

# Tuvalu: e-Procurement Country Report

Sovala Napoe

Operational Procurement Officer

Central procurement unit

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# Chapter 1: General Country Profile

- ▶ Tuvalu is a group of nine tiny islands in the South Pacific which won independence from the United Kingdom in 1978.
- ▶ Capital: Funafuti
- ▶ Area: 26 sq km
- ▶ Language: Tuvaluan and English
- ▶ Population: ~11,300
- ▶ GDP: USD 62 million (2023 est.)
- ▶ Socio-economic Background:
  - ▶ - Small Island Developing State (SIDS)
  - ▶ - Aid-dependent economy
  - ▶ - High vulnerability to climate change
- ▶ Head of state: King Charles III, represented by a governor-general Tofiga Falani.
- ▶ Prime Minister: Feleti. Teo

# National Policies & Strategies

- ▶ National Strategy prioritizes governance and transparency
- ▶ Focus on public financial management reform
- ▶ Government approved Phase 1 of e-GP system development

# Chapter 2: Current Status & Perspectives on e-Procurement

- ▶ e-procurement is in its development stage.

# Government Structure & Stakeholders

- ▶ Lead: Ministry of Finance and Economic Development (MFED)
- ▶ Central Procurement Unit (CPU)
- ▶ Technology Partner: Technology One New Zealand Limited
- ▶ Stakeholders: Ministries, vendors, audit offices

# Size of e-Procurement

- ▶ Phase 1 e-GP Budget: AUD \$72,000
- ▶ Annual fee est \$54,000

# Past & Current e-Procurement Stages

- ▶ Past: Fully manual, paper-based procurement
- ▶ Current: Phase 1 active
- ▶ Phase 1 includes system development with Technology One
- ▶ System demo scheduled for May 6, 2025

# Legal & Regulatory Framework

- ▶ Procurement governed by Public Procurement Act (2013)
- ▶ Regulation (2014) amended on 2021.
- ▶ Planned ministerial order to support digital compliance
- ▶ Legal alignment underway with e-GP requirements



# Major Challenges

- ▶ Limited digital infrastructure
- ▶ Capacity gaps in public sector
- ▶ Resistance to shift from manual to digital systems
- ▶ Vendor digital literacy issues
- ▶ system implementation
- ▶ Change
- ▶ Costing

# Analysis of Challenges

- ▶ SWOT Analysis:
- ▶ Strengths: Central oversight, committed leadership
- ▶ Weaknesses: Infrastructure, capacity
- ▶ Opportunities: Development partner support
- ▶ Threats: Climate disruptions, adoption resistance

# Improving Strategies & Project Plan

- ▶ Short-Term (2025):
  - ▶ - System demo and pilot
  - ▶ - Staff and vendor training
- ▶ Medium-Term (2027):
  - ▶ - Rollout across all ministries
  - ▶ - Monitoring & Evaluation Unit
- ▶ Long-Term: Continuous system upgrades, legal reforms

# Expected Results

- ▶ Outputs:
  - ▶ - e-GP system operational
  - ▶ - Trained procurement staff and vendors
  - ▶ - Legal framework updated
- ▶ Outcomes:
  - ▶ - Faster, transparent procurement
  - ▶ - Increased compliance
  - ▶ - Broader supplier participation

# Challenges vs. Solutions

- ▶ Challenges:
  - ▶ - Resistance to change
  - ▶ - Infrastructure limitations
  - ▶ - Low digital skills
- ▶ Solutions:
  - ▶ - Training and awareness
  - ▶ - ICT investment
  - ▶ - Stakeholder incentives