

e-Procurement and Efficiency

Marco Tardioli

e-Procurement expert

A definition for efficiency

- **Goal:**
Better expenditure of public budget
linear cuts no longer an option

Dimensions of procurement efficiency

Outcome efficiency:

- a decreasing amount of purchases meet more essential requirements (maverick spending reduced)

Process efficiency:

- the same amount of resources handle an increasing amount of requirements

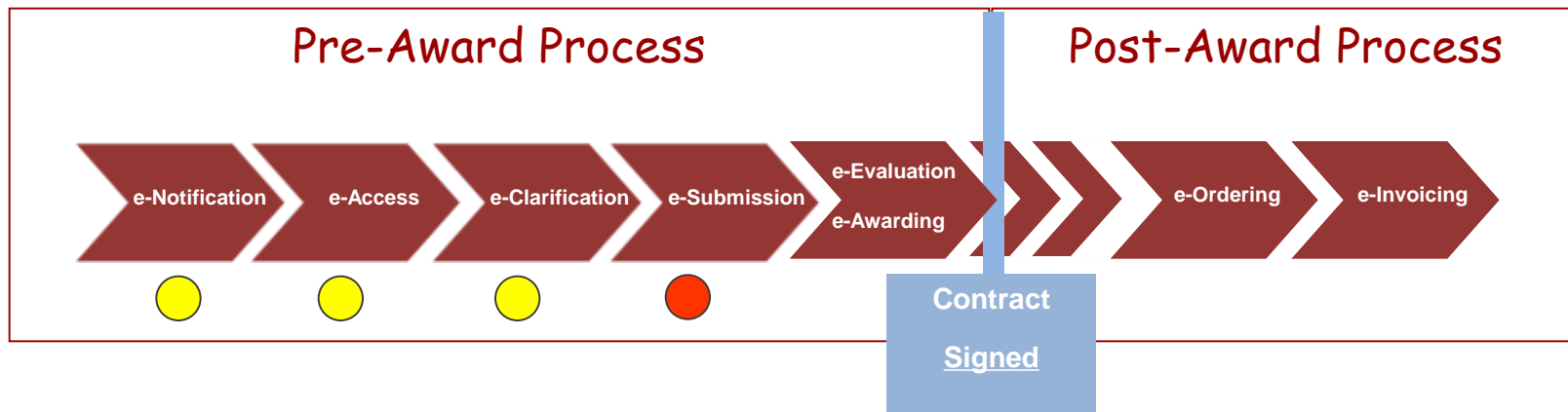
Budget efficiency:

- decreasing portion of budget buys the same amount of assets

Achieving procurement efficiency

Levers	Outcome efficiency	Process efficiency	Budget efficiency
Reduce manual processes		Process takes shorter time to unfold	Less human resource needed
Improve understanding of requirements	More targeted responses	Decreasing incompliance	
Take account of all life-cycle costs	Unplanned, remedial purchases reduced		Decreasing Procurement instances
Collaboration between departments, bodies	Overall redundancy eliminated	One team serves multiple entities	Larger quantity, better unit price
Create and use specialised profiles	Better product insight	Better process insight	Better market insight
Spend analysis as a continuous process, not one-off	Know what is really needed	identify best practices (ideal process configurations for requirements at hand)	Define real value of requirements, baseline expenditure level
Replicate best practices	Better terms and conditions		
Enhance negotiation abilities	Better terms and conditions		Obtain better prices

The e-Procurement process



Date	Event	Impact
18 April 2014	Entry into force of directive	
18 April 2016	Transposition deadline	EU rules in force at national level
18 April 2017	Mandatory rules for CPBs in force	e-Submission is mandatory for CPBs
18 October 2018	Mandatory rules for electronic communications in force	e-Submission is mandatory for all

Mandatory e-Procurement : How is this going to contribute to efficiency?

Publication and access

Minimum set of requirements enforced in EU legislation

Business opportunity is well described: wasteful research spared, reduced risks

Plans, business opportunities are known: broader, more targeted participation

Organisation's nature is known: better tailored services, better customer-supplier match

Contractual obligations are clear: risk mitigation

Purchases are reported: prerequisite to spend analysis

Maximise impact

- use platforms for **all types** of procurement (e.g. below threshold)
- centrally publish **ALL opportunities** and **contract awards**
- offer **free access** to structured data
- increase capability to **compare publications** (standard notifications, consistent use of CPV)
- develop **benchmarks**
- mainstream **analysis**

e-Tendering

Minimum set of requirements enforced in EU legislation

ESPD mandates a standard structure for qualification data

Faster, less error-prone tender preparation, reusable information

Generation of procurement documents

Software-assisted assessment of qualification and non-exclusion

Maximise impact

- Aim at full “dematerialisation” of tender
- preparation support for all tender contents
- information reusability: templates to support most efficient processes
- capability to compare tenders: narrower room for interpretation, software-assisted (i.e. fairer) evaluation and award
- pre-submission tests: prevent clerical mistakes, reduce incompliance risk

Aggregate procurement

Minimum set of requirements enforced in EU legislation

Use of CPBs incentivized (online e-catalogues, marketplaces)

Higher-level of professionalism guaranteed

Cross-border CPB use is possible

Maximise impact

- Promote a variety of aggregation systems
- Choose the right contractual tool at any one time (Framework or DPS)
- priority to use CPB catalogues over own initiative whenever possible