktm.fi/julma Responsible authority is Ministry of Trade and Industry and the portal is run by the private undertaking Edita Oy. Functionality includes information and notices concerning public procurement below the threshold value.
	www.credita.fi The portal contains information concerning publication of notices especially above the threshold value. It also provides information about public procurement. The portal is run by the private undertaking Edita Oy.
Electronic catalogues	Electronic catalogues are used when purchasing goods ²¹
Electronic auctions	E-auctions are not being used
Electronic signature	An official electronic signature has been introduced in Finland, but so far it has not been used for electronic public procurement ²²
Dynamic Purchasing Systems	Dynamic purchasing systems are not being used
Framework agreements	The total procurement through national framework contracts is not known precisely, but it is estimated to be 5% or below.

8.3.4 Reference to the relevant legal acts

The Act on Public Procurement; the Act on Electronic Signatures.

8.4 Current usage of electronic means in Public Procurement

8.4.1 Practical use of electronic means in Public Procurement

The annual value of public procurement in Finland is about EUR 19 billion which is about 15% of the GDP. Electronic public procurement is not being monitored.

The most significant advantages from the introduction of electronic public procurement for public authorities are expected to be:

- Speeding up of procurement procedures
- Lower transaction costs
- Better procurement statistics and enhanced budgetary control.

²⁰ Hansel Ltd (www.hansel.fi) once operated a complete system for electronic tendering and procurement but due to lack of turnover, the system is no longer in operation.

²¹ Catalogues are usually suppliers own

²² Information is available at the internet (Population Register Centre): www.vaestorekisterikeskus.fi/vrk/home.nsf/pages/index_eng

Initiatives which are primarily focused on information and tools about electronic public procurement include:

- www.kilpanet.fi: Provides information and models concerning public procurement in the field of services. It is run by private local authorities owned undertaking Efectia Oy.
- www.hymonet.com: This includes information and models concerning environment issues in connection to public procurement. It is run by private local authorities owned undertaking Efectia Oy.
- www.kunnat.net: Provides much information on public procurement legal issues. It is the Finnish local authority portal.

8.4.2 Which phases of procurement are covered?

The status for automating procurement phases in the Finland is as follows:

- Notification about tenders (to a large extent today)
- Publication of tenders (to some extent today, but a further increase the next three years is expected)
- Management of receipt/submission of tenders (to some extent today, but a further increase the next three years is expected)
- Evaluation of tenders (to a low extent today, but a further increase the next three years is expected)
- Ordering (to a low extent today, but a further increase the next three years is expected)
- Invoicing (to a low extent, but a further increase the next three years is expected).

Notification is the phase of public procurement which has been automated the most via the Credita and Julma portals, whereas the more advanced stages of electronic procurement are only automated to a low extent. Most frequently used electronic tools are e-mail and internet based ordering.

8.5 Raising awareness & Promotion of electronic means

Electronic means will be promoted when implementing public procurement strategy for central government and Information Society Programme. A recommendation for electronic invoice has and will be promoted.

New projects have started also in municipal sector. It is worth to mention i.e. Juhk e-project, which has started on spring together with about 10 municipalities and Finnish Association of Local Authorities, private enterprises etc stakeholders. The aim is to promote e-procurement's implementation among municipalities starting from guide lining e-invoicing, e-ordering partly even to tendering procedures. Target is not however to develop any new purchasing system.

9. France

9.1 Organisations and Institutions

The responsibility for the e-public procurement activities in France are shared between mainly two government bodies:

- the Agency for the Development of Electronic Administration (*Agence pour le Développement de l'Administration Électronique – ADAE*)²³, under the direct authority of the Prime Minister, which has drafted the electronic administration strategy and action plan (ADELE); and
- the Ministry for Economy, Finance and Industry.

Responsible institution(s) for public procurement policy	Ministry for Economy, Finance and Industry
Responsible institution(s) for legal aspects	Ministry for Economy, Finance and Industry, Legal Department
Responsible institution(s) for technical solutions	Agency for the Development of Electronic Administration
Central procurement institution(s)	Union de Groupements d'Achats Publics (UGAP) ²⁴ which local, regional and national authorities can make use of, will allow bidders to submit tenders electronically through State solution.
Other important organisations	Ministry of Defence
Type of coordination between different institutions	The selection of suppliers, however, remains within the responsibility of individual public institutions

Within the ministry for Economy, Finance and Industry, a Mission for the Digital Economy (*Mission pour l'Économie Numérique*) (www.men.minefi.fr) has been created for five years to play a concertation role between the public and the private sector. It contributes to inter-ministerial initiatives to adapt the legal framework to the digital economy and prepares the French position in multilateral negotiations and at EU level. It is divided into working groups, of which group no. 7 "Dematerialisation of public procurement and of settlement of public expenditure"²⁵ works on these issues. Legal affairs are dealt with by the legal department of the ministry (*Direction des Affaires Juridiques*), while the development of e-public procurement solutions are coordinated between ADAE and the ministries (Defense will join later as they have their own solution).

²³ See <http://www.adae.gouv.fr>

²⁴ See <http://www.ugap.fr/>

²⁵ *Dématérialisation des achats publics et de l'exécution de la dépense publique*; <http://www.men.minefi.gouv.fr/webmen/grouperavail/g7.html>

9.2 Strategy

E-public procurement enjoys medium priority in France as it is not promoted by a minister, but is the fruit of cooperation between several ministries²⁶. The e-public procurement strategy of the French government is therefore twofold: It forms part of the e-government and information society initiatives made public at large scale, but is also part of efforts to generally modernise the national public procurement system. There is no separate strategy for e-public procurement.

- The governmental modernisation plan "Administration électronique 2004/2007" (ADELE), launched in February 2004 by the Prime Minister. The project is one of 140 measures which are part of the plan.
- Reforms of the Public Procurement Act (Code des marchés publics) in 2001 and 2004. This law includes the objective that all public entities have to accept electronic bids by 1 January 2005, whereas enterprises are free to use electronic means or paper. No obligation for businesses is introduced by the reforms.

9.2.1 Statement of objectives

Main objective is to publish all calls for tenders electronically by 2010. This objective is part of the project "100% Dématerialisation", which covers the whole procurement chain including control, payment and archiving, is anticipated for 2007-2010).

Besides the development of electronic tools, the other objectives of the project are reengineering of process and training in order to professionalize the buyer function.

Another objective is introduction of e-tendering by 2005.

9.2.2 Scope of strategy

Levels of government involved	Central, regional and local government are included in the strategies for procurement. Also public enterprises are covered by the initiatives
Legal framework	Public Procurement Code
Allocated resources	Approximately EUR 2 million has been allocated for the introduction of operational electronic procurement at national level The Ministry of Defence has allocated approximately EUR 4 million over the last 3 - 4 years In 2005, EUR 1 million is earmarked for using on an inter-ministerial platform
Time frame	2004-2005 2005-2008

²⁶ In France called 'dematerialisation of public procurement'

9.2.3 Existing guidelines

A guide for dematerialization will be published in September, 2004. It will be based on legal framework developed and interpreted through working group managed by Ministry of Economy and ADAE.

9.3 Legal framework

9.3.1 Legal status of the use of electronic means in Public Procurement

The use of electronic means for communication in the public procurement process are regulated by French national legislation, covering rules applicable to communication, storage of data and use of specific procedures. This was already done with the reform of the *Code des marchés publics* in 2001, however, the provisions have been formulated in a very open way, in order not to freeze the *status quo* and thereby prevent technological development and innovation.

9.3.2 Implementation of the Directives

The systems developed in France are very nearly compliant with the requirements of the forthcoming EU public procurement directives. While part of the directives requirements have already been taken into account for the 2001 and 2004 reform of the *Code des marchés publics*, it is expected that the directives will be fully implemented by autumn 2005. Electronic auctions are allowed in France and used, among others, by the Ministry of Defence. Dynamic Purchasing Systems are not allowed yet, but the directives' provisions will be implemented, as well as the ones on the "buyer profile". No national standards on electronic exchange of data will be introduced in order not to prevent evolution, and it is expected that standards will be developed at EU level.

9.3.3 Status of tools

Apart for State administration, there is no central e-public procurement portal for all national (and sub-national) public entities in France, so that local and regional authorities have launched their own activities, sometimes by joining forces where appropriate. They will nevertheless be able to access to State administration platform through UGAP, customer of the same market.

Public procurement portals	<p>The French Ministry of Defence has developed an electronic market place, called <i>Service public Défense</i>, consisting of two e-public procurement portals.</p> <ul style="list-style-type: none"> • One of these portals relates to the purchase of current supplies and support material (www.achats.defense.gouv.fr) • whereas the other is specifically dedicated to the purchase of armament, ammunition and war material (IXARM) (http://www.ixarm.com) <p>All prior information, tender and award notices are published on these websites which also contain a search engine as well as an alert system for businesses who register on the website. Also procurement contracts that do not have to be published feature on the ministry's portal, and terms of reference can be consulted online. There is a possibility for enterprises to present their services and products as well as available information on conclusion and settlement of public procurement contracts. Finally, companies can submit their expressions of interest and bids electronically, through a secured tendering system with time-stamping of the digital signature. The investment costs of the ministry's portals amount to EUR 4 million for the last three or four years.</p> <p>The French Ministry of Equipment, Transport, Housing, Tourism and Maritime Affairs offers its own public procurement portal, called "<i>Serveur d'appels d'offres et de marchés publics</i>" (SAOMAP) (http://saomap.application.equipement.gouv.fr/saomap_public). Businesses can search tender all over the French territory, consult tender material and communicate it to subcontractors. Twelve services of the ministry are already using the service which allows them to publish calls for tender, tender material and other information. It is expected that all service will do so before end of 2004</p> <p>All ministries are currently working, under the aegis of the Ministry of Economy, Finance and Industry and the Agency for the Development of Electronic Administration, on an inter-ministerial platform for e-public procurement. It will, for legal reasons, not be open to regional or local public entities except through Union de Groupements d'Achats Publics, but only for national ministries. The portal will be set up in third quarter 2004 and should be operational by 1st quarter 2005. The budget for this project is about EUR 1 million</p> <p>Several General Councils (at department level), for instance <i>Conseil general de la Moselle</i>²⁷, or <i>Conseil général de l'Oise</i> have established their own e-public procurement portals. An accompanying ministerial project for regional and local entities as well as public enterprises is designed to favour exchange of best practice between public authorities. The <i>Observatoire de l'Administration Electronique</i> identifies best practices in the field of e-public procurement among others and awards the <i>Prix Hourtin</i> to outstanding portals</p>
Electronic signature	<p>About 16 certificate families from the private sector have been referenced by the Ministry of Economy, Finance and Industry for use in general electronic procedures, among which e public procurement.</p>

²⁷ <http://marches-publics57.com>

Electronic catalogues	The Ministry of Defence also has experience with electronic catalogues
Electronic auctions	The Ministry of Defence and certain local authorities have experience with using e-auctions.
Dynamic Purchasing Systems	Dynamic purchasing systems have not been used
Framework agreements	No framework contracts are being used for the time being since they are not permitted by law.

9.3.4 *Reference to the relevant legal acts*

Public procurement code

9.4 Current usage of electronic means in Public Procurement

9.4.1 *Practical use of electronic means in Public Procurement*

So far, only the Ministry of Defence has introduced e-public procurement on a wide scale, assessing in particular, the number of electronic transactions, the speeding-up of procurement procedures, transaction costs and e-procurement's share of the total public procurement volume. The reduction of costs for companies should also be included in the assessment. The Ministry of Equipment has also obtained interesting results reducing publishing costs.

No assessment is as yet planned for the inter-ministerial platform, but there will probably be a regular monitoring of activities. France expects that the introduction of e-public procurement will significantly lower transaction costs and prices through increased competition and reduction of the cost of public procurement for administration and businesses etc.

9.4.2 *Which phases of procurement are covered?*

So far, only the first phases in the public procurement cycle, i.e. notification and publication of tender, have been automated, at least to some extent. Pilot projects have been launched for dematerialisation of ordering and invoicing, and the management of receipt as well as the evaluation of tender is expected to be done automatically within 3 years.

9.5 Raising awareness & Promotion of electronic means

There are a number of initiatives at the state and local level as well as in the private sector to increase awareness of the benefits of e-public procurement.

10. Germany

10.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	The Ministry of Economics and Labour (www.bmwa.de) and the Ministry of the Interior (www.bmi.de) are the overall responsible authorities in the area of e-procurement.
Responsible institution(s) for legal aspects	Ministry of Economics and Labour (www.bmwa.de)
Responsible institution(s) for technical solutions	Ministry of the Interior (www.bmi.de)
Central procurement institution(s)	Procurement Office of the Federal Ministry of the Interior (Beschaffungsamt, www.bescha.bund.de) manages purchases for 26 different federal authorities, foundations and research institutions. It runs a pilot project called "Öffentlicher Eink@uf Online" (Public Purch@sing Online). The project sets out a path for electronic procurement. From February 1st it is possible to transfer the offers electronically (www.evergabe-online.de). Federal Office of Defense Technology and Procurement (Bundesamt für Wehrtechnik und Beschaffung) of the Federal Ministry of Defense (www.bmvq.de). Federal Customs Administration (Beschaffungsamt der Bundeszollverwaltung) of the Federal Ministry of Finance (www.bundesfinanzministerium.de)
Other important organisations	<p>Several private providers offer either software products which support electronic procurement, e.g.:</p> <ul style="list-style-type: none"> • www.beschaffen.de: Beschaffen.de is provided by the company Wegweiser and offers a platform for purchasers of the public authorities to find e-procurement solutions according to their needs. • www.ai-aq.de: Administration Intelligence AG (AI-AG) offers electronic pro-curement solutions for a public procurement law-conforming handling of public tenderings. • www.bos-bremen.de: bremen online services (bos) GmbH & Co. KG develop and implement eGovernment solutions for the German Federal Government, the federal states and local governments. <p>...or online databases for public as well as private purchasers, e.g.</p> <ul style="list-style-type: none"> • www.vergabereport.de: offers two online databases with calls for tender. It serves also as an information portal. <p>...or both supporting products and online databases, e.g.:</p> <ul style="list-style-type: none"> • www.cosinex.de: Cosinex.de has been the first private provider for electronic public procurement. It offers the public authorities support for the realization of a strategic management of procurement.

	<ul style="list-style-type: none"> • www.subreport.de: Subreport.de is the biggest platform for e-procurement. About 98% of all public tenders can be found. Subreport.de is the first Internet platform for a complete digital awarding of contract. A registration is required.
Type of coordination between different institutions	It is the responsibility of each of the 16 Länder to implement e-procurement strategies on the basis of a close co-ordination between the state, the other Länder and the Kommunen (local governments). So far each of the Länder are developing or already have developed and implemented a strategy (see www.deutschland-online.de/Links/links.htm). Some of the most advanced Länder as regards e-government strategies are Nordrhein-Westfalen, Baden-Württemberg, Bavaria, Lower Saxony and Bremen. Hamburg was the first to implement its e-procurement strategy ²⁸

10.2 Strategy

Electronic public procurement is highly prioritized in Germany. E-public procurement initiatives are part of an overall strategy to develop the information society and create e-government.

In September 2000 the initiative "BundOnline 2005" that also include e-procurement was started by Federal Chancellor Gerhard Schröder. More than 100 individual authorities and departments of the Federal Administration are taking part in the project.

To overcome the heterogeneous IT-landscape of Germany, the relevant players have agreed on a joint e-government strategy in June 2003 ("Deutschland-Online"). The aim of the joint "Deutschland-Online" e-government strategy is to develop integrated electronic services on all administrative levels as well as to create the standards and infrastructures which are necessary. In addition to this strategy, the government in autumn 2003 decided on the program of action "Information Society Germany 2006". The objective of this procurement-focused program is to have a Federal Government's contract-awarding procedure exclusively via a secure e-tendering system in line with legal requirements by the end of 2005.

10.2.1 Statement of objectives

Overall objectives are:

- Achieve greater efficiency and transparency, and cut costs in the tendering cycle
- Develop integrated electronic services on all administrative levels and create standards and infrastructures
- Secure e-tendering system by the end of 2005
- Public sector strives to be the pioneer in the field of e-business in Germany

²⁸ See

<http://fhh.hamburg.de/stadt/Aktuell/behoerden/finanzbehoerde/ausschreibungen/e-vergabe/start.html>

10.2.2 Scope of strategy

Levels of government involved	The strategies include central government
Legal framework	-
Allocated resources	At state level, the public authorities allocate approximately EUR 4.5 million per year to introduce operational electronic procurement
Time frame	-

10.2.3 Existing guidelines

Public procurement portals	<p>The official online database for public tendering on the Federal level is titled Bundesausschreibungsblatt online, www.bundesausschreibungsblatt.de</p> <p>"E-Vergabe", www.evergabe-online.de has been developed by the Ministry of Economics and Labour (BMWA) together with the Ministry of the Interior (BMI). E-vergabe is an online database with call for tenders. From February 1st it is possible to transfer the offers electronically.</p> <p>Several Länder own an online database with call for tenders, e.g.</p> <ul style="list-style-type: none"> • Nordrhein-Westfalen (www.vergabe.nrw.de), • Hessen (www.had.de), • Brandenburg together with Berlin (www.ausschreibungen-brandenburg.de), • Hamburg (www.ausschreibungen.hamburg.de), • Bayern (www.bayerischer-staatsanzeiger.de), • Sachsen-Anhalt (www.ausschreibungsanzeiger.com), • Thüringen (www.ausschreibungsanzeiger-thueringen.de) <p>Another leading electronic public procurement platform for public and private calls for tenders is www.ausschreibungs-abc.de</p>
Electronic signature	Advanced qualified electronic signature has been introduced
Electronic catalogues	There exists an electronic catalogue on behalf of the Federal Ministry of the Interior and its Procurement Office, which is called "Öffentlicher Eink@uf Online".
Electronic auctions	E-auctions are not a legal possibility
Dynamic Purchasing Systems	Dynamic purchasing systems are not a legal possibility
Framework agreements	-

The Ministry of Economics and Labor has published a guide on electronic public procurement (www.bmwa.bund.de/Redaktion/Inhalte/Downloads/br-elektronische-vergabe-von-auftraegen_property=pdf.pdf). It is required that all state institutions use electronic procurement whenever possible and of economic advantage to the state. In December 2003 the Federal Government has taken a cabinet decision initiating an optimization of public procurement with the means of new information technology. The cabinet decision aims to realize a thorough digitalization of the procurement process and to establish a virtual marketplace (Kaufhaus des Bundes) on the basis of framework agreements.

10.3 Legal framework

10.3.1 Legal status of the use of electronic means in Public Procurement

Multiple legal acts regulated e-public procurement at present time (see below).

10.3.2 Implementation of the Directives

The forthcoming EU public procurement directives are expected to be implemented by the end of 2005. The storage of data is regulated by national legislation. With the new EU directives, Germany expects the government to provide that Contracting Authorities may use electronic auctions (with the possible exception of works contracts) and dynamic purchasing systems. Buyer profiles to publish tender-related information are being used by Contracting Authorities in Germany.

The use of an electronic signature will be made mandatory to participate in public calls for competition

10.3.3 Status of tools

Public procurement portals

The official online database for public tendering on the Federal level is titled Bundesausschreibungsblatt online, www.bundesausschreibungsblatt.de

"E-Vergabe", www.evergabe-online.de has been developed by the Ministry of Economics and Labour (BMWA) together with the Ministry of the Interior (BMI). E-vergabe is an online database with call for tenders. From February 1st it is possible to transfer the offers electronically.

Several Länder own an online database with call for tenders, e.g.

- Nordrhein-Westfalen (www.vergabe.nrw.de),
- Hessen (www.had.de),
- Brandenburg together with Berlin (www.ausschreibungen-brandenburg.de),
- Hamburg (www.ausschreibungen.hamburg.de),
- Bayern (www.bayerischer-staatsanzeiger.de),
- Sachsen-Anhalt (www.ausschreibungsanzeiger.com),
- Thüringen (www.ausschreibungsanzeiger-thueringen.de)

	Another leading electronic public procurement platform for public and private calls for tenders is www.ausschreibungs-abc.de
Electronic signature	Advanced qualified electronic signature has been introduced and is presently used to some extent.
Electronic catalogues	There exists an electronic catalogue on behalf of the Federal Ministry of the Interior and its Procurement Office, which is called "Öffentlicher Eink@auf Online".
Electronic auctions	E-auctions are not a legal possibility
Dynamic Purchasing Systems	Dynamic purchasing systems are not a legal possibility
Framework agreements	-

10.3.4 Reference to the relevant legal acts

At present the legal framework for e-public procurement is among other things based on:

- „Gesetz über Rahmenbedingungen für elektronische Signaturen (Signaturgesetz – SigG)" of 16. May 2001 (BGBl. I S. 876)
- Signaturverordnung vom 16. November 2001 (BGBl. I S. 3074)
- Verordnung über die Vergabe öffentlicher Aufträge in der Fassung vom 11. Februar 2003 (BGBl. I, S.169) – im Besonderen § 15 VgV.
- Anpassung der Verdingungsordnungen (VOL/A Abschnitt 1 und VOB/A²⁹) (in order to implement directive 2001/78/EC)
- "Gesetz zur Anpassung der Formvorschriften des Privatrechts und anderer Vorschriften an den modernen Rechtsgeschäftsverkehr" – Formvorschriften-Anpassungsgesetz. Implementation 1. August 2001 (BGBl. I Nr. 35 vom 18. Juli 2001)

10.4 Current usage of electronic means in Public Procurement

10.4.1 Practical use of electronic means in Public Procurement

Every year, the approximately 600 awarding offices of the Federal Government buy products and services worth around EUR 63 billion. In January 2004, nine federal authorities, as well as state and communal authorities, used eTendering.

Monitoring of the up-take and progress of e-public procurement is carried out on an annual basis by a questionnaire to a Working Committee of all government departments. The following aspects are watched: Transaction costs and the effect on prices.

²⁹ See

http://www.bmwi.de/Navigation/Wirtschaft/Wirtschaftspolitik/Oeffentliche_20Auftr_C3_A4ge/vergaberecht-vorschriften.html

The resources allocated by public authorities to introducing operational public procurement are also monitored at national level. Other aspects which should be considered in the future are: Number of electronic transaction, e-public procurement's share of total public procurement volume, types of purchases, speeding up of procurement procedures, SME participation and number of bidders.

10.4.2 Which phases of procurement are covered?

The status for automating procurement phases in Germany is as follows:

- Notification about tender (to a large extent)
- Publication of tender (to a large extent)
- Management of receipt/submission of tenders (to a large extent)
- Evaluation of tenders (not automated, but expected to be within two years)
- Ordering (to a large extent)
- Invoicing (to a large extent).

10.5 Raising awareness & Promotion of electronic means

At state level the public authorities allocate approximately EUR 4.5 mio per year to introduce operational electronic procurement. These resources are e.g. used for the development and implementation of software and the support of research dealing with e-public procurement.

Within 2004 it is planned that all electronic public tenders on Federal level will be published on the central portal of the State, www.bund.de

In Germany special advice centers (Auftragsberatungsstellen) impart practical experience and information to enterprises that plan to tender for public contracts. www.abst.de lists every advice centre of each of the Länder. Some local governments have initiated portals, see e.g. Düsseldorf (www.duesseldorf.de/ausschreibung/index.shtml)

The German Association of Towns and Municipalities (www.dstgb.de) decided on electronic procurement regarding trade in co-operation with the Central Organization of German Trade (www.handwerk.de/dstgb). Together with the German Telecom the DSTGB also started an initiative with the goal to identify the chances of small and medium-sized towns regarding their potential to modernize, rationalize and initiate new projects³⁰.

The Federal Government, the Länder and the municipalities have developed a common architecture for e-government. The e-government standard is called SAGA (Standards and Architectures for e-Government Applications³¹). SAGA defines a series of uniform standards which must be used for the implementation of e-government applications. Furthermore SAGA is included in the "Interoperability Framework" of the IDA-program of the European Union. OSCI (Online-Services-Computer-Interface) as well as ISIS-MTT (Industrial Signature Interoperability and Mailtrust Specification) are two obligatory standards in the Federal Administration which are based on SAGA. Communication standards are XML, HTML and PDF.

³⁰ See www.dstgb.de/index_inhalt/homepage/index.html

³¹ See http://www.kbst.bund.de/Anlage304417/Saga_2_0_en_final.pdf

Another existing e-procurement tool is the Vergabe@Governikus³². This is a software solution for the control of the communication and handling of public tenders via Internet. It is possible to publish digital announcements, provide data for placing of contracts by tender (Verdingungsunterlagen) and accept electronic offers.

Vergabe@Work is an electronic management solution for tendering. The control system is form-based and supports the handling of the entire internal process of contract awarding digitally and law-conforming. Vergabe@Work has been specially designed for the application within contracting authorities (www.ai-ag.de). Vergabe@Work is being used by the Ministry of Finance and the Ministry of Defence.

³² See www.bos-bremen.de/produkte/kap2_6.html

11. Greece³³

11.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	General Secretariat of Commerce, Ministry of Development
Responsible institution(s) for legal aspects	General Secretariat of Commerce, Ministry of Development
Responsible institution(s) for technical solutions	General Secretariat of Commerce, Ministry of Development
Central procurement institution(s)	General Secretariat of Commerce, Ministry of Development
Other important organisations	-
Type of coordination between different institutions	The selection of suppliers is typically the responsibility of a central procurement body. In some cases the Ministry of Development gives authorization to other ministries and bodies of public sector, to run their own auction. In these cases they are responsible for the selection of suppliers.

11.2 Strategy

In general the introduction of electronic public procurement has a high priority in Greece.

The strategy for the introduction of operational electronic public procurement is an integrated part of the overall strategy on e-government and the development of the information society.

The focus of the strategy is to obtain improved IT skills in public and private sector, speeding up procurement procedures, and to secure lower prices on public procurements.

11.2.1 Statement of objectives

The overall objective is to introduce an operational electronic public procurement system in Greece by the end of 2007.

It is planned that about 30% of goods which are awarded from the Ministry of development will be awarded by electronic means by the end of 2008.

³³ This section is based entirely on information from Mr. Spatharis, Ministry of Development

11.2.2 *Scope of strategy*

Levels of government involved	Central government
Legal framework	Information unavailable
Allocated resources	Information unavailable
Time frame	2004 – 2010 ³⁴

11.2.3 *Existing guidelines*

No special guidelines for e-public procurement have been issued.

11.3 **Legal framework**

11.3.1 *Legal status of the use of electronic means in Public Procurement*

The use of electronic means for communication in the public procurement process will be regulated by national legislation. The following aspects will be regulated: rules applicable to communication, storage of data, use of specific procedures e.g. e-auctions; dynamic purchasing system; open, restricted and negotiated procedures; notification about tender; publication of tender; management of receipt/submission of tender; and ordering.

Operational electronic procurement system does not exist in the public sector in Greece yet. However, a system in compliance with the requirement of the forthcoming directives will be introduced shortly.

11.3.2 *Implementation of the Directives*

The directives are expected to be implemented in 2006

³⁴ Estimated number of years for full migration in public procurement to electronic means is 6 years (Source: Based on information from Mr. Spatharis, Ministry of Development)

11.3.3 Status of tools

Public procurement portals	www.gge.gr is the public procurement portal (only in Greek) The portal has the following functionalities: Publication of legal framework of public procurement, guidelines on public procurement, central government annual programme of supplies, calls for tendering on monthly basis, contracts on monthly basis.
Electronic signature	Electronic signature has been introduced and is being used to a low extent. However, the use of electronic signature will be made mandatory to participate in public calls for competition.
Electronic catalogues	There is no experience with electronic catalogues
Electronic auctions	There is no experience with electronic auctions
Dynamic Purchasing Systems	There is no experience with dynamic purchasing systems
Framework agreements	Framework agreements are not being used

11.3.4 Reference to the relevant legal acts

Information unavailable

11.4 Current usage of electronic means in Public Procurement

Currently, the uptake on electronic public procurement is not being monitored on a regularly basis in Greece.

Hence, there is no information available on the existing usage of electronic means in public procurement.

11.4.1 Which phases of procurement are covered?

Information unavailable

11.5 Raising awareness & Promotion of electronic means

Information unavailable

12. Hungary

12.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	Council for Public Procurement (www.kozbeszerzes.hu)
Responsible institution(s) for legal aspects	Council for Public Procurement (www.kozbeszerzes.hu)
Responsible institution(s) for technical solutions	Electronic Government Centre, Office of the Prime Minister (www.magyarorszag.hu)
Central procurement institution(s)	Central Service Directorate is the central procurement body for public procurements at the national level .This institution has responsibility for the selection of suppliers for procurements in public institutions
Other important organisations	-
Type of coordination between different institutions	

12.2 Strategy

Electronic public procurement has been on the Hungarian government's agenda since 2001. At the present the development of an operational electronic public procurement system has a medium priority on the Hungarian government's agenda.

The strategy for introducing an operational electronic public procurement is included in the overall strategy on E-government and Information society among others "Hungarian Information Society Strategy" (HISS), 2002³⁵.

12.2.1 Statement of objectives

The government has specified overall objectives for introducing electronic public procurement. In a draft plan for secondary legislation these objectives are stipulated and are as follows:

- the harmonization and modernization of the law
- ease of use among wide range of participants
- transparency
- support of centralised procurement

³⁵ See http://www.ihm.hu/English/20030211_1.html

12.2.2 Scope of strategy

There are different stages in the strategy for the implementation of e public procurement. The first stage concerns strategic procurement on obligatory basis in central government. The second stage is widening the scope toward voluntarily participants and non-strategic procurements.

Levels of government involved	The plan includes a strategy for e-procurement at different levels of the Hungarian public sector, including central-, regional- and local governments
Legal framework	
Allocated resources	Internal government figures exists but cannot be disclosed publicly
Time frame	Implementation of the plan will start in June 2004. Objectives are estimated to be realized in March 2005.

12.2.3 Existing guidelines

Specific and detailed guidelines for electronic public procurement are under preparation in Government Decree on the electronically supported activities allowed in public procurement and in special electronic procurement procedures.

12.3 Legal framework

12.3.1 Legal status of the use of electronic means in Public Procurement

No national legalization is presently regulating the use of electronic means for communication in the public procurement process. However, legalization is under preparation in *Government Decree on the electronically supported activities allowed in public procurement and in special electronic procurement procedures*.

12.3.2 Implementation of the Directives

The Hungarian Government expects that implementation of the forthcoming EU-public procurement directives will take place in 2005.

Future electronic procurement systems will be compliant with the requirements of the forthcoming European Public Procurement Directives. It is estimated that Contracting Authorities will be allowed to use Electronic Auctions according to the Directives. It is not expected that Contracting Authorities will be mandated to implement Dynamic Purchasing Systems. Electronic Auctions are assumed will be used for purchasing MRO goods (Maintenance, Repair and Operations goods) by central government institutions.

The Hungarian Government expects that buyer profiles will be used by Contracting Authorities. Moreover, the government intends to introduce national standards for the electronic exchange of data in the public procurement process. The standards considered relevant are XML and EDI - both EAN compatible.

12.3.3 Status of tools

Public procurement portals	So far a central electronic public procurement portal has been established at www.kozbeszerzes.hu . The website is public owned by the Advertising Agency of the Council of Public Procurement. On this site one can reach the relevant public procurement rules, the Hungarian Official Journal in public procurement and the tender notices, recommendations and information of the Council, information on the Council and its working structure (Secretariat), contact details, international related links.
Electronic signature	An electronic signature has been introduced, but currently the signature is used only to a low extent. It is expected that a full operational electronic signature will be ready for use in March 2005. It is expected that the use of the signature will be mandatory for participating in public calls for competition.
Electronic catalogues	E-catalogues are also used to some extent in order to gather information
Electronic auctions	E-auctions are being used below threshold for experimental purpose
Dynamic Purchasing Systems	Dynamic purchasing systems are not being used
Framework agreements	Framework agreements are not used at the moment.

12.3.4 Reference to the relevant legal acts

Information unavailable

12.4 Current usage of electronic means in Public Procurement

12.4.1 Practical use of electronic means in Public Procurement

At the moment there are no operational electronic procurement systems in Hungary that are compliant with the requirements of the forthcoming European Public Procurement Directives.

The Hungarian government expects to carry out assessments during the implementation of electronic public procurement. The activities which will be assessed include the number of electronic transactions and the speeding up of procurement procedures. Other activities for regular assessments are workflow atomization and the professionalism of the system for electronic public procurement.

12.4.2 Which phases of procurement are covered?

The Hungarian Government expects that a fully automated electronic public procurement system will be available within three years. The system will include the central elements in electronic procurement: notification about tender, publication of tender, management of receipt/submission of tender, evaluation of tender and ordering. Within five years the government anticipates procedures for invoicing to be an integrated part of the electronic procurement system as well.

12.5 Raising awareness & Promotion of electronic means

Information unavailable

13. Ireland

13.1 Organisations and Institutions

The main institution is The Department of Finance, National Public Procurement Policy Unit. It is responsible for policy formulation and the legal framework for e-procurement.

Responsible institution(s) for public procurement policy	Public Procurement Policy Unit, Department of Finance
Responsible institution(s) for legal aspects	Public Procurement Policy Unit , Department of Finance
Responsible institution(s) for technical solutions	Public Procurement Policy Unit, Department of Finance Centre for Management and Organisation Development, Department of Finance Local Government Computer Services Board <ul style="list-style-type: none"> • A public sector organisation closely aligned with local government in Ireland • Main task is to provide local authorities with the best solutions to meet all their information and communication technology needs ICT bodies within the Health Sector
Central procurement institution(s)	Government Supplies Agency and Office of Public Works
Other important organisations	Information Society Commission
Type of coordination between different institutions	The selection of suppliers is typically a responsibility of the individual public institution. Some coordination exists in parts of the health sector and in third level educational institutions

13.2 Strategy

Strategies on e-public procurement are integrated in an overall strategy on modernising Public Procurement

- "Strategy for the Implementation of eProcurement in the Irish Public Sector" (2001)
- "Modernising Public Procurement" (2003) (See below)

Arising out of the Government's Action Plan on Implementing the Information Society in Ireland the Department of Finance, in conjunction with the Department of the Taoiseach, identified e-procurement as an essential element in eCommerce, having a role in both:

- Accelerating the transition of the Irish economy to an information society
- Contributing to the attainment of the Government objective of modernizing the public service through the development of new, innovative and more efficient procurement processes.

The government has a Strategy for the Implementation of e-Procurement in the Irish Public Sector approved by Government in April 2002. This strategy emphasized the need for procurement management reform, and points out four aspects to implementation of e-procurement in Ireland. These are:

- Capacity building: organisational capacity to strategically manage procurement effort in order to maximize measurable savings and benefits;
- Training and education developing for public sector staff through targeted procurement training and education to sustain measurable improvements in procurement performance;
- Aggregation: reducing costs by leveraging public sector demand in certain markets; and lastly
- e-procurement systems: improving efficiency through the use of cost effective technologies in support of various aspects of procurement.

13.2.1 *Statement of objectives*

The strategy contains a number of key targets to be achieved by the end of 2007. These include:

- Unit cost reductions of 2.5% of total expenditure on supplies and services and works (repairs and maintenance), arising from reductions in off-contract procurement and aggregation of procurement across agencies;
- Average transaction costs reductions of 5% for supplies services and works (repair and maintenance) as a result of standardisation, streamlining and automation;
- Unit cost reductions of 0.5% of total expenditure on capital works arising from savings in professional fees resulting from efficiency gains in the tender process and contract administration;
- Transaction cost related reductions of 0.25% in overall expenditure on capital works as a result of public sector administrative cost savings;
- 90% of tender competitions (above EU thresholds) carried out electronically;
- 80% of payments carried out electronically;
- 10% of all expenditures on supplies and services supported by electronic catalogue and ordering facilities.

13.2.2 Scope of strategy

Levels of government involved	All levels of government included in the national strategies on e-public procurement. Projects are planned for development of a separate e-procurement strategy for local and sector level
Legal framework	<p>The two principal sources of regulation that impact on e-public procurement in Ireland are public procurement regulation and eCommerce regulation.</p> <ul style="list-style-type: none">• The public procurement legislative framework consists principally of the EC Treaty, the EU Public Procurement Directives (implemented by way of Statutory Instrument into Irish law) and the World Trade Organisation Agreement on Government Procurement.• The principal sources of eCommerce regulation are the Electronic Commerce Directive, the Electronic Signatures Directive and the Electronic Commerce Act, 2000. The Electronic Commerce Act implements the Electronic Signatures Directive and those parts of the Electronic Commerce Directive dealing with the formation of contracts.
Allocated resources	Approximately € 4 million annually from central allocation during implementation stage of national strategy. Some sectoral projects are funded by other sources
Time frame	The Strategy for the Implementation of eProcurement in the Irish Public Sector originally envisaged targets being achieved by end 2007 but this timeframe is currently being reviewed.

13.2.3 Existing guidelines

Public procurement guidelines setting out the steps to be followed in conducting an appropriate competitive process under EU and national rules have been issued. These guidelines encourage the use of the national public procurement website www.etenders.gov.ie.

Guides, help and resources are available on the website for awarding authorities and suppliers that wish to participate in e-procurement.

13.3 Legal framework

13.3.1 Legal status of the use of electronic means in Public Procurement

None of the current e-procurement systems presently fulfil the requirements of the EU public procurement directives fully, but the necessary investments are expected to be allocated at a later stage.

13.3.2 Implementation of the Directives

The forthcoming EU public procurement directives are expected to be implemented by 2005. The following areas of use of electronic means in the public procurement process are already regulated by national legislation: rules applicable to communication, and storage of data.

With the new EU directives it is expected that the Irish the government will provide that Contracting Authorities may use electronic auctions and dynamic purchasing systems and that these will be generally available. Buyer profiles to publish tender-related information on a 'buyer profile' are expected to be used by Contracting Authorities in Ireland

It is also expected that Ireland will introduce national standards for the electronic ex-change of data in the public procurement process.

13.3.3 Status of tools

Public procure- ment portals	<p>www.etenders.gov.ie is the central government procurement portal. It provides information and tools about electronic public procurement and advertises notices for EU and sub-EU threshold contracts for the Irish public sector including central government, local authorities, Health Boards and hospitals, universities and schools. Developments in 2004 will include an electronic "post-box" to facilitate the electronic transmission of tenders by suppliers; site forums for the different sectors involved in public procurement such as central government, local government, health and education; and more comprehensive guidance material. Other features planned for the duration of the current contract include a pilot online tender evaluation system; and a facility to conduct tender clarifications/discussions between buyers and vendors online. Ireland recently became the first country to have "national" eSender status. The etenders website has a facility for the online creation and submission of OJEU notices.</p> <p>www.tendersireland.com (Public Sector Tender Market in Ireland) is a website where all of the procurement opportunities advertised by Central and Local Government in Ireland (North and South) are published on the Tenders Ireland Web Site.</p> <p>www.go-source.com (Go-Source) is a webguide for doing business in the public sector in Ireland. Three private companies are responsible for this joint directory of public sector procurement opportunities.</p>
Electronic signature	An official digital signature has not yet been introduced in Ireland and it is unclear when one will be introduced
Electronic catalogues	The public authorities have no experience electronic catalogues. Pilot initiatives on national level are recommended in the strategies, e.g. a pilot project on electronic ordering using electronic catalogues
Electronic auctions	The public authorities have no experience with e-auctions

Dynamic Purchasing Systems	The public authorities have no experience with dynamic purchasing systems
Framework agreements	The public authorities plan to set up broad based framework agreements.

13.3.4 Reference to the relevant legal acts

Electronic Commerce Act 2000:

- The purpose of the Act is to create a legal framework by providing a comprehensive piece of legislation which addresses many of the legal issues that have arisen as a result of electronic commerce and facilitate the growth of electronic commerce and electronic transactions in Ireland.
- The Electronic Commerce Act, 2000 provides for the legal recognition of contracts, electronic writing, electronic signatures and original information in electronic form in relation to commercial and non-commercial transactions and dealings and other matters, the admissibility of evidence in relation to such matters, the accreditation, supervision and liability of certification service providers and the registration of domain names, and provide for related matters.

13.4 Current usage of electronic means in Public Procurement

13.4.1 Practical use of electronic means in Public Procurement

The total non-payroll procurement spending in the non commercial public sector in Ireland is in the region of € 9 billion per annum of which Central government is responsible for approximately 2.4 billion € of procurement, education 1.4 billion €, health 1.9 billion €, and local authorities 3.1 billion € (2001 figures).

Monitoring of the up-take and progress of e-procurement is monitored regularly focusing on the number of users of the eTenders website and the extent of its usage. The site was launched on a pilot basis in March 2001 and three years of operation have seen its usage increase significantly. As of March 2004 there are close to 20,000 registered suppliers and over 1,700 registered Awarding Authority users (buyers). In 2003 close to 4,500 tender opportunities were advertised on the site.

The resources allocated by public authorities to introduce operational public procurement amounts to 4 million € per year at state level for the implementation of the national strategy, of which 2.5 million € are allocated for capital and 1.5 million € for administration, etc.

13.4.2 Which phases of procurement are covered?

The status for automating procurement phases in Ireland is as follows:

- Notification about tender (to a large extent today)
- Publication of tender (to a large extent today)
- Provision of contract documents for downloading electronically (to a large extent today)
- Management of receipt/submission of tenders (to a low extent today)
- Evaluation of tenders (not automated, but a pilot system will be established)
- Ordering (to some extent)

- Invoicing (to some extent)

Generally, notification and publication and downloading of tender documents are the phases of public procurement which have been automated the most, whereas management and evaluation are not or only to a low extent automated.

There is generally little experience with electronic auctions and multi-supplier electronic purchasing systems yet. However, the first electronic catalogue, with information on current contract arrangements, has been developed and is expected to be online very shortly.

13.5 Raising awareness & Promotion of electronic means

In September 2003 a new report from the Information Society Commission was published. Modernising Public Procurement indicated that the Government could potentially save up to 1 EUR billion annually on public procurement. This new report was made because of the slow pace of progress since the former strategy was finalized at the end of 2001. It also acknowledges important developments following from among other things the establishment of the National Public Procurement Policy Unit (NPPPU) in the Department of Finance (in 2003). The key recommendations from the report are:

- Resource the National Procurement Strategy adequately
- Enhance the e-tenders website
- Examine alternative delivery models – including PPP
- Support SME adjustment in line with procurement reform.

Forthcoming initiatives:

A “signpost” website, the “Irish Public Procurement Portal”, will shortly be available and this site will contain links to all websites associated with public procurement in Ireland.

14. Italy

14.1 Organizations and Institutions

Responsible institution(s) for public procurement policy	Prime Minister - Cabinet Office (http://www.governo.it) Ministry of Economic Affairs and Finance - MEF (www.tesoro.it) Local Administrations (for example Regions, Municipalities)
Responsible institution(s) for legal aspects	Prime Minister - Cabinet Office (http://www.governo.it) Ministry of Economic Affairs and Finance (www.tesoro.it) Ministry of Innovation and Technology (www.innovazione.gov.it)
Responsible institution(s) for technical solutions	Ministry of Economic Affairs and Finance (MEF) by means of Consip S.p.A. (www.acquistinretepa.it), a State owned company that operates exclusively to serve Public Administrations. The overall mission of Consip is to ensure that every Public Administration employee will be able to order different categories of goods and services online through web-based technologies. Consip (following the MEF guidelines) is responsible for the development and operation of e-public procurement solutions. Ministry of Innovation and Technology (www.innovazione.gov.it) defines/suggest guidelines to implement e-procurement systems. Local Administrations are able and authorized to develop and implement e-procurement systems.
Central procurement institution(s)	Consip S.p.A. (www.consip.it)
Other important organisations	Every Public Administration can develop and implement specific e-procurement systems
Type of coordination between different institutions	The organization of public procurement contains both centralized and decentralized elements: <ul style="list-style-type: none"> • There is a central public procurement body, but the establishment of procurement bodies at the regional level is planned . • Procurement (selection of suppliers) is the responsibility of the individual public authority.

14.2 Strategy

Since December 1999, the Italian Government has constantly developed and improved a program for public procurement in the Italian Public Administration. It places a high priority on the introduction of operational e-public procurement.

Strategy on e-public procurement is integrated in an overall plan of introducing e-government and integrated into the program of rationalizing public spending for goods and services e.g. "The Public Spending Rationalization Program" (2000) (Programma di Razionalizzazione della Spesa per Beni e Servizi della Pubblica Amministrazione).

This program deals with the following principles and guidelines:

- Defining purchasing strategies
- Drawing up competitive frame contracts for public administrations
- Delivering innovative e-procurement models
- Promoting the use of e-procurement within the public administration
- Providing purchasing monitoring tools to the public administration that use the framework contracts and other e-procurement systems.

14.2.1 *Statement of objectives*

The overall goals of the e-procurement program are to:

- Limit a potential "digital divide" across society;
- Reduce the expenses of goods and utilities, simplify the buying procedures and improve the transparency, efficiency and the effectiveness of public sector purchases;
- Provide a better service for both buyers and suppliers;
- Improve the transparency, the visibility and therefore accountability of public sector contracting;
- Reinforce the Italian government's commitment to the goals of e-Europe;
- Minimize transaction costs through standardization and to obtain scale economics in selected purchasing areas.
- Goods and services for EUR 12 billion purchased electronically (time-frame: 2000 – 2005).

14.2.2 *Scope of strategy*

Levels of government involved	Strategies cover all levels of government
Legal framework	Information unavailable
Allocated resources	Information unavailable
Time frame	2000 – 2005

14.2.3 *Existing guidelines*

Guidelines in support of the different areas have been issued as part of the strategy for e-government e.g. a special guideline for e-public procurement:

- Decree of Republic President n. 101/2002 (Rules to accede and utilize public administration market-places and electronic auctions, guidelines to adopt and utilize electronic advanced signatures).

14.3 Legal framework

14.3.1 Legal status of the use of electronic means in Public Procurement

	Date	N.	Argument
Legislative Decree	12th February 1993	39	Art.3 – Rules on automated informative systems of public administrations, as laid down in the art.2, co.1, let. mm) of the Law 23 rd October 1992, n.421
Law	15th March 1997	59	Art.15, co.2 – Proxy to Government on granting functions to Regions and local Authorities about Public Administration reform and administrative simplification
Decree of the President of the Republic	10th November 1997	513	Regulation on procedures for documents registration and transmission with electronic systems, as laid down in the art.15, co.2, of Law 25 th March 1997, n.59
Decree of the President of the Republic	20th October 1998		Rules on procedures on managing of electronic protocol by public administration
Prime Minister Decree	8th February 1999		Technical rules on registration, transmission, duplication, copying and approving of electronic documents
Law Decree	22nd May 1999	185	Implementation of the Directive 97/7/CE on consumer protection
Prime Minister Decree	28th October 1999		Electronic management of internal flow of information of Public Administration
Law	23rd December 1999	488	Financial act 2000
Prime Minister Decree	31st October 2000		Technical rules on electronic protocol - Decree of the President of the Republic 20th October 1998, n.428
Law	23rd December 2000	388	Financial act 2001
Decree of the President of the Republic	28th December 2000	445	Administrative procedure Act
Law	28th December 2001	448	Financial act 2002
Legislative Decree	23rd January 2002	10	Implementation of Directive 1999/93/CEE on the communitarian framework for electronic signature

	Date	N.	Argument
Decree of the President of the Republic	4th April 2002	101	Regulates online auctions and marketplace
Law	24th December 2003	350	Financial act 2004
Law Decree	12th July 2004	168	Amendments on Financial act

14.3.2 Implementation of the Directives

The forthcoming EU public procurement directives are expected to be implemented in 2005. The following areas of use of electronic means in the public procurement process are already regulated by national legislation: rules applicable to communication, storage of data and use of specific procedures, e.g. e-auctions, e-catalogues and marketplaces. Others follow the Decree of Republic President n. 445/2002 on administrative documentation, technical rules on electronic advanced signatures and certificated mails.

14.3.3 Status of tools

Public procurement portals	<p>The portal www.acquistinretepa.it (Acquisti in Rete³⁶; AiR) is the Public government procurement portal. The goal of the e-procurement platform is to improve public procurement and efficiency. The platform facilitates the use of three main tools for public e-procurement: <i>Electronic Shops</i>, <i>Reversed on-line Auctions</i> and <i>The Marketplace</i>. Furthermore the platform provides information on e-procurement activities already started or about to start as well as to diffuse this information, it provides newsletters, best cases and community on e-procurement.</p> <p>Local public procurement portal: Intercent ER is a portal for e-sourcing, which belongs to the Emilia Romagna Region and local public authorities</p> <p>Local public procurement portal: Purchasing System Piedmont Region is a portal e-sourcing and e-catalogues, which is owned by the region of Piedmont and the local public authorities www.csi.it</p> <p>Local public procurement portal: Marketplace for the Municipality of Florence: http://news.comune.fi.it/cgi-bin/market/index.pl</p>
Electronic signature	Electronic signature has been introduced. Nevertheless the use of a qualified electronic signature is compulsory in e-procurement.
Electronic catalogues	Public Administration procurement system and some Local Administrations uses high quality e-purchasing models such as electronic catalogues.
Electronic auctions	Electronic auctions have been a legal possibility since 2002 and there are numerous experiences both on national and local level.

³⁶ Translation: "Purchases on the Net"

Dynamic Purchasing Systems	For purchases under threshold, exists Market Place of Public Administration based on the principles of dynamic purchasing systems
Framework agreements	Framework agreements are similar to dynamic purchasing system (strictly bilateral)

14.3.4 Reference to the relevant legal acts

Information unavailable

14.4 Current usage of electronic means in Public Procurement

14.4.1 Practical use of electronic means in Public Procurement

On an operating level, the government procurement service, through Consip S.p.A. uses high quality e-purchasing models (electronic catalogues, reverse auctions, market place) as well as standard framework agreements for certain types of categories of goods and services.

The total amount of public expenditure in Italy for Goods & Services equals about EUR 97 billion (2002). This amount represents about 15% of overall public spending. In 2003 the Program's activity has been covering about EUR 16 billion. Despite their non-compulsory participation to the program on public spending rationalization, 21% of municipalities are ordering through Consip system. (year 2004 Good & Services EUR 102 billion, Program's activity cover EUR 6,7 billion, 16% of municipalities ordering)

Monitoring of the up-take and progress of e-procurement is followed on an annual basis and reported to the Ministry of Economic Affairs and Finance and Consip S.p.A. respectively. The following aspects are monitored: Number of procurement and e-procurement transactions, electronic public procurement's share of total public procurement volume, type of purchase, transaction costs and number of bidders, number of e-suppliers and number of e-products.

14.4.2 Which phases of procurement are covered?

The status for automating procurement phases in Italy is as follows:

- Notification about tender (to a low extent)
- Publication of tender (to a large extent)
- Management of receipt/submission of tenders (to a low extent)
- Evaluation of tenders (to a low extent)
- Ordering (to a low extent)
- Invoicing (not automated today, but expected to be within three years).

14.5 Raising awareness & Promotion of electronic means

In 2005 one-half of Italy's public expenditure for goods and services is to be spent on offers which were made electronically. In addition, the government wishes to promote e-business in the wider economy – the huge and influential public sector pushing, by example and by insistence, smaller private business into computer usage and hence to e-business.

In the field of electronic exchange of data in the public procurement process, Italy intends to introduce national standards, but they are not yet defined. Some working groups, mainly composed by Local Administrations, are evaluating standards and guidelines.

15. Latvia

15.1 Organizations and Institutions

Responsible institution(s) for public procurement policy	Procurement Monitoring Bureau (PMB), Ministry of Finance. <ul style="list-style-type: none"> Started its activity on 1 January 2002, and is a separate government administrative body, supervised by the Ministry of Finance. Has its own legal personality and its own separate budget. Is under the control of the Ministry of Finance. The Minister of Finance exercises a supervisory control over the PMB, in respect of administrative procedure. Monitors the conformity of the state and local government procurement procedures.
Responsible institution(s) for legal aspects	Procurement Monitoring Bureau, Ministry of Finance. <ul style="list-style-type: none"> Practically prepares all the draft regulations relating to public procurement matters, although theoretically, the task belongs to the Ministry of Finance.
Responsible institution(s) for technical solutions	Procurement Monitoring Bureau, Ministry of Finance <ul style="list-style-type: none"> Fulfilling the duties provided by Law, PMB is also publishing Tender notices and Contract award notices, examining complaints, providing methodological assistance and consultations and compile and analyze the statistical information available.³⁷
Central procurement institution(s)	-
Other important organisations	-
Type of coordination between different institutions	There is no central procurement body, which arranges framework contracts or is responsible for the selection of suppliers. These functions are the responsibility of each individual public authority.

15.2 Strategy

At the present time the development of an operational electronic public procurement system has a medium priority on the political agenda in Latvia.

Significant advantages from the introduction of electronic public procurement are expected in the following areas:

- Lower transactions costs
- Better procurement statistics and enhanced budgetary control
- Lower prices
- Better access for SMEs in accessing and responding to public tenders
- Improving IT skills in public and private sector.

A separate strategy on e-public procurement was adopted on January 29th 2004: "Usage of information technology in the development of a public procurement system" (2004).

³⁷ See <http://www.iub.gov.lv>

15.2.1 Statement of objectives

It is projected that:

- 33% of all public procurement procedures will be done electronically by 2008
- the government can save EUR 1 million per year after 2008 by undertaking the procurement procedures in the public sector, electronically
- the electronic catalogue will be fully implemented in 2008 e-auctions will be used in 15 % of all procedures by 2008

15.2.2 Scope of strategy

The strategy has three focus areas:

- Development of a public procurement portal with the possibility of electronic notification.
- Realization of activities for using e-auctions and electronic catalogues
- Constructions of a central public procurement body

Levels of government involved	The initiatives of the strategy are obligatory for the whole central government; moreover part of the local government will be given a chance to participate in some of the projects
Legal framework	For pilot project changes in legislation are not necessary. Directive 2004/17/EC is implemented in 2004 in Latvia Deadline to the Directive 2004/18/EC implementation time is the end of 2005.
Allocated resources	Approximately EUR 0.5 million has been allocated for the introduction of operational pilot electronic procurement system at national level
Time frame	2004 – 2008

15.2.3 Existing guidelines

Guidelines have not been issued

15.3 Legal framework

15.3.1 Legal status of the use of electronic means in Public Procurement

There is no legal framework for usage of e-auctions or dynamic purchasing system or e-catalogues in the classical sector, but e-catalogues will be established using framework agreements, but all these methods have been already set in the utility sector procurement legislation.

15.3.2 Implementation of the Directives

The forthcoming EU public procurement directives are expected to be implemented in 2005. Public procurement is currently regulated in national legislation by "Law on Procurement for State or Local Government Needs" (July 2001, amended June 2004) and "Law on Procurement for Public Services Providers needs" (October 2004). Electronic means for communication in the public procurement process is already regulated for utility sector.

15.3.3 Status of tools

Public procurement portal(s)	www.iub.gov.lv/ IUB (PMB) is a central e-public procurement portal with online notification of tenders. Moreover limited negotiations procedures are available (you can fill in the forms online); also legislation, statistics and an online Q&A functions can be found on the site (but only in Latvian). IUB (PMB) was introduced in January 2004.
Electronic signature	A qualified electronic signature has not yet been introduced in Latvia, but it is planned to be by the end of 2004. Specifications are not available
Electronic catalogues	There is no experience with e-catalogues
Electronic auctions	There is no experience with e-auctions
Dynamic Purchasing Systems	There is no experience with dynamic purchasing systems
Framework agreements	Legislation allows using of Framework agreement in utility and classical sector

15.3.4 Reference to the relevant legal acts

Information unavailable

15.4 Current usage of electronic means in Public Procurement

15.4.1 Practical use of electronic means in Public Procurement

Up-take and progress on electronic public procurement is not monitored on a regular basis.

In the strategy it is assessed to save 2 mio. EUR from centralising and administrative savings. The following aspects are being assessed: number of transactions, electronic public procurement's share of total public procurement volume, types of purchases, speeding up the procurement procedures, transaction costs, and number of bidders

15.4.2 Which phases of procurement are covered?

The status for automating procurement phases in Latvia is as follows:

- Notification about tenders (to some extent today, but a further increase the next three years is expected)
- Publication of tenders (to some extent today, but a further increase the next three years is expected)
- Management of receipts/submission of tenders (not automated and currently not expected to be automated)
- Evaluation of tenders (not automated and currently not expected to be automated)
- Ordering (not automated and currently, but expected to be automated)
- Invoicing (not automated and currently not expected to be automated)

15.5 Raising awareness & Promotion of electronic means

A project named "*Sabiedrikais iepirkumu portāls*"³⁸ has been launched, which will lead to the establishment of a central e-public procurement portal. For this project, financial and human resources have been made available. The project has started in 2003, and the ambition that has been set is to finalise it by 2004.

This project prepares the set-up of a portal comprising an informational part on legal issues as well as a platform for publication of calls for tender, tender documents and consultation of terms of reference. A first phase only allow publication, facilitating this process for public entities, since the portal automatically transfer calls for tender above threshold to the relevant publication papers, i.e. the Luxembourg written press and EU official journal.

³⁸ Translation: " Public procurement portal"

16. Lithuania

16.1 Organisations and Institutions

In Lithuania there are three bodies with equal authority in the field of e-public procurement.

Responsible institution(s) for public procurement policy	<p>Ministry of Economy (www.ukmin.lt) Public Procurement Office (www.vpt.lt)</p> <ul style="list-style-type: none"> Established under the Government of the Republic of Lithuania to co-ordinate and monitor compliance with the Law on Public Procurement and relevant regulations <p>Information Society Development Committee (www.ivpk.lt)</p> <ul style="list-style-type: none"> Was set up in mid 2001, when the Ministries of Communication and of the Interior started to transfer functions of the regulation of information technologies and telecommunications and co-ordination of the development of information society³⁹
Responsible institution(s) for legal aspects	Ministry of Economy (www.ukmin.lt)
Responsible institution(s) for technical solutions	<p>Public Procurement Office (www.vpt.lt)</p> <ul style="list-style-type: none"> Responsible for development and operation of the forthcoming electronic public procurement system⁴⁰ <p>Information Society Development Committee (www.ivpk.lt)</p> <ul style="list-style-type: none"> Responsible for the establishment of an e-society in Lithuania including the electronic signature
Central procurement institution(s)	-
Other important organisations	-
Type of coordination between different institutions	Procurement is organized in a decentralized approach. There is no central public procurement body in Lithuania. ⁴¹ Public procurement entities can make "centralized" procurements, and they buy big amounts of goods or other supplies at much lower cost and then distribute them to its subsidiaries. For instance Ministry of Interior and Ministry of National Defense have used centralized procurements.

³⁹ See www.ivpk.lt/main_en.php

⁴⁰ See www.vpt.lt

⁴¹ The national law on public procurement does not specify that central procurement bodies can exist at national, regional or local level.

16.2 Strategy

The overall strategy on e-public procurement is an integrated part of a general strategy on modernising the public sector and development of the information society.

Three strategies in the field of information society development and e-government are included:

- *National Concept of Development of Information Society* (Feb. 2001)⁴²: Basic tasks in creation of e-government.
- *Strategic Plan for Development of Information Society* (Aug. 2001)⁴³: Ensuring progressive development of information society in Lithuania through four priorities: 1) competence of Lithuanian citizens; 2) public administration; 3) electronic business; and 4) Lithuanian culture and Lithuanian language.
- *Long-term Development Strategy of the State* (Nov. 2002)⁴⁴: This strategy clearly emphasizes, that one of the main strategic trends in the field of development of public administration, is establishment and functioning of e-government.

Furthermore, Lithuania has a strategy for Modernising the activities of Public Procurement which is part of the general Government programme. This strategy includes activities in the field of e-public procurement. It involves only central government and focuses on a gradual transformation of public procurement into an electronic environment for adoption of the best EU Member State's practices and creation for the public procurement information system.

16.2.1 Statement of objectives

Electronic public procurement is an area which is highly prioritized by the government of Lithuania. The overall objectives for e-public procurement is to revise the national public procurement legislation, increase transparency and availability of information and develop an electronic public procurement system.

The development of e-government is followed by a variety of specific tasks. The objective here is among other things to deliver public procurement services on the Internet by 2005.

⁴² See Vilnius University, Law Faculty, Legal Informatics Center (2003): "Situation of e-government in Lithuania and principles of e-government in Lithuania", Vilnius

⁴³ See Vilnius University, Law Faculty, Legal Informatics Center (2003): "Situation of e-government in Lithuania and principles of e-government in Lithuania", Vilnius

⁴⁴ See "eGovernment Factsheet – Lithuania" at <http://europa.eu.int/ISPO/ida>

16.2.2 Scope of strategy

Levels of government involved	Central government is included in the strategies ⁴⁵
Legal framework	Information unavailable
Allocated resources	To cover the development costs of the first phase of CPPP, Public procurement office already has received funding of more than 300.000 EUR this year. As stated in the PPO strategic planning document, expected funding for the development of the CPPP in 2004 should reach approximately 1.150.000 EUR, in 2005 – 3.200.000 EUR and in 2006 - 2.000.000 EUR per year (including the state budget and the European regional development fund sources).
Time frame	Variable (specific information unavailable)

16.2.3 Existing guidelines

Guidelines have not been issued.

16.3 Legal framework

16.3.1 Legal status of the use of electronic means in Public Procurement

Rules applicable to communication and storage of data are already regulated by national legislation.

16.3.2 Implementation of the Directives

The forthcoming EU public procurement directives are expected to be implemented in 2006.

The use of e-auctions, dynamic purchasing systems etc. is not regulated by the legislation, but the government will provide that contracting authorities may use these procedures. However they will only be allowed for certain types of purchasing expectantly standard goods. The Public Procurement Office will develop e-procurement solutions following all requirements set by the EU e-procurement legislation.

E-auctions and DPS would be available after implementation of new public procurement directives (expected in 2006) and according implementation of technical solutions allowing these procedures.

⁴⁵ Based on interview with Mr. Ainis Pumputis, Public Procurement Office

16.3.3 Status of tools

Public procurement portals	<p>A central electronic public procurement portal (CPPP) is expected to be established in the second half of 2004. The functionality of the portal will fulfil the Directive requirements. For the CPPP functionality, implemented in the first development phase, Directive requirements will be met.⁴⁶</p> <p>In 2004 the first phase of Central public procurement portal (CPPP) will be established. However, a central public procurement portal with full functionality will most likely be completed approximately in 2008.</p> <p>Development of the first phase includes fundamental portal functionality (user authorisation system, content management, statistical and analytical functionality), notifications and tender information publishing, and e-catalogues (e-auctions are not planned for the first phase of CPPP development).</p>
Electronic signature	The use of electronic signature has been a legal possibility since 2000.
Electronic catalogues	No experience with e-catalogues
Electronic auctions	No experience with e-auctions
Dynamic Purchasing Systems	No experience with dynamic purchasing systems
Framework agreements	No experience with framework agreements

16.3.4 Reference to the relevant legal acts

No information

16.4 Current usage of electronic means in Public Procurement

16.4.1 Practical use of electronic means in Public Procurement

There is no regular monitoring of the up-take and progress of e-procurement. However a pilot project is being planned. Moreover the government is planning to assess the impact of introducing electronic public procurement within three years when all initiatives on the field have been implemented.

16.4.2 Which phases of procurement are covered?

Specific statistical information about a number of e-public procurement functions will be available following the introduction of the central procurement portal by the end of 2004.

⁴⁶ Based on interview with Mr. Ainis Pumputis, Public Procurement Office

16.5 Raising awareness & Promotion of electronic means

The most significant advantage from introducing e-public procurement is expected to be public sector savings through lower prices. Moreover it is expected that the transactions costs will be lowered, and that it will be able to speed the procurement process. Finally SMEs is expected to have better access to public tenders.

17. Luxemburg

17.1 Organizations and Institutions

Responsible institution(s) for public procurement policy	The Ministry of Public Works ⁴⁷ (www.etat.lu/MTP) The Ministry of Civil Service and Administrative Reform ⁴⁸ (www.mfpra.public.lu) <ul style="list-style-type: none"> The Ministry of Civil Service and Administrative Reform is involved in the function of coordinator of the eLuxembourg Action Plan and as pilot ministry for the first phase. The National Information Society Commission ⁴⁹
Responsible institution(s) for legal aspects	The Ministry of Public Works (www.etat.lu/MTP)
Responsible institution(s) for technical solutions	<i>Centre Informatique de l'Etat</i> , The Ministry of Civil Service and Administrative Reform (www.mfpra.public.lu) (www.cie.public.lu)
Central procurement institution(s)	<i>Centre Informatique de l'Etat</i> , The Ministry of Civil Service and Administrative Reform (www.mfpra.public.lu) <i>Service Central des imprimés des l'Etat</i> , The Ministry of Civil Service and Administrative Reform (www.mfpra.public.lu) (www.scie.public.lu) <ul style="list-style-type: none"> Has developed an electronic catalogue through which different authorities can pass aggregated orders.
Other important organisations	-
Type of coordination between different institutions	The selection of suppliers falls in the responsibility of the Centre Informatique, as far as IT equipment is concerned, and of the individual public authorities for the rest.

17.2 Strategy

The strategy is part of a drive to modernise public procurement in general. It mainly covers central government, although there is a common will to involve local authorities (as well as every organism falling under the national public procurement legislation), which will be obliged to use some functionalities of the new structures while they will be sensitised on the issue in general.

E-public procurement has a high priority in Luxemburg, since it forms part of the action plan eLuxembourg (www.eluxembourg.lu), which has been presented to the Government on 26 January 2001. One of the objectives, within the pillar "Putting new technologies at the service of citizens and enterprises as well as civil servants and public organisms", is to promote use of "tele-procedures" by businesses and professionals in communication with public authorities. Under this heading, which implies two phases (one without electronic signature, the second one implying such a signature), e-public procurement activities have been launched.

⁴⁷ *Ministère des Travaux Publics*

⁴⁸ *Ministère de la fonction publique et de la réforme administrative*

⁴⁹ *Commission nationale pour la société de l'information*

17.2.1 *Statement of objectives*

The objective has been formulated that the whole public procurement procedure from notification to invoicing and accounting should be made electronically accessible by 2005. A feasibility study launched in 2002, of which the conclusions (feasibility within 3 years) have been presented to the Government and have been approved, is considered as the strategy for introducing e-public procurement in Luxembourg. A new strategic paper will be prepared for the new Government which will emerge from the June 2004 elections, taking stock of achievements and setting new objectives. No proper guidelines have been issued, apart from minor communications and recommendations, for instance on the law establishing the possibility to include part of the proposal on CD-ROM with the paper documents.

17.2.2 *Scope of strategy*

Levels of government involved	Central government is the only level included in the strategy. Representatives of local government and the Health Sector have been consulted for the strategic study.
Legal framework	Legal aspects have been outlined in the strategic study.
Allocated resources	-
Time frame	-

17.2.3 *Existing guidelines*

Special guidelines for using e-public procurement have not been produced

17.3 Legal framework

17.3.1 *Legal status of the use of electronic means in Public Procurement*

Information unavailable

17.3.2 *Implementation of the Directives*

The systems developed will be compliant with the new European public procurement directives; however Luxembourg is expecting to use the full transposition period of 21 months, completing implementation in 2006. Apart from the possibility of electronic publication of calls for competition and the possibility to submit part of the proposal in electronic form, the use of electronic means for communication in public procurement has not been regulated yet in Luxembourg.

Electronic auctions and Dynamic Purchasing Systems will probably be authorised in Luxembourg, and national standards for the electronic exchange of data in the public procurement process, e.g. for submission templates and invoices, will be introduced.

17.3.3 Status of tools

Public procurement portals	<p>A project named "<i>Mise en ligne des Marchés Publics</i>"⁵⁰ has been launched, which will lead to the establishment of a central e-public procurement portal. For this project, financial and human resources have been made available. The project has started in 2002, and the ambition that has been set is to finalise it by 2005.</p> <p>This project prepares the set-up of a portal comprising an informational part on legal issues as well as a platform for publication of calls for tender, tender documents and consultation of terms of reference. It will be tested by the back office in Summer 2004. A first phase will only allow publication, facilitating this process for public entities, since the portal will automatically transfer calls for tender above threshold to the relevant publication papers, i.e. the Luxembourg written press and EU official journal. A second phase will also contain features such as bid receipt with time stamping. No other public procurement portals have been created yet in Luxembourg.</p>
Electronic signature	<p>While no qualified electronic signature has been introduced in Luxembourg to date, a mixed economic interest group consisting of Ministry of Economy officials and representatives of the banking sector is drafting terms of reference for the development of a qualified electronic signature by 2005. However, it is not decided yet, whether the use of a qualified signature will be made mandatory for the next phase of the portal, i.e. electronic submission of tenders.</p>
Electronic catalogues	<p>The central purchasing agency "Service central des imprimés de l'Etat" is using electronic catalogues</p>
Electronic auctions	<p>There is no experience with e-auctions in the public authorities</p>
Dynamic Purchasing Systems	<p>There is no experience with dynamic purchasing systems in the public authorities</p>
Framework agreements	<p>No framework agreements are being used in Luxembourg at national level for the time being.</p>

17.3.4 Reference to the relevant legal acts

Information unavailable

17.4 Current usage of electronic means in Public Procurement

17.4.1 Practical use of electronic means in Public Procurement

Statistics on e-public procurement will be taken in Luxembourg, covering aspects such as number of electronic transactions, number of bidders, types of purchases as well as effect on prices. Ad hoc monitoring will be performed once the system is operational.

⁵⁰ Translation: "Public Procurement Online"

17.4.2 Which phases of procurement are covered?

In Luxembourg, the publication phase has been automated to a low extent so far, as well as the reception and evaluation of tenders (if one counts the receipt of part of the proposal on CD-ROM), but the complete public procurement process is expected to be available electronically within the next three years, except for invoicing, which probably will take longer.

17.5 Raising awareness & Promotion of electronic means

Information unavailable

18. Malta

18.1 Organisations and Institutions

The two main institutions in the field are:

- The Central Information Management Unit (CIMU) within the Office of the Prime Minister
- The Department of Contracts within the Ministry of Finance and Economic Affairs is the central procurement body in Malta

Responsible institution(s) for public procurement policy	Central Information Management Unit, Office of the Prime Minister (www.opm.gov.mt)
Responsible institution(s) for legal aspects	Central Information Management Unit, Office of the Prime Minister (www.opm.gov.mt)
Responsible institution(s) for technical solutions	Central Information Management Unit, Office of the Prime Minister (www.opm.gov.mt)
Central procurement institution(s)	Department of Contracts, Ministry of Finance and Economics (www.mfin.gov.mt)
Other important organisations	-
Type of coordination between different institutions	Being the smallest country among the 25 EU member states, Malta has two administrative levels, the national governmental level and the local level, which is governed by local councils. Procurement is organized with a strong role assigned to the central governmental level. The selection of suppliers above the threshold for government is done by the Department of Contracts. The Department of Contracts is also involved in the selection of suppliers at local level for procurement above the threshold, which is done in collaboration between the department and the local councils. Procurement below the threshold at local level is done through evaluation committees operating under the local councils. Framework agreements are used neither at the national level nor at the local level.

18.2 Strategy

The Ministry for Information Technology and Investment has drawn up a programme to ensure the timely implementation of their objectives. The government's efforts in the field of e-public procurement are part of this programme as they are closely related to the third component. Being an integral part of the overall vision, the introduction of e-public procurement has a high political priority.

The government's strategy for the introduction of e-public procurement is integrated in the country's overall strategy on e-government and the development of the information society e.g. "e-Government program" (2000). The part of the strategy concerning e-public procurement is currently being developed and the more precise strategic focus is therefore yet to be determined.

18.2.1 *Statement of objectives*

The overall vision and mission in Malta is to develop a first-class information society. The three main components of the vision are:

- deliver first-class public service
- increase citizen participation in government decision making
- streamline public services and realize efficiency-gains

At present there is no specific, quantitative objectives defined which describe the efficiency gains which the Maltese government expects to achieve through the deployment of e-public procurement.

18.2.2 *Scope of strategy*

Levels of government involved	Central and local are included in the strategy
Legal framework	Information unavailable
Allocated resources	Information unavailable
Time frame	Information unavailable

18.2.3 *Existing guidelines*

At a more specific level, Malta has issued a set of guidelines (published 15 April 2004) that relate to the government's recently launched e-public procurement initiative for the procurement of standard office automation hardware and software.

18.3 **Legal framework**

18.3.1 *Legal status of the use of electronic means in Public Procurement*

The government's e-public procurement portal is the first and only e-public procurement initiative in Malta. As described it is aimed at procurement below the threshold and it does presently not comply with the requirements of the forthcoming Public Procurement directive.

18.3.2 *Implementation of the Directives*

The forthcoming EU public procurement directives are expected to be implemented in 2006. The use of electronic means for communication in the public procurement process is presently not regulated by national legislation.

With the new EU directives the Maltese government expects to provide that Contracting Authorities may use electronic auctions and dynamic purchasing systems. It is presently not clearly defined whether use will be applied to certain type of purchases or authorities, but the present expectation is that usage will be general and applied to different types of purchases. The same applies to the future use of dynamic purchasing systems.

Concerning the publishing of tender-related information on a 'buyer profile by contracting authorities, it is expected that this opportunity will be used in the future.

18.3.3 Status of tools

Public procurement portals	As of mid-April 2004 the government has launched the first central electronic public procurement portal (www.e-procurement.gov.mt). The portal, which is developed and maintained by CIMU, is seen as the foundation for e-public procurement at the governmental level. The portal enables public officers to acquire IT hardware and software below the threshold and below Lm 2,500. The e-Procurement system will be reviewed and enhanced to include other functionalities including a payment gateway. Private companies may apply to become an Authorised Supplier. Application will be vetted by CIMU and if the company is approved, it will receive a login and password which will enable it to access the system. Following successful completion of a probation period, the company will be awarded the Quality Mark and thereafter become a Quality Mark Supplier.
Electronic signature	Malta has not introduced a qualified electronic signature, as this is presently not allowed by the national legislation. However, it is expected that the legislation will be amended and that a qualified electronic signature will be introduced within the next three years.
Electronic catalogues	There is no experience with electronic catalogues
Electronic auctions	There is no experience with electronic auctions
Dynamic Purchasing Systems	There is no experience with dynamic purchasing systems
Framework agreements	Information unavailable

18.3.4 Reference to the relevant legal acts

Information unavailable

18.4 Current usage of electronic means in Public Procurement

18.4.1 Practical use of electronic means in Public Procurement

There is no figure available on the total volume of e-public procurement as the first e-public procurement portal was launched very recently. There is presently no assessment of the impact of the introduction of e-public procurement, but it is expected that the impacts will be assessed in the course of the next three years concerning the number of electronic transactions, e-public procurements share of total public procurement volume, types of purchases and the impact on speeding up the procurement procedures. Notably, the security aspect of electronic transactions is an area where regular assessment is considered very important and necessary. Monitoring of the up-take and progress of e-procurement is presently not carried out.

The resources allocated by public authorities to introducing operational public procurement are not monitored at national level, but government resources have been channeled into the development and maintenance of the recently launched e-public procurement website (precise figure is not available).

18.4.2 Which phases of procurement are covered?

The status for automating procurement phases in Malta is as follows:

- Notification about tenders and publication of tenders have been automated to a large extent
- The management of receipt/submission of tenders and evaluation of tenders have not been automated today and it is not expected to happen within the next three years
- Ordering has been automated to some extent, but expected to be increased within three years
- Invoicing is not automated today but automation is expected to take place within the next three years

18.5 Raising awareness & Promotion of electronic means

Information unavailable

19. Netherlands

19.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	Ministry of Economic Affairs (www.minez.nl) <ul style="list-style-type: none"> - plays a key role in the overall policy formulation in the area of public procurement, including the introduction of operational electronic public procurement, and in the collection of experiences on the ministerial use of electronic tendering. - has recently begun the preparations for the implementation of the forthcoming EU Directives on public procurement, including the development of an outline for a new legal framework for public procurement in general.
Responsible institution(s) for legal aspects	Ministry of Economic Affairs (www.minez.nl)
Responsible institution(s) for technical solutions	Ministry of Economic Affairs (www.minez.nl)
Central procurement institution(s)	Currently no central procurement bodies exist in the Netherlands. A national agency has before been responsible for the overall public procurement, but the agency was abolished due to unsuccessful results. Therefore, the selection of suppliers is typically a responsibility of the individual public institutions.
Other important organisations	-
Type of coordination between different institutions	Public procurement in the Netherlands generally takes place in a decentralised manner. According to the Action Plan (see below), all ministries are to be involved in the introduction of electronic tendering.

19.2 Strategy

The introduction of operational electronic public procurement has a medium priority in the Netherlands. Currently a national programme or strategy within the area of electronic public procurement does not exist. "Action Plan on Professional Procurement and Purchase" (2001), which described a way of working for the national government within the area of public procurement, is currently the main strategic document

The main reasons for the lack of an overall objective or strategy is firstly the absence of a regulated procurement tradition in the Netherlands, and secondly that the Dutch government find it important to integrate a national strategy into the forthcoming EU Directives on public procurement.

The abovementioned Action Plan describes a way of working for the national government within the area of public procurement, and has three main objectives:

1. *Innovative tendering*: Promoting innovation and if necessary, co-operation (cluster formation) by presenting a challenge in the invitation to tender and tailoring the contract forms to this. The government acts as a demanding customer and invites innovative tenders. This is applied on an increasing scale.
2. *European tendering*: Publishing the invitation to tender and, so increasing competition in the market. This creates opportunities for better bids. Furthermore, it is a statutory requirement for government procurement (above certain thresholds). Incentives are needed at this level, as there are shortcomings in compliance.
3. *Electronic tendering*: Publishing announcements and invitations to tender via the Internet, and further deployment of modern information and communications technology (ICT) that supports the entire procurement process.

At the central level, the Action Plan describes a number of steps to be taken among ministries to strengthen inter-departmental co-operation. Among these steps, the ministries will need to publish invitations for tender electronically at the earliest opportunity.

In addition, the central government intranet will need to incorporate an electronic network for buyers and tendering offers, acting as a virtual knowledge centre for professional procurement and tendering. The functions of the electronic procurement network will also need to include a list of buyers and tendering officials at each ministry and a list of planned and current tenders.

Finally, the Action Plan states that the Ministry of Economic Affairs will need to gain experience with electronic ordering and tendering, and place this at the disposal of other parties.

The Action Plan also lists a number of activities, which already has been initiated or implemented. Within the area of electronic public procurement, these activities cover the establishment of a network of professional purchases of the government, including a virtual meeting place (www.PIANODesk.info), and the setting up of an interdepartmental project team on electronic purchasing.

19.2.1 *Statement of objectives*

The Dutch government has not yet specified an overall objective for the introduction of operational electronic public procurement in the Netherlands.

Scope of strategy

Levels of government involved	Information unavailable
Legal framework	Information unavailable
Allocated resources	Significant resources on the introduction of e-public procurement have yet to be allocated
Time frame	Information unavailable

19.2.2 *Existing guidelines*

Information unavailable

19.3 **Legal framework**

19.3.1 *Legal status of the use of electronic means in Public Procurement*

No legal framework for electronic public procurement exists at this moment. Implementation of the new EU Directives on public procurement (see next paragraph) will provide this framework.

To date electronic announcement of tenders is stimulated. With a view to the forthcoming legal framework for electronic procurement some pilot-projects have been executed by individual contracting authorities.

19.3.2 *Implementation of the Directives*

The forthcoming EU Directives on public procurement are expected to be formally implemented in the Netherlands in 2005. However, additional Dutch requirements will not be implemented before 2007. Currently the use of electronic means in the public procurement process is not regulated by national legislation

With the new EU directives, the government is expected to provide that all Contracting Authorities may use electronic auctions and all other options as indicated in the new EU directives. In addition, Contracting Authorities may and will probably publish tender-related information on a "buyer-profile".

The Dutch government is currently preparing for the implementation of the forthcoming EU Directives on public procurement. Following these preparations, the Dutch government will develop a more explicit strategy for the introduction of operational electronic public procurement. In this respect, full migration in public procurement to electronic means is considered a realistic and desirable goal within a timeframe of 10 years.

19.3.3 Status of tools

Public procurement portals	The Dutch government has recently introduced an electronic procurement website for the use of the construction sector. The site, which can be found at www.aanbestedingskalender.nl , provides an overview of current procurement within the construction sector. The site is however expected to form a template for the development of a central electronic public procurement portal ⁵¹
Electronic signature	The Dutch government has recently passed an electronic signature bill (May 2003), which ensures the transposition in Dutch law of the European Directive 1999/93/EC on a Community framework for electronic signatures, and provides a firm legal basis for the deployment and use of electronic signatures in e-commerce and e-government.
Electronic catalogues	Electronic catalogues have not been used
Electronic auctions	Ministry of Social Affairs and Employment and different local hospitals and health departments have gained experience with e-auctions in pilot-projects.
Dynamic Purchasing Systems	Dynamic purchasing systems have not been used
Framework agreements	-

19.3.4 Reference to the relevant legal acts

Information unavailable

19.4 Current usage of electronic means in Public Procurement

19.4.1 Practical use of electronic means in Public Procurement

The total impact of introducing electronic public procurement in the Netherlands has not yet been assessed, and the Ministry of Economic Affairs has not agreed on whether the impact will be assessed within the next three years.

Monitoring of the up-take and progress of e-procurement does not take place in the Netherlands yet. However, with the implementation of the forthcoming EU Directives on public procurement, the Ministry of Economic Affairs is expected to do this on a regularly basis (it is not possible to estimate the frequency at this time).

⁵¹ The portal for information and knowledge-transfer for officials in contracting authorities is www.ovia.nl. The portal is also a government initiative. Based on information from Leo Baaijen, Ministry of Economics

19.4.2 *Which phases of procurement are covered?*

Information unavailable

19.5 Raising awareness & Promotion of electronic means

Within this framework, the Netherlands Accreditation Council has recently accredited KPMG Certification to certify ICT service providers for the issuance of qualified certificates for electronic signatures. KPMG has carried out his first certification at PinkRocade Megaplex, who is the first party in the Netherlands to meet all the requirements. However, it is currently unclear whether the signature will be used in public procurement and whether the use of qualified electronic signature will be made mandatory to participate in public calls for competition.

At the current time, it is still unclear whether the Dutch government intends to introduce national standards for the electronic exchange of data in the public procurement process. However, the government expect to follow the standards mentioned in the forthcoming EU Directives on public procurement.

20. Poland

20.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	<p>Public Procurement Office (www.uzp.gov.pl)</p> <ul style="list-style-type: none"> • Independent unit within the Polish government, and the main co-ordinating institution on public procurement. • Created on 1 January 1995, following the adoption of the Act on Public Procurement on 10 June 1994. • Pays a policy making and co-ordinating role for the entire Polish public procurement system <p>Elaborates training programs, and organises and inspires training events in the field of public procurement.</p> <p>Ministry of Scientific Research and Information Technology (www.informatyzacja.gov.pl)</p> <ul style="list-style-type: none"> • Responsible for development and implementation of projects and solutions in the field of e-public procurement in collaboration with the Public Procurement Office.
Responsible institution(s) for legal aspects	Public Procurement Office (www.uzp.gov.pl)
Responsible institution(s) for technical solutions	<p>Public Procurement Office (www.uzp.gov.pl)</p> <ul style="list-style-type: none"> • Responsible for developing and operating e-public procurement solutions including the official Public Procurement Bulletin in which public procurement notices are published
Central procurement institution(s)	<p>Public Procurement Office (www.uzp.gov.pl)</p> <ul style="list-style-type: none"> • Responsible for issuing administrative decisions in response to requests for the application of a procedure other than unlimited tendering
Other important organisations	-
Type of coordination between different institutions	<p>Poland has a decentralized system of public procurement. Every public administration entity is responsible for its own procurement procedures and selection of suppliers. There are no central institutions which purchase on behalf of government or self government entities. However, there is a legal possibility that various public administration units agree to award public procurement contracts together (e.g. IT equipment, vehicles etc.) in order to combine their "purchasing power" and get better prices</p>

20.2 Strategy

The overall vision regarding electronic public procurement in Poland is to ensure efficiency, and general savings in the public administration. An additional objective is to minimizing corruptive behaviour and secure transparency in the public sector activities. In general, electronic public procurement has a medium priority on the national political agenda in Poland.

In order to achieve the objectives Poland has different associated strategies on information society and technology, e-commerce and e-government in Poland. These are reflected in two core projects:

- "Gateway to Poland", State Committee for Scientific Research (2002)⁵² is the Polish e-government action plan. Moreover it is an online integrated platform of public administration services available to the public. The platform is expected to increase the efficiency of public administration services by about 40 %.
- "e-Poland – Strategy for the Information Society Development in Poland, 2001-2006", The Ministry of Economy (2001, 2004)⁵³ is the strategy for development of the information society and includes actions in the fields of e-commerce and on-line public administration. The strategy outlines several planned actions in the period 2001 – 2006 among them a build-out of the Internet service of the Public Procurement Office and introduction of fully electronic procedures for awarding public procurement contracts. For example, it will be required to publish notices relating to public procurement electronically. Furthermore a specific task of the Office of Public Procurement described in the strategy is to introduce fully electronic procedures for awarding public procurement contracts at the latest in 2005.⁵⁴

20.2.1 Statement of objectives

There is a set of overall objectives:

- to ensure efficiency and general savings in the public administration
- to minimize corruptive behaviour
- to secure transparency in the public sector activities

⁵² See the State Committee for Scientific Research (www.kbn.gov.pl); and the Ministry of Scientific Research and Information Technology (www.informatyzacja.gov.pl)

⁵³ See the Ministry of Scientific Research and Information Technology (www.informatyzacja.gov.pl)

⁵⁴ "e-Poland – Strategy for the Information Society Development in Poland, 2001-2006" (The Ministry of Economy)

20.2.2 *Scope of strategy*

Levels of government involved	National, regional and local public administration are included in the strategies
Legal framework	Information unavailable
Allocated resources	There is no specific information on this issue
Time frame	Information unavailable

20.2.3 *Existing guidelines*

Guidelines have not been issued.

20.3 Legal framework

20.3.1 *Legal status of the use of electronic means in Public Procurement*

The Polish public procurement system was established in 1994 with the adoption of the Act on Public Procurement. Since then the Act has been amended several times mainly with the aim to clarify its rules and definitions, broaden the scope of application and make the procurement process more transparent and to adjust the Polish law to the EU regulatory framework.

Public procurement including E- procurement is now regulated in Poland in the new Law on public procurement (LPP), which entered into force on March 2, 2004. LPP allows among other things use of advanced electronic signature in submission of tenders in public procurement proceeding. The act dealing in general with the use of electronic signature was adopted in Poland in September 2001 and entered into force in 2002. However this legislation does not deal particularly with electronic procurement. Moreover the Polish legislation also regulates rules applicable to communication and the use of e-auctions.

20.3.2 *Implementation of the Directives*

The new EU public procurement directives are expected to be implemented in the second half of 2005. Polish legislation on public procurement provides that Contracting Authorities may use e-auctions on purchases of "generally available" goods below of 60.000 EUR.

20.3.3 Status of tools

Public procurement portals	There is no central public procurement portal in Poland, and generally only few activities in the public sector can take place on-line
	In the private sector two electronic market places among other things deliver the possibility for e-procurement for utilities with low thresholds and therefore not covered by the legislation: <ul style="list-style-type: none"> • X – Trade (www.xtrade.pl/xtrade) • MarketPlanet (www.marketplanet.pl/en)
Electronic signature	The use of electronic signature in submission of tenders subject to consent of awarding entity has been a possibility in legislation since March 2004 and is required if the tender is submitted electronically. The new legislation equalizes the electronic signature with the written, but it is only used to a low extent in practice
Electronic catalogues	No experience with e-catalogues
Electronic auctions	A few entities in the Polish public sector have experience in organizing e-auctions ⁵⁵ , e.g. a small number of municipalities including the Warsaw Municipality. However the use of e-auctions is not a widespread activity in Poland.
Dynamic Purchasing Systems	No experience with dynamic purchasing systems
Framework agreements	Framework agreements are only allowed in the utility sector.

20.3.4 Reference to the relevant legal acts

ACT of 29 January 2004 Public Procurement Law

20.4 Current usage of electronic means in Public Procurement

20.4.1 Practical use of electronic means in Public Procurement

The Ministry of Scientific Research and Information Technology has assessed the impact of introducing electronic public procurement. The following aspects are being assessed: Number of electronic transaction, electronic public procurement's share of total public procurement volume, speeding up of procurement procedures, transaction costs, and effect on prices.

There has been no regular monitoring on up-take and progress on e-public procurement in Poland so far, but a more regular statistical monitoring is expected within two years.

⁵⁵ Based on interview with Mr. Dariusz Piasta, Public Procurement Office, European Integration Department

20.4.2 *Which phases of procurement are covered?*

IT software to be developed under the project financed from EU funds will cover all phases of public procurement up to award of contracts.

20.5 Raising awareness & Promotion of electronic means

The use of standards for electronic data exchange is a focus area in Poland, but decisions on which and how standards are to be used in the future have not been made. Under the current legislation it is obligatory to use a CPV code when sending notices.

21. Portugal

21.1 Organisations and Institutions

The recently established *Mission, Innovation and Knowledge Unit* (UMIC) is currently the institution driving the development of e-public procurement in Portugal. UMIC is established as a support structure for the development of the Portuguese government's policy for innovation, information society and e-government. UMIC is thus assigned with policy formulation for e-public procurement, the development of e-public procurement solutions and for the legal framework for e-public procurement. The latter responsibility is shared with the Ministry of Finance. In addition to the strong position currently taken by UMIC, the institutional infrastructure is expected to be strengthened through the future establishment of the new institution which will be assigned with the responsibility for public procurement, including e-public procurement.

Responsible institution(s) for public procurement policy	Mission, Innovation and Knowledge Unit, Ministry of Finance (www.min-financas.pt)
Responsible institution(s) for legal aspects	Mission, Innovation and Knowledge Unit, Ministry of Finance (www.min-financas.pt)
Responsible institution(s) for technical solutions	Mission, Innovation and Knowledge Unit, Ministry of Finance (www.min-financas.pt)
Central procurement institution(s)	Within the Ministry of finances the Direção-Geral do Património is the central department which coordinates public procurement for the whole administration, at a national level, launching the adequate framework agreements for a range of goods and services. It also gives its collaboration to UMIC where e-Procurement is concerned and in the study of the legal framework for e-Procurement
Other important organisations	-
Type of coordination between different institutions	Generally public procurement has until now been conducted in a decentralized manner as regards both procurement within the ministries and the entire ministerial level. This means e.g. that when no framework agreements exist the selection of suppliers is typically done by the individual institutions both for procurement above and below the threshold. However, the decentralized model is expected to change in the future with the strategy towards more centralized organization of the procurement within the ministries as well as for the entire ministerial level. There are no central procurement institutions at regional and local levels. The Ministry of Finance is presently in a coordinating role as regards public procurement and as such it functions to some extent as a central procurement body at the national level. In this capacity the Ministry of Finance is responsible for the administration of framework agreements and the selection of suppliers under these agreements.

21.2 Strategy

Electronic public procurement is an area which is highly prioritized by the government of Portugal. The government's strategy for the deployment of e-public procure is outlined in its National e-Procurement Program, which is an integral part of the overall strategy on the development of e-government and the information society in Portugal. The main motives for introducing electronic public procurement are to achieve better control of public sector spending, achieve public sector savings, modernize the public sector, align Portugal with other EU member states and increase the efficiency and competitiveness of the private sector.

The ambitions embedded in the program are illustrated by the government's stated intention to realize savings in the magnitude of 10% - 20% on public procurement costs during the period 2003-2006. This is a direct consequence of the deployment of e-public procurement systems across government institutions at the central governmental level as well at the regional and local governmental levels. E-public procurement systems are expected to be extended across the entire public administration during 2004, and the Portuguese government plans to carry out approximately 50% of its total acquisitions electronically by 2006.

The strategic focus of the national e-public procurement program puts a strong emphasis on the organizational aspects of public procurement as it concerns the establishment of a unit at the national level for e-public procurement and outlines that all ministries should centralize the processes related to e-public procurement.

21.2.1 Statement of objectives

Overall objectives:

- Establishment of an organisation responsible for national e-public procurement
- Centralized procurement within the ministries
- Intention to realize savings in the magnitude of 10% - 20% on public procurement costs during the period 2003 - 2006
- Approximately 50% of total acquisitions to be carried out electronically by 2006

21.2.2 Scope of strategy

Levels of government involved	All levels of government included
Legal framework	Information unavailable
Allocated resources	Information unavailable
Time frame	2003 - 2006

21.2.3 Existing guidelines

Guidelines for e-public procurement have been developed and are integrated into the "National Initiative for Electronic Commerce" (Cabinet Resolution no. 143/2000).

21.3 Legal framework

21.3.1 Legal status of the use of electronic means in Public Procurement

The future legal framework will fully respect the Directives, as the existing legal acts fully respect the Directives in what concerns public procurement

21.3.2 Implementation of the Directives

It is presently not clarified when the forthcoming EU public procurement directives will be implemented into national legislation as the timing will depend on the government's decision. The use of electronic means for communication in the public procurement process is presently regulated by national legislation which encompasses the rules applicable to communication and the storage of data⁵⁶.

With the new EU directives, the Portuguese government expects to provide that Contracting Authorities may use electronic auctions and the expectation is that usage will be general and applied to different types of purchases. It is presently not clarified whether dynamic purchasing systems will be used in the future. Concerning the publishing of tender-related information on a buyer profile by contracting authorities, it is expected that this opportunity will be used in the future, but it is not determined when this will take place.

As mentioned above, the Portuguese government is preparing the launch of a central e-public procurement portal in 2004, and it is expected that the new portal will be in compliance with the forthcoming European public procurement directives.

⁵⁶ Decree Law 197/1999 and Decree Law 104/2002

21.3.3 Status of tools

Public procurement portals	The launch of a central electronic procurement portal is currently underway (www.compras.gov.pt), which will overtime include and converge the experiences made in the pilot projects.
Electronic signature	The legislation for the introduction of a qualified electronic signature is in place but electronic signatures are not used at present, and it is currently not clear when a qualified electronic signature will be introduced.
Electronic catalogues	Pilot projects on electro e-catalogues have been carried through
Electronic auctions	Pilot projects on electronic auctions have been carried through
Dynamic Purchasing Systems	There is no experience with dynamic purchasing systems
Framework agreements	Framework agreements exist and are used at the national level as well as at the regional and local levels. There is no aggregated data available (neither in total amounts nor as percentages of the total volume purchased through framework agreements) but for the Ministry of Finance alone the purchases made through framework agreements amounted to approximately 185 million EUR in 2002.

21.3.4 Reference to the relevant legal acts

Information unavailable

21.4 Current usage of electronic means in Public Procurement

21.4.1 Practical use of electronic means in Public Procurement

The uptake of e-public procurement is currently not monitored on a regular basis, but this aspect is expected to be monitored at some point in the future once e-public procurement accelerates. There is no figure available on the total volume of e-public procurement as the first e-public procurement initiatives are currently taking place on a pilot scale. UMIC is monitoring the implementation of the e-public procurement pilot projects in the seven ministries and will gather the experiences in terms of the number of electronic transactions, e-public procurement's share of total public procurement volume, the types of purchases undertaken, the effects on the speeding up of procurement procedures, transaction costs and the effect on prices. According to preliminary assessments, the experiences from the pilot projects are positive across the board.

As an example of the concrete experiences made, it can be mentioned that the Portuguese government conducted its first e-procurement pilot auction in November 2003. This initiative, carried out for the Ministry of Social Security and Work and the Ministry of Education, was organized in the framework of the National e-Procurement Program. According to UMIC, the auction attracted 7 companies and over 50 bids, and generated savings of EUR 9,600 in the purchase of paper for the month of December.

This represents savings of approximately 25%, which is consistent with the government's objective of achieving savings between 10% and 20% on public procurement costs between 2003 and 2006.

21.4.2 *Which phases of procurement are covered?*

Information unavailable

21.5 Raising awareness & Promotion of electronic means

At present seven ministries are implementing pilot projects on e-public procurement and the experiences achieved through these projects will be taken into account in the forthcoming mainstreaming of e-public procurement in the public sector. The involved ministries are: Ministry of Defense, Ministry of Justice, Ministry of Health, Ministry of Social Security, Ministry of Employment and Public Works, Ministry of Finance and the Office of the Prime Minister. Parts of these pilot projects concern the change process towards a more centralized procurement organization within the seven ministries, which is currently ongoing.

Private contractors have so far played an important role for the development of e-public procurement in Portugal as the development of the technical solutions. The operation of the portals, for the pilot projects as well as for the forthcoming central e-public procurement portal, has been contracted out to private companies. This means that the operational costs related to these e-public procurement solutions are underwritten by the users, buyers as well as suppliers, through e.g. transaction fees.

Through the pilot projects, some experience has been gained with electronic auctions and e-catalogues. Electronic auctions have been used in one of the pilot project (see further details below) for products below the threshold. E-catalogues have been used since 1999 for 14 different types of products (e.g. cars, paper, uniforms, fuel, IT hardware and software). There is no experience with multi-supplier electronic purchasing systems similar to Dynamic Purchasing Systems.

As e-public procurement presently is being explored on a pilot project level, none of the phases in the procurement cycle have been automated (i.e. notification about tender, publication of tender, management of receipt/submission of tenders, evaluation of tenders, ordering and invoicing).

The government is expected to introduce national standards for the electronic exchange of data in the public procurement process, but it is at present not clear which standards will be used and when this will happen.

22. Slovakia

22.1 Organisations and Institutions

In general, the responsibility for the implementation of the Information Society in Slovakia is shared between different government departments. Most of the relevant players are primarily working with e-government and the development of the information society and not e-procurement on a specific level. At the present, the main responsibility for information society belongs to the Ministry of Transport, Posts and Telecommunications. However, two players can be identified as the key institutions responsible for the implementation of electronic public procurement in Slovakia: The Office for Public Procurement and the upcoming the Office of the Commissioner for Information Society.

Responsible institution(s) for public procurement policy	<p>Office for Public Procurement</p> <ul style="list-style-type: none"> directs the state policy on public procurement and concession procurement and exercises supervision over the public procurement and concession procurement. notifies the conversion of financial thresholds for the above-threshold methods of public procurement into Slovak currency, etc. is responsible for the overall responsibility of the future formulation of the Slovakian policies within the area electronic public procurement as well as the development of a legal framework for electronic public procurement. <p>Office of the Commissioner for Information Society</p> <ul style="list-style-type: none"> has not yet been established is expected to play a key role in the coordination of the ministries efforts to create favorable conditions within the area of ICT for the benefit of all segments of the society. This includes the development of the necessary platform for introducing electronic public procurement (access to the Internet, hardware, etc.)
Responsible institution(s) for legal aspects	Office for Public Procurement
Responsible institution(s) for technical solutions	Office for Public Procurement Office of the Commissioner for Information Society
Central procurement institution(s)	Office for Public Procurement
Other important organisations	National Security Authority (NSA) Ministry of Economy
Type of coordination between different institutions	Supra department coordination

22.2 Strategy

There is no specific strategy for introducing or implementing e-public procurement

However, an overall e-government strategy with the aim of introducing electronic services to citizens and business enterprises is currently under discussion. Currently, the general political priority of introducing electronic public procurement has a low priority.

In the meantime, the government focuses its efforts on the creation and development of the general environment for the introduction of operational electronic public procurement, including improving access to the Internet among SME's and the necessary IT-hardware.

The Slovakian government has recently adopted a **National Strategy for the Information Society in the Slovak Republic**. The policy derives from the e-Europe+ initiative and action plan, and defines the main challenges involved in building up an information society. In addition, the policy proposes solutions to the creation of favorable conditions to unleash the full potential of ICT's for the benefit of all segments of the society.

Several ministries are involved in the government's efforts on the creation of favorable ICT-conditions. However, there is no overall coordination among these efforts, which is seen as a weakness in relation to the introduction of electronic public procurement in Slovakia.

The Ministry of Education prepared a Policy for the Information Society in 2001, which among other matters contained a proposal for the establishment of the National Agency for the Information Society in the Slovak Republic. In 2003 coordinator for Information Society was changed from the Ministry of Education to the Ministry of Transport, Posts and Telecommunications.

Consequently, the Ministry of Transport, Posts and Telecommunications is implementing the Action Plan adopted with the National Strategy for Information Society. One of the activities is to establish the Office of the Commissioner for Information Society, which will coordinate the activities in the field of information society and ICT.

22.2.1 Statement of objectives

There are no overall objectives.

The main reasons for the lack of an overall objective or strategies for the introduction of operational electronic public procurement are:

- Fragmented responsibilities between the involved governmental institutions
- Absence of a regulated procurement tradition
- The added value of electronic public procurement is presently considered to be low compared to standard public procurement
- The government awaits experiences within the area of electronic public procurement before launching it in Slovakia
- Lack of capacities/skills within the public procurement institutions to work with electronic public procurement
- Many suppliers (especially SME's) are not ready for electronic procurement.

22.2.2 *Scope of strategy*

Levels of government involved	Information unavailable
Legal framework	Information unavailable
Allocated resources	Information unavailable
Time frame	Information unavailable

22.2.3 *Existing guidelines*

There are no special guidelines on e-procurement

22.3 Legal framework

22.3.1 *Legal status of the use of electronic means in Public Procurement*

Currently the use of electronic means for communication in the public procurement process is regulated by Act no. 610 of December 2003 on Electronic Communication, which contains the rules applicable to communication in Slovakia.

The Office for Public Procurement estimates that no operational electronic public procurement systems are currently compliant with the requirements of the forthcoming EC Directives on public procurement.

22.3.2 *Implementation of the Directives*

The Slovakian government expects to be ready to implement the forthcoming EC Directives on public procurement in 2006.

With the new EU directives, the government is expected to provide that Contracting Authorities may use electronic auctions and dynamic purchasing systems.

None of the current e-procurement systems is expected to completely fulfill the requirements of the EU public procurement directives, but the necessary investments are expected to be allocated once the requirements are clear.

22.3.3 Status of tools

Public procurement portals	The Slovakian government has not yet established a central electronic public procurement portal, and the Office for Public Procurement is not aware of any other public procurement portals or electronic marketplaces in Slovakia.
Electronic signature	The Slovakian law on Electronic Signature came onto effect in 2002. The certification agency for the institution of electronic signature is currently under the jurisdiction of the National Security Authority (NSA), which has recently begun the accreditation process. The Electronic Research and Project Office is currently the only certification authority entitled to issue electronic signatures. At this time, the electronic signature has therefore not been used in relation to public procurement, and the Office for Public Procurement does not expect the use of a qualified electronic signature to be made mandatory to participate in public calls for competition in Slovakia.
Electronic catalogues	Electronic catalogues have been introduced
Electronic auctions	Electronic auctions have been introduced
Dynamic Purchasing Systems	Dynamic purchasing systems have been introduced
Framework agreements	-

22.3.4 Reference to the relevant legal acts

- Act no. 22 of January 2004 on Electronic Commerce
- Act no. 215 of April 2002 on Electronic Signature
- Act no. 428 of July 2002 on Protection of Personal Data
- Act no. 610 of December 2003 on Electronic Communication
- Draft of Act on Information System for Public Administration, which is before approval procedure

22.4 Current usage of electronic means in Public Procurement

22.4.1 Practical use of electronic means in Public Procurement

The total impact of introducing electronic public procurement in Slovakia has not yet been assessed. However, the Office for Public Procurement plans to do this in line with the gradual introduction of an electronic public procurement system.

Monitoring the up-take and progress of e-procurement in Slovakia has not yet taken place. However, with the implementation of the forthcoming EC Directives on public procurement, the Office for Public Procurement is expected to do this on a regular basis (it is not possible to estimate the frequency at this time).

22.4.2 *Which phases of procurement are covered?*

The Office for Public Procurement has elaborated representative standard forms of public procurement notices, which will be sent by Contracting authority to the Office for Public Procurement electronically.

22.5 Raising awareness & Promotion of electronic means

Public institutions and Commercial firms or associations, which promote in the field of Information and Communication Technologies, contribute to raising awareness of using electronic means. There are for example:

- IT Association of the Slovak Republic (ITAS), which represents professional association of the most significant domestic and foreign firms.

23. Slovenia

23.1 Organisations and Institutions

Three entities can be identified as the main institutions responsible for the implementation of electronic public procurement in Slovenia:

- Ministry of Finance
- Government Centre for Informatics (CVI)
- Ministry for Information Society

Responsible institution(s) for public procurement policy	<p>Ministry for Information Society (http://mid.gov.si/mid/mid.nsf)</p> <ul style="list-style-type: none"> • responsible for information society applications and for information infrastructure including two action plans and the upgrading of the e-Slovenia strategy, the e-government strategy, and the strategy of electronic business in public administration <p>Council for Information Society</p> <ul style="list-style-type: none"> • a strategic council established by the Prime Minister • deals with strategic issues regarding information society and ICT. • among others, the tasks of SID include monitoring and assessing the implementation of directions in the field of e-commerce and preparing of initiatives and suggestions for managing issues in the field of information society
Responsible institution(s) for legal aspects	Ministry of Finance
Responsible institution(s) for technical solutions	<p>Ministry of Finance</p> <p>Government Centre for Informatics (established in 1993) (www.sigov.si/cvi/eng/)</p>
Central procurement institution(s)	Ministry of Finance
Other important organisations	
Type of coordination between different institutions	Public procurement in Slovenia is in general organised in a mixture of a decentralised and centralised approach.

23.2 Strategy

The introduction of operational electronic public procurement is highly prioritised in Slovenia. In relation to the work on EU accession, this is seen as very important for the Slovenian government to develop an information society that establishes relations between the public administration and the private businesses in order to be fully integrated in the internal market. In addition, the introduction of operational electronic procurement is seen as a very important instrument to control and reduce public sector spending as well as to modernise the public sector in general.

Furthermore, the establishment of an operational electronic public procurement system is seen as an important tool to increase the efficiency and competitiveness of the private sector in Slovenia as well as an instrument to improve the Slovenian alignment on European neighbours.

Initiatives on e-public procurement is integrated in the overall strategy on e-government and development of an information society

Strategic reports:

- "Strategy of E-commerce in Public Administration of the Republic of Slovenia for the period from 2001 until 2004" (2001)
- "Action Plan e-Government Up to 2004" (2002)

The Strategy of E-commerce in Public Administration serves as a basis for all efforts, projects, activities and tasks within the transition of public administration into an information society, with the emphasis on the introduction of electronic commerce as a basic characteristic of an information society.

The strategy contains suggestions for its realisation in the field of e-commerce of public administration through the mechanisms of realisation (procedures of planning, instalment, implementation, supervision) and institutions (organs, bodies). The strategy also refers to the fact that adoption of the Electronic Commerce and Electronic Signature Act (see below) has offered new possibilities for Slovenia in the field of public procurement.

In connection with the overall strategy, a number of programmes and projects have been outlined. Among these, the strategy outlines a programme on the introduction of electronic public procurement, enabling the Government Centre for Informatics and other state organs to transfer the procedures of public ordering into electronic form. The programme includes the following projects:

- Expert system for decision-making support on choosing the most suitable offer (EP-0901)
- Electronic system for submitting orders of smaller value (EP-0902)
- Electronic system for ordering software from chosen suppliers (EP-0903)
- Electronic system for the support of limited procedure for submitting public orders (EP-0904)
- Electronic system for publicising the intention on submitting public orders and chosen suppliers (EP-0905)

23.2.1 *Statement of objectives*

The overall objective is to remove administrative barriers

23.2.2 *Scope of strategy*

Levels of government involved	All levels of government are included
Legal framework	Information unavailable
Allocated resources	Information unavailable
Time frame	Information unavailable

23.2.3 *Existing guidelines*

Special guidelines have not been issued

23.3 Legal framework

23.3.1 *Legal status of the use of electronic means in Public Procurement*

The amended public procurement act (adopted January 2004) aims at removing administrative barriers by streamlining public contracting procedures, introducing e-operations and the option of centralising procurement and public contracting procedures. One of the key amendments is the introduction of an e-procurement system, including the establishment of an information portal.

23.3.2 *Implementation of the Directives*

The forthcoming EC Directives on public procurement are expected to be implemented in Slovenia in 2006. The following areas of use of electronic means in the public procurement process are already regulated by national legislation: rules applicable to communication, storage of data and use of specific procedures, e.g. e-auctions.

With the new EU directives, the government is expected to provide that Contracting Authorities may use electronic auctions and dynamic purchasing systems.

None of the current e-procurement systems is expected to fulfil the requirements of the EU public procurement directives fully, but the necessary investments are expected to be allocated once the requirements are clear.

23.3.3 Status of tools

Public procurement portals	Expected establishment of an information portal, where contracting authorities will need to publish public procurement notices. The aim is that the portal will be set up within in 2005
Electronic signature	The Electronic Signature in Slovenia is regulated by the Electronic Commerce and Electronic Signature Act ⁵⁷ and the Decree on Conditions for Electronic Commerce and Electronic Signing. The main significance of the Act is that under special conditions it extends the same validity to the electronic signature as the autographic signature has in the paper world.
Electronic catalogues	In the phase of starting the project
Electronic auctions	Some government authorities have experience with electronic auctions
Dynamic Purchasing Systems	Dynamic purchasing systems are not being used
Framework agreements	Information unavailable

23.3.4 Reference to the relevant legal acts

Electronic Commerce and Electronic Signature Act
Decree on Conditions for Electronic Commerce and Electronic Signing

23.4 Current usage of electronic means in Public Procurement

23.4.1 Practical use of electronic means in Public Procurement

The total impact of introducing electronic public procurement in Slovenia has not yet been assessed, but the Ministry of Finance plans to do this within the next three years.

Monitoring of the up-take and progress of e-procurement is monitored on a regular basis by the Government Centre for Informatics and the Ministry of Finance

23.4.2 Which phases of procurement are covered?

Information unavailable

⁵⁷ The Act is entirely in accordance with the provisions of the United Nations' Commission or the International Trade Law's Model Law of the electronic commerce and with the provisions of the primary European legislation. It also includes all the provisions of the Directive 1999/93/EC concerning common framework of the Community for electronic signatures.

23.5 Raising awareness & Promotion of electronic means

The Slovenian government intends to introduce national standards (Open Source XML) for the electronic exchange of data in the public procurement process.

24. Spain

24.1 Organizations and Institutions

Responsible institution(s) for public procurement policy	Ministry of Economy and Finance (http://portal.minhac.es/Minhac/Home.htm) Ministry of Public Administration (www.map.es) Ministry of Trade, Industry and Tourism (www.mcyt.es)
Responsible institution(s) for legal aspects	Ministry of Economy and Finance (http://portal.minhac.es/Minhac/Home.htm) Ministry of Public Administration (www.map.es) Ministry of Trade, Industry and Tourism (www.mcyt.es)
Responsible institution(s) for technical solutions	Responsible for centralized procurement: Directorate of State Patrimony, Ministry of Economy and Finance (http://catalogopatrimonio.minhac.es)
Central procurement institution(s)	There is currently a Centralized Procurement System of goods and services which can be used by central administrations, as well as by Autonomous Communities and local administrations (http://catalogopatrimonio.minhac.es)
Other important organisations	-
Type of coordination between different institutions	Purchasing operations can be organized both centralized and decentralized. Centralized operations of goods and services are carried out through the central public procurement system (amount to around 900 million EUR). The remaining part of public procurement is under the responsibility of each individual institution.

24.2 Strategy

The Ministry of Public Administration is currently working on a strategy for the provision of e-public services in the coming years.

The Directorate of State Patrimony under the Ministry of Economy and Finance has designed a plan for centralized procurement system, which will be implemented by the end of 2004. Such a system will enable to achieve all phases of procurement electronically under the Centralized Procurement System, from the tender to the delivery phase.

24.2.1 Statement of objectives

The objective is that all transactions can be achieved electronically under the Centralized Procurement System in the course of 2005.

24.2.2 *Scope of strategy*

Levels of government involved	National and regional government are included
Legal framework	Law of Public Administration Contracts
Allocated resources	1.5 million EUR has been invested in the Centralized Procurement System during 2003-2004.
Time frame	2003-2005 (Centralized Procurement System)

24.2.3 *Existing guidelines*

Information unavailable

24.3 Legal framework

24.3.1 *Legal status of the use of electronic means in Public Procurement*

There are two relevant provisions:

- Law of public administration contracts
- Law of e-signature

A Ministerial decree is currently in the editing process. It will establish the criteria for use of electronic and telematic means in public procurement, and will be published during the last trimester of 2004.

24.3.2 *Implementation of the Directives*

The forthcoming EU public procurement directives are expected to be implemented in 2005.

The use of electronic means under public procurement will be delimited in the last semester of 2004.

With the new EU directives it is expected for the government to provide that Contracting Authorities may use electronic auctions and dynamic purchasing systems. It is also expected that buyer profiles to publish tender-related information will be used in Spain.

The current e-public procurement system in Spain needs only few changes to be compatible with the Directive's requirements.

24.3.3 Status of tools

Public procurement portals	The Centralized Procurement System of goods and services can be used by central administrations, as well as by Autonomous Communities and local administrations. http://catalogopatrimonio.minhac.es
Electronic signature	An advanced electronic signature has been implemented and is used both in the central administration and in some of the Autonomous Communities
Electronic catalogues	Electronic catalogues of goods and services have existed within the central State Administration since 1997. They are also available for the local communities and administrations.
Electronic auctions	-
Dynamic Purchasing Systems	There is no experience with dynamic purchasing systems in the public administration
Framework agreements	In the Central State Administration, the Central Procurement System relies on framework contracts.

24.3.4 Reference to the relevant legal acts

Information unavailable

24.4 Current usage of electronic means in Public Procurement

24.4.1 Practical use of electronic means in Public Procurement

Electronic means are used to some extent in connection with procurement of goods, whereas it is only used to a low extent in connection with services. There are no available data in relation to works.

Monitoring of the up-take and progress of e-procurement is monitored on a yearly basis. However, at this stage no data pertaining to the quantitative impact are available.

24.4.2 Which phases of procurement are covered?

The status for automating procurement phases in Spain is as follows:

- Notification about tender (To a low extent today, expected to be within 3 years)
- Publication of tender (To a large extent today)
- Management of receipt/submission of tenders (To a low extent today)
- Evaluation of tenders (To some extent today, expected to be within 3 years)
- Ordering (N/A)
- Invoicing (N/A)

In the Central Procurement System, notification and publication of tenders, as well as provision of legal and technical information have been implemented since 2001. The remaining procurement phases except invoicing will be made electronic at the end of 2004.

24.5 Raising awareness & Promotion of electronic means

The Ministry of Public Administrations announced in October 2004 the launching of a plan to develop a system of public tenders online.

The Department of Centralized Procurement (Directorate of State Patrimony, Ministry of Economy and Finance) has developed a project of electronic tenders (from publication to contract signature) for operational goods (personal computers, furniture, cars etc.) and for public administrative services.

Both the central, regional and local administrations have access to this system and can purchase online from any computer located in the administration with a login and an advanced e-signature. Moreover, the system can deliver at any moment a picture of the advancement of ordered goods and services. Currently, 2,200 public institutions have access to this system.

The system also enables the economic operators to respond to the tender online. The bidders are entitled the access their catalogues, so that they easily can modify the description or add prices, products etc. The project has come to an end and is being implemented.

25. Sweden

25.1 Organisations and Institutions

Responsible institution(s) for public procurement policy	National Board for Public Procurement (Nämnden för offentlig upphandling, NOU, www.nou.se), Ministry of Finance <ul style="list-style-type: none"> • Central government agency under the Ministry of Finance. • Responsible for policy formulation in the area of e-procurement. • NOU is also responsible for day to day operations and for contacts with contracting entities, other organisations and individuals.
Responsible institution(s) for legal aspects	National Board for Public Procurement (Nämnden för offentlig upphandling, NOU, www.nou.se), Ministry of Finance
Responsible institution(s) for technical solutions	Each organisation, central authority, municipality, county council, is responsible for their own solution. Each organisation can follow the specifications, SFTI, but it is not mandatory ⁵⁸
Central procurement institution(s)	Swedish Agency for Public Management (Statskontoret)
Other important organisations	The Swedish Association of Local Authorities (Svenska Kommunförbundet) The Swedish Federation of County Councils (Landstingsförbundet)
Type of coordination between different institutions	Public procurement in Sweden is decentralized. However central and local authorities collaborate in different ways. Central authorities, county councils and municipalities work together in a Committee under the name of Single Face To Industry (SFTI). Its programme covers activities like awareness and promotion of eProcurement, development of standards and working practices and support to suppliers The Swedish government has established a co-ordination function for government procurement under The Swedish Agency for Public Management, with one of its main tasks being to coordinate framework contracts for central government authorities. Today, 12 procurement responsible authorities are working together with the co-ordination function in the system for framework purchasing. The system includes some 100 product areas, e.g. for stationery, cars, PC's and furniture ⁵⁹

⁵⁸ This is the result of a decentralized structure of the Swedish public sector. County councils and municipalities are independent. Central government authorities have budget and goals they must achieve but within that framework they can make their own decisions, for example about technical solutions. Therefore, there are many technical solutions and a somewhat market driven development; progress is dependent on collaboration. Based on information from Irene Andersson, The Swedish Agency for Public Management

⁵⁹ Based on information from Irene Andersson, The Swedish Agency for Public Management

25.2 Strategy

The goal of the Swedish Government's IT policy is to make the country a leading information society for all. Electronic commerce including electronic procurement is one area prioritized by the Government because it is an important medium for increasing rates of growth.

Work has taken place at the national level since the mid-1990's to facilitate the introduction of electronic procurement in the public sector.

The Swedish Government has made a commitment to take various measures to stimulate the development, and use, of electronic commerce. The role of the state is to ensure that electronic commerce is developed in a way that benefits both business and consumer. To encourage electronic commerce, the state must be aware of progress in the area, and work towards solving any problems. The Swedish IT policy is based on the principle of market-driven development. The tasks of the public sector are thus to ensure that regulation is in place, but also to set a good example by being progressive in terms of e-procurement, which can help to create a beneficial and more mature climate for e-commerce in general.

Initiatives on e-public procurement are an integrated part of different policies on adoption of the information society, among different publication is:

- "An Information Society for All, a publication" (2004), which is about the Swedish IT-policy

25.2.1 Statement of objectives

While the Swedish government has worked for a number of years to introduce and advance public e-procurement, it has not been possible to identify recent specific objectives in the area due to a decentralised organisation of activities on e-public procurement.

25.2.2 Scope of strategy

Levels of government involved	Only central government is included in the strategy
Legal framework	The national law on public procurement and national law implementing the EC-directives on electronic commerce
Allocated resources	Resources have been spent but there is no information available on the total amount due to the decentralized organisation.
Time frame	Authorities set their own time frames

In order to remove obstacles to the use of electronic signatures, the Swedish government has appointed a working group with the task to conduct a survey of form requirements (e.g. provisions that a communication or documentation must be signed or in writing). The WG presented a report in April 2003, revealing some 800 provisions that do not allow electronic communication or signatures, 180 of which were deemed to be unnecessary obstacles. Each Ministry is responsible for carrying out the necessary changes in legislation.

25.2.3 Existing guidelines

Guidelines have been issued, www.eh.svekom.se/mer/litteratur.html, even though no guidelines from central government.

25.3 Legal framework

25.3.1 Legal status of the use of electronic means in Public Procurement

Some of the current e-procurement systems are assessed as already meeting the requirements of the EU public procurement directives fully.

25.3.2 Implementation of the Directives

The forthcoming EU public procurement directives are expected to be implemented in 2005 and come into force in 2006. The following areas of use of electronic means in the public procurement process are already regulated by national legislation: rules applicable to communication, storage of data and use regarding security (such as electronic signatures).

In Sweden the drafting of the new public procurement legislation has just begun by appointing a committee and experts. The first proposal to a new legislation shall be given in February 2005. Any proposals concerning competitive dialogue, electronic auctions and dynamic purchasing systems can be reported at the latest on June 1st 2005. The final version will be finished during the summer of that year. The group is wide and contains representatives from the main ministries involved and representatives for contracting authorities, supplier and service providers. SMEs, labour unions and an environmental organisation are represented⁶⁰.

25.3.3 Status of tools

Public procurement portals

The Swedish government has not established any central electronic public procurement portals as this is deliberately left up to private operators. Several privately owned and operated portals exist instead. Opic and Ajour are two of them that concentrates on public procurement.

www.opic.com

Private portal with information on public tenders. Functionalities are notice and publication of tenders

www.ajour.se

Meeting point for authorities and procuring entities searching for suppliers. The company is a distributor of information about public procurement gathered through a vast and well established network of purchasers. All calls for tenders are structured and distributed through two channels, the printed version *AnbudsJournalen* and the database www.ajour.se. The functionalities are notices and publication of tenders.

⁶⁰ Based on information from Irene Andersson, The Swedish Agency for Public Management

Electronic signature	There are five framework agreements with five suppliers offering electronic signatures in Sweden, but e-signatures are so far only used to a low extent in relation to public procurement. There are no plans to make the use of a qualified electronic signature mandatory to participate in public calls for tenders in Sweden
Electronic catalogues	Electronic catalogues are used in relation to purchase of goods. Some suppliers when submitting a bid they refer to electronic catalogues and give discount on the prices given in these catalogues.
Electronic auctions	E-auctions are not being used.
Dynamic Purchasing Systems	Dynamic Purchasing Systems are not being used.
Framework agreements	Framework agreements are widely used. Framework agreements and electronic catalogues are often combined.

25.3.4 Reference to the relevant legal acts

The act on Public Procurement, www.nou.se/loueng.html

The Act on Electronic Signatures, Lag (2000:832) om kvalificerade elektroniska signaturer <http://www.pts.se/Sidor/sida.asp?SectionId=1011>

The directive 2001/115/EC harmonising the VAT invoicing rules has been implemented in the 3 laws that were affected.

25.4 Current usage of electronic means in Public Procurement

25.4.1 Practical use of electronic means in Public Procurement

According to a survey conducted in 2003, only 15 out of 241 central government authorities had introduced electronic ordering and invoicing, with a further 7 having initiated pilot projects. 76% of the central government authorities indicated that they had no immediate plans to introduce e-procurement. There are no figures to relate to the extent or up-take of e-procurement or the intentions to introduce e-procurement of the individual authorities with the volume of procurement carried out by those authorities.

The survey also showed that 83 of 290 municipalities have introduced systems for electronic procurement in some form, and according to information made available by the Swedish Ministry of Finance, 75 municipalities and 10 counties presently have solutions in place for electronic ordering and invoicing. A further 50 municipalities are planning to introduce electronic procurement, of which 35 have already initiated pilot-studies. Over 70 municipalities envisage the introduction of electronic procurement over the next few years. Of the municipalities that have introduced electronic procurement, they have mainly purchased food and office material.

The total public procurement in Sweden amounts to about SEK 400 billion. Central government is responsible for approximately SEK 85 billion.

The Swedish Agency for Public Management was in 2003 tasked by the government to carry out a yearly monitoring in cooperation with the Local Government Association of the up-take and progress on electronic public procurement. The monitoring is carried out as a web-based questionnaire which is distributed to contracting authorities. The Agency has also presented an action plan concerning electronic procurement. One goal is to a 50 % increase in the use of electronic procurement between 2004 and 2006.

The most significant advantages from the introduction of electronic public procurement for public authorities are expected to be:

- Speeding up of procurement procedures
- Lower transaction costs
- Better procurement statistics and enhanced budgetary control
- Correct prices
- Better usage of existing framework agreements

25.4.2 *Which phases of procurement are covered?*

The status for automating procurement phases in Sweden is as follows:

- Notification about tender (to a large extent today, both above and below threshold value)
- Publication of tender (to a large extent today, both above and below threshold value)
- Management of receipt/submission of tenders (to some extent today, but expected to be increased within the next three years)
- Evaluation of tenders (automated to some extent)
- Ordering, increasing, particularly within regional and local authorities
- Invoicing, increasing, particularly within regional and local authorities

Generally, evaluation and management of receipt/submission of tenders are the phases of public procurement that have been automated the least.

Many municipalities are scanning their invoices and they are also developing solutions to be able to handle flows of invoices.

Some phases are not mentioned, for example planning before the start, dissemination of contract information and follow-up incl. statistics. The Swedish Agency for Public Management will in October 2004 open a website with information about all central framework agreements, www.statskontoret.se.

Procuring entities are reluctant to use new methods in procurement unless they feel assured that they comply with the legal framework.

25.5 **Raising awareness & Promotion of electronic means**

The main objectives appear to concern the development of the standard of Single Face to Industry: In the mid-1990's, the Swedish experts from national, regional and local agencies started to work on a set of standards called 'Single Face to Industry' (SFTI, www.eh.svekom.se). SFTI is an industry standard for electronic commerce in the public sector in Sweden. The purpose of SFTI is to establish a single set of specifications for the interchange of electronic commercial transactions with all public operators, whether at governmental, regional (county council) or local community level.

To achieve this, a platform of co-operation has been organized where representatives for all three levels meet with representatives for the suppliers to develop a shared view of the public procurement processes and agree on common specifications. The objective is that pre-planning, the procurement process, ordering, and the invoicing process shall be done electronically. The processes shall follow the standards that have been produced and adopted under the SFTI concept. It is built on EDI-messages according to the EDI-FACT standards, and can be used along with other standards.

Some recent developments are based on ebXML.

26. United Kingdom

26.1 Organisations and Institutions

The main institutions in the field are:

- The Office of Government Commerce (OGC)
- The Improvement and Development Agency (IDeA)

Responsible institution(s) for public procurement policy	Office of Government Commerce (OGC; www.ogc.gov.uk) is an independent Office of the Treasury reporting to the Chief Secretary.
Responsible institution(s) for legal aspects	Office of Government Commerce (OGC; www.ogc.gov.uk)
Responsible institution(s) for technical solutions	Improvement and Development Agency (IDeA) was established by and for regional and local government in April 1999. The mission is to support self-sustaining improvement from within local government. The IDeA has given local authorities in England and Wales the means to enhance traditional methods of procurement, through IDeA marketplace (www.idea.gov.uk/marketplace/).
Central procurement institution(s)	OGC Buying Solutions (www.OGCbuyingsolutions.gov.uk)
Other important organisations	NHS Purchasing and Supply Agency - responsible for ensuring that the National Health Service makes the most effective use of its resources by getting the best value for money possible when purchasing goods and services. Defence Procurement Agency - an executive agency of the Ministry of Defence, whose task is to procure the equipment for the UK Armed Forces. Small Business Service (SBS)
Type of coordination between different institutions	Procurement is organized as a mixture of a centralized and decentralized approach: <ul style="list-style-type: none"> • There is a central public procurement body, OGC Buying Solutions. It arranges framework contracts, which can be used by all public authorities in UK. However, the individual public authority is free to arrange individual framework agreements. • Procurement (selection of suppliers) is a responsibility of the individual public authority. • The total procurement through national framework contracts (OGCbuyingsolutions) is approximately 16 million pounds (0.1% of central government procurement). Figures for regional and local level are unknown.

The devolved authorities in Scotland and Wales have their own eProcurement initiatives.

26.2 Strategy

The overall e-procurement vision of the UK government is that all central civil government purchasing transactions should be able to be transmitted securely over the Internet between government and suppliers using interoperable systems based on open standards.

On the national political agenda, the introduction of operational e-public procurement has a medium priority. This reflects a recent increase of priority to this area driven by focus on more efficient procurement procedures.

A specific e-procurement Strategy for Central Civil Government from 2002 exists

It is composed by several strategic documents/sites on www.ogc.gov.uk. It is a central government strategy, but it is an inspiration for regional and local government as well. The strategy is composed of three main elements:

- The Establishment of Framework Agreements: to procure Commercial Off The Shelf (COTS) tools for interoperable systems to e-enable the procurement and sourcing processes, for example electronic tendering, auctions and payment solutions.
- Change Management: to influence policy direction and best practice and to establish a common approach for central civil government over the next 3 years; to help departments/agencies in understanding their business profiles, their procurement needs and in preparing their business cases (e.g. eProcurement Assessment Tool).
- Carrying out a feasibility study for an eHub examining how a single point of entry using common standards of communication language and coding convention might provide a data translation service between government and supplier systems, enable an improved commercial dialogue with suppliers and provide improved management information to government. The development name for this project is Zanzibar.

26.2.1 Statement of objectives

The government has specified an overall objective for the introduction of operational public procurement. The core objective is that:

- Web-enabled tools and techniques shall deliver 250 million pounds value for money improvements to government's commercial relationships during April 2003 – March 2006 (<http://www.ogc.gov.uk/index.asp?docid=2364>).
- 50% of citizen-facing transactions should be capable of electronic delivery by 2005 and 100% by 2008 (see also UK Online Strategy on www.citu.gov.uk).

26.2.2 *Scope of strategy*

Levels of government involved	Central, regional and local government are included
Legal framework	Information unavailable
Allocated resources	Resources have been spent but there is no information on the amount
Time frame	Information unavailable

26.2.3 *Existing guidelines*

Special guidelines for electronic public procurement have been issued:

- "E-procurement cutting through the hype – A guide to eProcurement for the public sector"; OGC; October 2002
- "Electronic Reverse Auctions"; OGC.

26.3 Legal framework

26.3.1 *Legal status of the use of electronic means in Public Procurement*

It is not known whether the current e-procurement systems will fulfil the requirements of the EU public procurement directives fully, but in forthcoming developments the requirements of the directives will be fully taken into account.

26.3.2 *Implementation of the Directives*

The forthcoming EU public procurement directives are expected to be implemented by the end of January 2006. The following areas of use of electronic means in the public procurement process will be regulated by national legislation: rules applicable to communication, storage of data and use of specific procedures, e.g. e-auctions.

The UK intends to implement the articles of the new EU directives relating to electronic auctions and dynamic purchasing systems, allowing Contracting Authorities to make use of them. Electronic auctions are expected to be used in particular. Buyer profiles to publish tender-related information on a 'buyer profile' are being used by Contracting Authorities in UK.

26.3.3 Status of tools

Public procurement portals	<p>www.OGCbuyingsolutions.gov.uk is the central government procurement portal. It provides information and tools about electronic public procurement and framework agreements, but not yet functionalities of electronic tendering and purchasing⁶¹</p> <p>From CSARSS.NET – the Regional Supplies Service e-procurement site (www.csarss.net) firms and individuals can access potential public procurement business opportunities. On the site suppliers can register company de-tails and login and access procurement opportunities offered by the entire public sector.</p> <p>www.supplyinggovernment.gov.uk. Together with the Small Business Service (SBS), OGC has also launched a website – Supplying Government. This website provides a single point for information on selling to government and an access point to advertised contracts, as well as details of the West Midlands SME Procurement Pilot</p>
Electronic signature	An official electronic signature has not been introduced in UK yet, but a pilot project has been conducted by the e-envoy ⁶² (www.e-envoy.gov.uk). UK is waiting on the EU directives to be finalized, and a digital signature is expected to be introduced within two years
Electronic catalogues	<p>Amongst OGC Buying Solution’s e-procurement initiatives, S-Cat and GCat. Both are designed to be used by public institutions (buyer-side) such as Government departments, Agencies, Local Authorities, Educational establishments, Police Forces, NHS bodies, public and privatised Utilities.</p> <ul style="list-style-type: none"> • S-CAT is a web catalogue giving access to more than 170 service providers. S-Cat has 16 discrete Service Categories covering both IT and Business Consultancy Services. Examples are: IS Strategy Development (1) and Programme and Project Management (2). Before registering at S-CAT, suppliers have passed a tendering and evaluation process, meaning Public Sector discounts has already been negotiated for buyers. • GCAT is an online catalogue with more than 50.000 IT & Telecommunication products. GCAT provides functionalities for online ordering and online payment.

⁶¹ The ‘Zanzibar’ project, a purchase to pay marketplace, is expected to be launched in 2005.

⁶² Now the e-Government Unit

Electronic auctions	A number of public authorities in the UK have already gained experience with electronic auctions, and although expanding rapidly the use is not widespread. In addition to the earlier mentioned guidelines on electronic auctions, the OGC has provided public authorities with an eAuction Decision Tool to evaluate whether an eAuction is suitable for an intended procurement. A dynamic purchasing system has so far not been developed. Both eAuctions and dynamic purchasing are expected to increase with the implementation and greater understanding of the new EU public procurement directives.
Dynamic Purchasing Systems	-
Framework agreements	Framework Agreements are already used extensively in the UK either through central bodies such as OGC Buying Solutions or established directly by government departments and agencies.

26.3.4 Reference to the relevant legal acts

Information unavailable

26.4 Current usage of electronic means in Public Procurement

26.4.1 Practical use of electronic means in Public Procurement

The total public procurement in the UK is approximately 100 billion pounds. Central government is responsible for approximately £16 billion of procurement; the rest is the responsibility of regional and local authorities, including the health care system.

Monitoring of the up-take and progress of e-procurement is monitored on a 6-monthly basis by a questionnaire to all government departments. The following aspects are monitored: Number of procurement transactions and transaction costs, use of various eProcurement tools, and savings achieved. The monitoring is kept as simple as possible to ensure that public institutions actually use it.

The resources allocated by public authorities to introducing operational public procurement are not monitored at national level, but development and maintenance of OGCbuyingsolutions.gov.uk amounts to 16.5 million pounds alone.

26.4.2 Which phases of procurement are covered?

The following is the estimated status for automating procurement phases in the UK:

- Notification about tender (not automated today, but expected to be within three years)
- Publication of tender (to a low extent today, but expected to be within three years)
- Management of receipt/submission of tenders (to a low extent today, but expected to be within three years)
- Evaluation of tenders (not automated, but expected to be within three years)
- Ordering (to some extent, but expected to be within three years)
- Invoicing (to a low extent, but expected to be within three years).

Generally, repetitive purchasing is the phase of public procurement that has been automated the most, whereas individual contracts and invoicing are only automated to a low extent. Repetitive purchasing is done via individual systems for each contracting authority based on technology such as EDI and by use of electronic catalogues.

26.5 Raising awareness & Promotion of electronic means

Within the e-Government Interoperability Framework (e-GIF), UK has standardized a number of areas related to electronic public procurement, including XML schemes, metadata, GCL (Government Category List) and Government Data Standards Catalogue. Zanzibar will provide further standards in the area of electronic procurement.

