5th Forum on Successful Project Design and Implementation
Success in Using e-Procurement

Minhong Fan
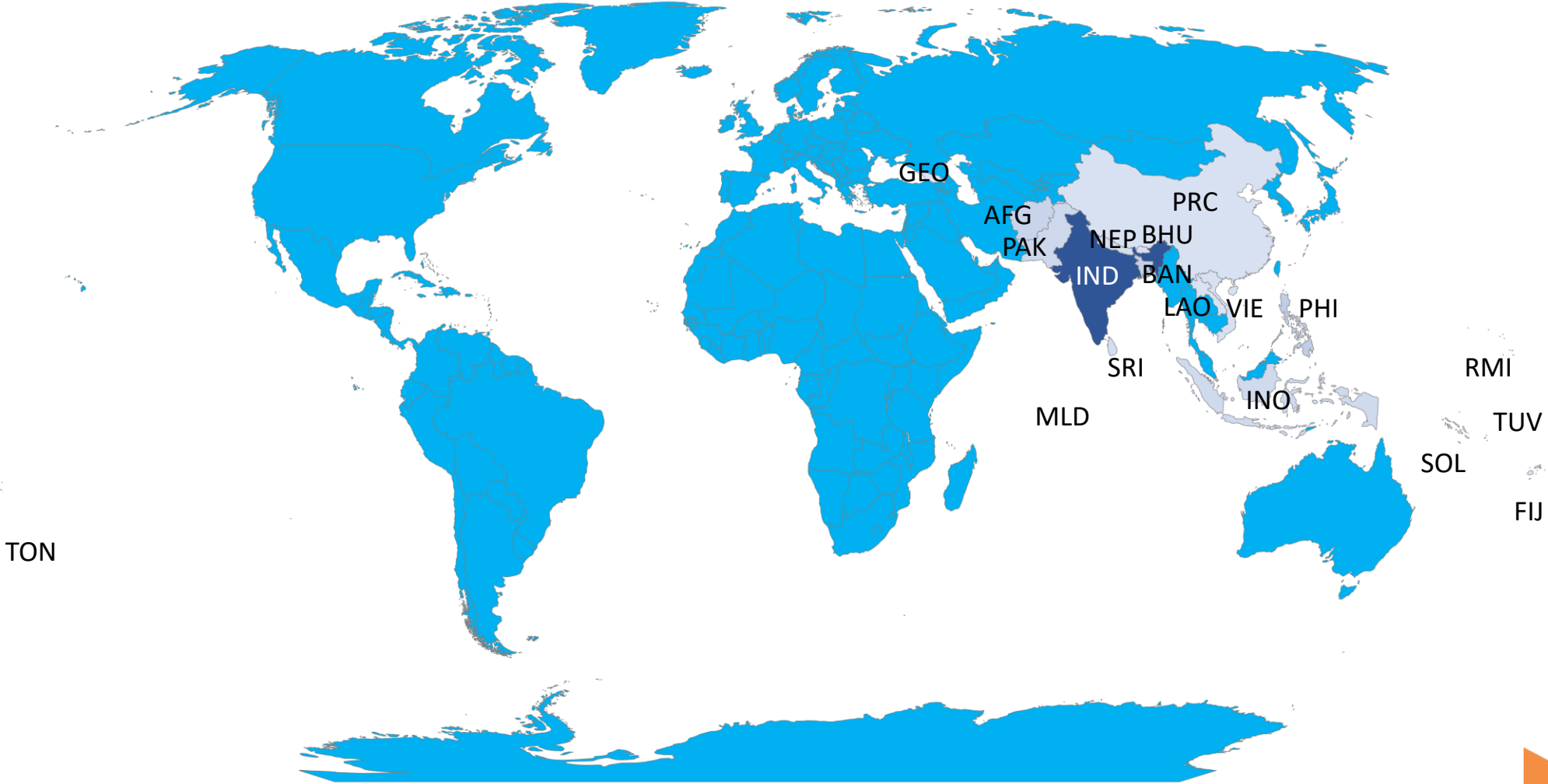
PPFD

Asian Development Bank
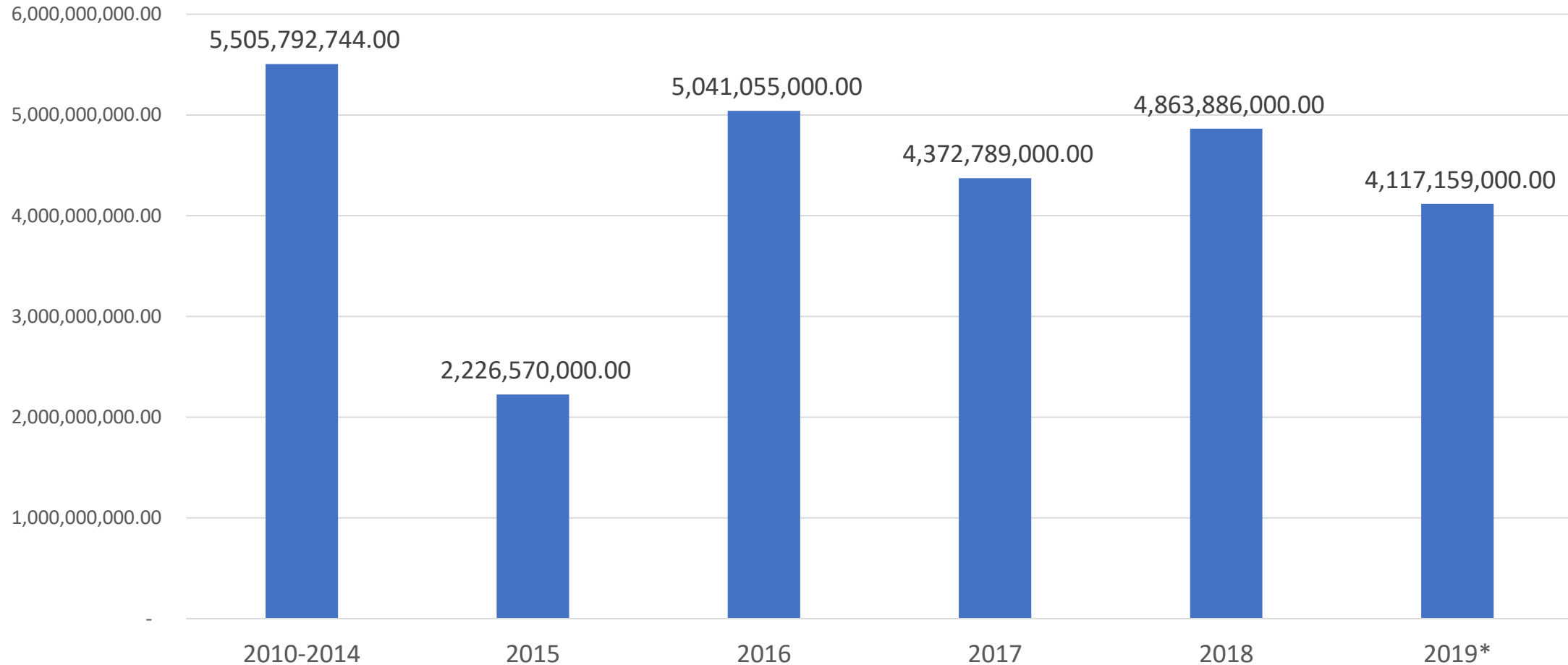
Countries using e-GP in ADB financed projects

GEO
PRC
AFG
NEP BHU
PAK
IND BAN
LAO VIE PHI
SRI
RMI
MLD
INO
TUV
SOL
FIJ
TON

Amount of ADB financed projects using e-GP, 2010-2019

Source: ADB Strategy Paper to Support the Use of e-Procurement for 2010-2014 data (Strategy Paper dated February 2015); ADB Monitoring Sheet of Procurement Notices for 2015-Aug 2019

*as of August 2019

ADB New Procurement Framework

ADB Procurement Policy and Procurement Regulations for ADB Borrowers

Guidance Notes
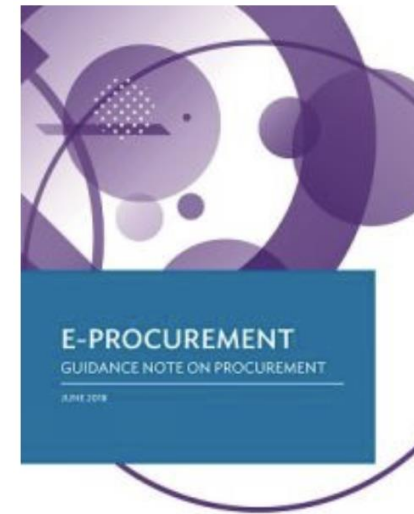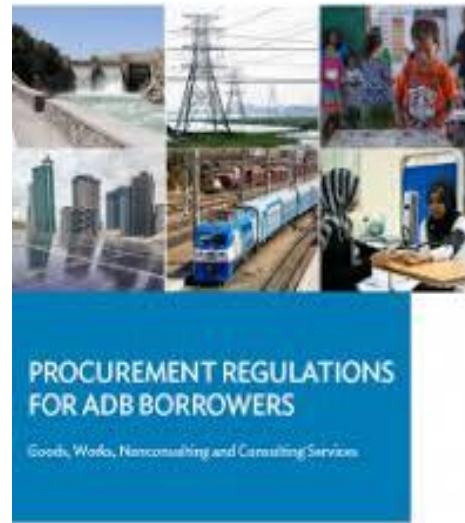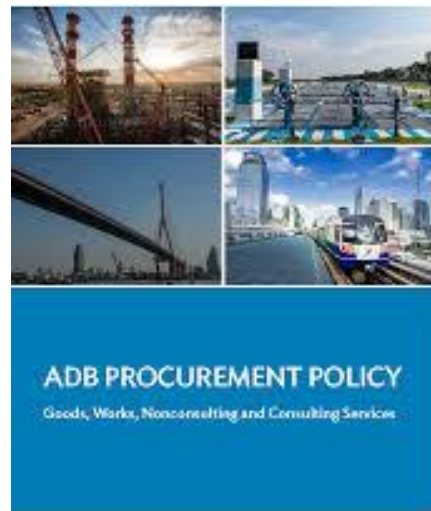
ADB's Procurement Policy

XIII. E-procurement

17. To facilitate transparency and efficiency in the procurement process, ADB encourages borrowers to continually modernize their procurement systems, including incorporating procurement through electronic means (e-procurement).

Success in Using e-Procurement

Enhance Governance

Henan Province , China
Anti corruption
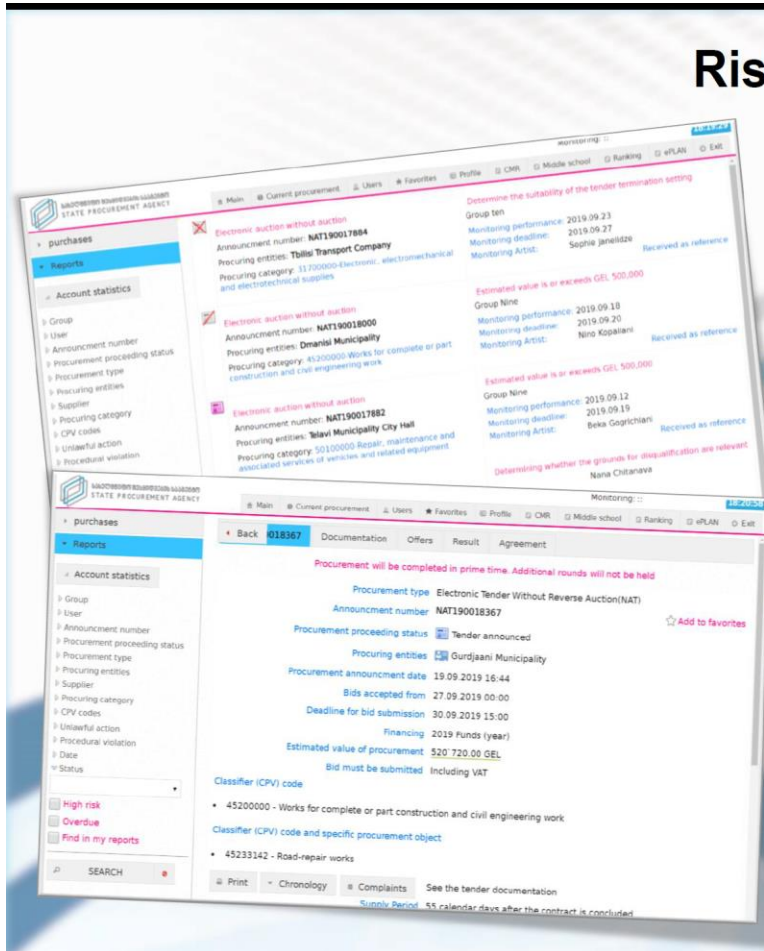
- LKPP Indonesia –effectively management

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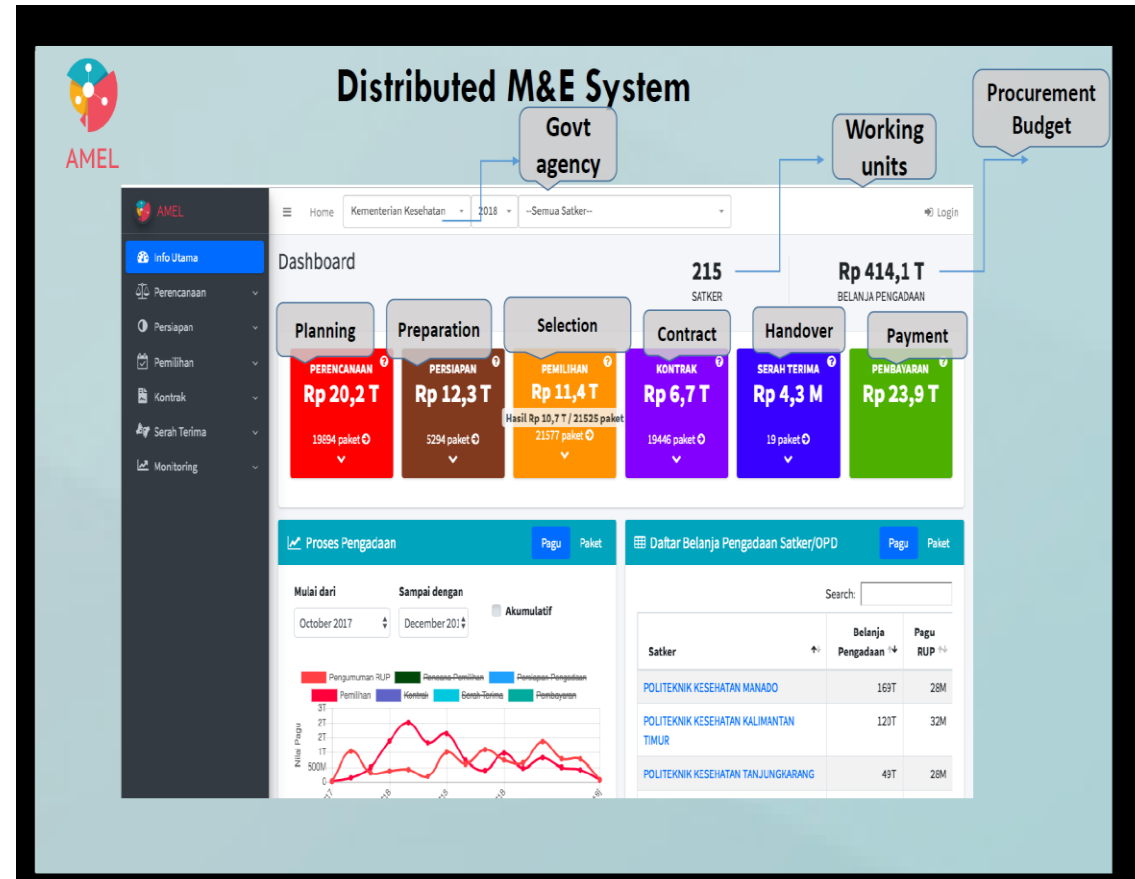
Enhance Governance –Reduce Risk

Georgia

Risk Factors

- Cancelled tenders - to change specifications to fit the tender requirements to one specific supplier

- Illegal Disqualifications - all the bidders are disqualified from the tender except one bidder

- High estimated value - High value for a tender is risky enough to monitor it

- Winning by the newly established companies

- Contract modifications - the price or supply date of the contract is being changed

- Disqualification of the supplier - the legal reasons of disqualification is being monitored

- Appealed Tenders – control to make sure that the tender committee follows the decision of the DRB

Increase Efficiency – Short time

India

Key Performance Indicators wrt eProcurement Usage across the Country
Using GePNIC© - Till August 2019

Percentage of Tender Awarded within Specified Bid Validity Period

2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
61	60	64	73	92

Limited

Average Days from NIT Publication to Financial Bid Opening- Year Wise

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Limited	94	66	53	41	26
Open	82	82	72	57	30

Average Days Between Opening of Technical Bids and Financial Bid in 2 Packet System - Year Wise

2014-2015	2015-2016	2016-2017	2017-2018	2019-2020
26	25	18	14	6

Average Days to Evaluate Financial Bids

2015-2016	2016-2017	2017-2018	2018-2019	2019-20
27	30	26	21	7

Government eProcurement System of National Informatics Centre - GePNIC©

NIC एनआईसी National Informatics Centre

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Increase Transparency and Fairness

Cook Islands –SaaS

Our Experience with SaaS

- **Benefits**

  - Increased transparency

  - Increased interest in opportunity

  - Increased supplier base

  - Improved efficiency

  - Online accessibility

  - Shorter time periods

- **Challenges**

  - User Awareness & Public Trust

  - Something new – takes time to train users and suppliers

  - Platform Support time zone

  - Branding - minimal customization capabilities

  - Some lack of control when technical issues occur

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Improve Effectiveness –Leverage New Technology

PRC

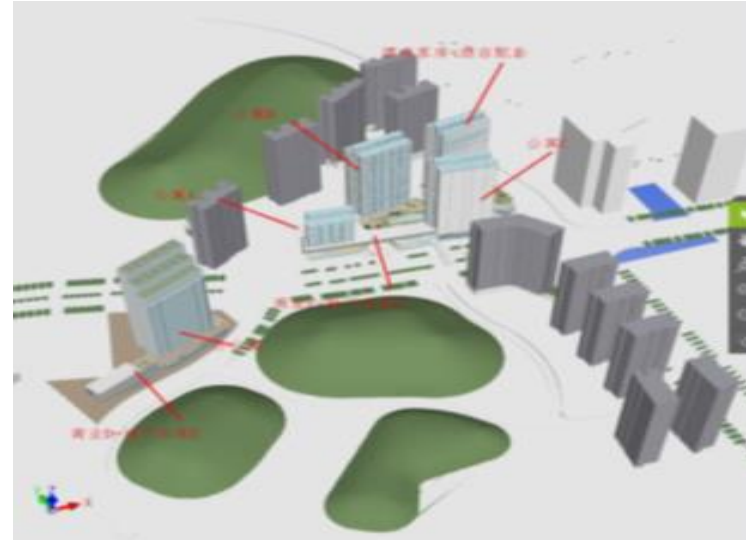**Application of mobile internet technology:**

Mobile phone scanning QR-code to accomplish automatic identity recognition

Online bid opening through mobile phone

Improve Effectiveness -Leverage New Technology

PRC

Shenzhen "BIM-based electronic tendering and bidding system" creates professional tendering and bidding mode based on **BIM+ Big Data + GIS** by introducing BIM technology into the tendering and bidding process, based on combination of 3D model, cost and schedule, integrating big data research results with a new five-dimensional perspective, and linking with Shenzhen Spatial Geographic Information Platform.

The core content of the system is:

Design class BIM bid evaluation system and **construction class BIM bid evaluation system.**

Achieve Value for Money

Georgia

Public Sector (Demand):

- Number of decentralized acting contracting authorities: 4446 (Sep 2019)
- Annual amount of public procurement contracts: 4 billion GEL, approximately 10% of GDP, and up 40% of State Budget
- Number of open tenders per year: 32.000 - 40.000
- Estimated value of approximately 75% of announced tenders: < 100.000 GEL
- Saving: 11% of the estimated value, 1.8 Billion GEL since 2010

სახელმწიფო შესყიდვების სააგენტო
STATE PROCUREMENT AGENCY

Source : Open Contracting Partnership

Ukraine: competition and value for money

ProZorro provides a central database of procurement opportunities.

From January 2015 to March 2017 OCP evaluation shows:

- **Average number of bids per tender:** ⇧15%
- **Average unique suppliers per procuring entity:** ⇧45%
- **Average final cost vs. estimated cost:** ⇩9.7%

Higher competition leading to 9.7% reduction in cost offers significant savings against the 45% of national budget spent through procurement.

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Moving Forward : DMCs

Expand usage of e-GP for ADB-financed projects

❖   Develop e-GP system

❖   Improve the e-GP system in DMCs- Compliance with multilateral development bank(MDB) e-tendering requirement
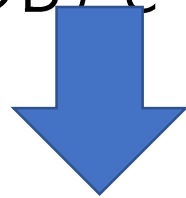
Create Open, equal and unrestricted system , internet-based system

Moving Forward-ADB

- Provide Resources RETA 9680 – Strengthening Asia Pacific Public Electronic Procurement Network (2018-2022)

- Issuing Knowledge products

- More closely work with DMC's relevant departments

- Streamline and expedite the review of DMC e-GP system

- Encourage and Enhance knowledge sharing

Moving Forward : Future e-Procurement 4.0

Planning → Procurement → Award → Contract → Payment → Review
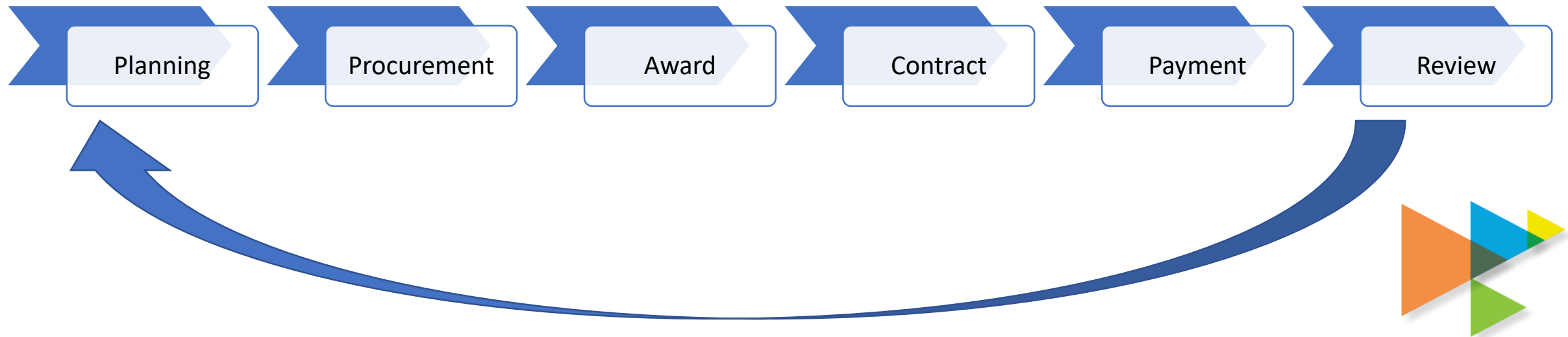
What's Next with e-procurement

Improving Efficiency
- Data vs Documents
- Streamline Processes
- Applying technology– mobile, visualization, AI

Improving Effectiveness
- Monitoring , Dashboard Visualization
- Procurement strategies - Framework, Catalogues
- Capacity of officers and vendors

Improving Economy
- Operation
- Market Development
- Analytics – Price, Activity

References

www.adb.org
https://www.adb.org/documents/adb-procurement-policy
https://www.adb.org/documents/procurement-regulations-adb-borrowers
https://www.adb.org/documents/eprocurement
https://www.adb.org/projects/47192-001/main
https://www.adb.org/projects/52109-001/main#project-overview
https://www.adb.org/projects/47192-001/main#project-documents
https://www.adb.org/projects/documents/reg-47192-001-tacr-3
https://www.adb.org/projects/documents/reg-47192-001-tacr-2

Thank you !