

# Action Plan

---

## **In Search Of a Solution for the Establishment of E-Procurement System**

08/30/2024

This is not an ADB material. The views expressed in this document are the views of the author/s and/or their organizations and do not necessarily reflect the views or policies of the Asian Development Bank, or its Board of Governors, or the governments they represent. ADB does not guarantee the accuracy and/or completeness of the material's contents, and accepts no responsibility for any direct or indirect consequence of their use or reliance, whether wholly or partially. Please feel free to contact the authors directly should you have queries.



Presenters

**Boaventura S. P. da Costa (Timor-Leste)**

**Valdo S. da Cruz (Timor-Leste)**

**Indra Prasad Mainali (Nepal)**

**Bhagiratha Gaire (Nepal)**

**Nileshni Devi (Fiji)**

# Contents

1. Background and Purpose

2. Current Status and Issues

3. Improvement Strategy

4. Specific Action Plan

5. Outline of the Action Plan

6. Expected Results

# 1. Background and Purpose

- **Background**

e-Procurement is gradually evolving as an important tool in enhancing efficiency and fostering transparency and wider competition in public procurement operations. The real benefit of E-procurement lies not in the use of technology per se, E-Procurement can contribute significantly to the process of the transformation towards a leaner, more cost-effective government, it can enhance the speed and efficiency of public procurement by streamlining processes, lowering costs, and facilitating document retrieval and recordkeeping.

- **Purpose**

The establishment of e-Procurement System in Fiji, Nepal and Timor-Leste will contribute significantly to the process of the transformation towards a leaner, more cost-effective government, it can enhance the speed and efficiency of public procurement by streamlining processes, lowering costs, and facilitating document retrieval and recordkeeping.

## **2. Current Status and Issues**

- 1. In Timor-Leste all the procurement activities are carry out manually and the Government is in the process of devising a new procurement law (Omnibus Law) and has been committed to implementing e-governance.**
- 2. In Fiji the digital literacy and financial constrains on investing the necessary technologies and resources.**
- 3. IT Infrastructures and software technology is considered outdated in Nepal in term of to enhance the eGP, therefore it needs to be enhanced and updated.**

## 2. Current Status and Issues – SWOT Analysis

- Standard Procurement Procedures and guidelines
- Having knowledge and sufficient experience in procurement and possessing propagation education/Training capabilities
- Business Plan (BP)
- Easy role out of the system in nation wide (Number of Citizens)
- National Connectivity inter-connection
- Future Sub-marine fiber optic connection
- International Cooperation

### Strength

- Increase Bidder's Participation
- Promote e-procurement System
- Guarantee Procurement Process in any Circumstances
- To get people enhance of new technology (system, procurement process)

### Opportunity

- Inequalities in skills and access to ICT's (Government local staff and Private Sector)
- Financial constraints
- No e-procurement legal framework
- Law enforcement (Leadership failures, Institutional ego, lack of trust and etc.)
- Insufficiency of knowledge and skill in the area of IT

### W

### Weakness

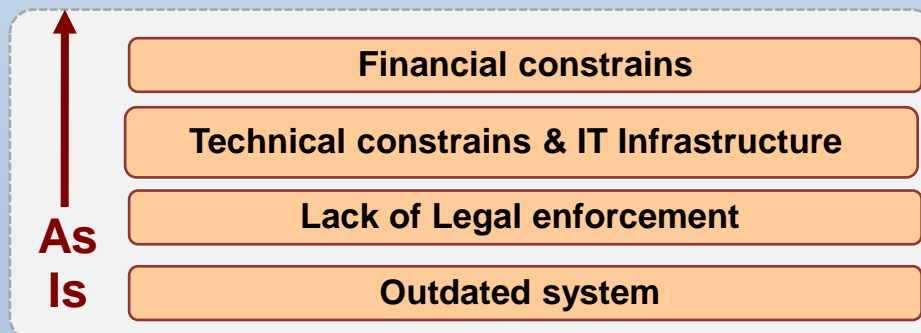
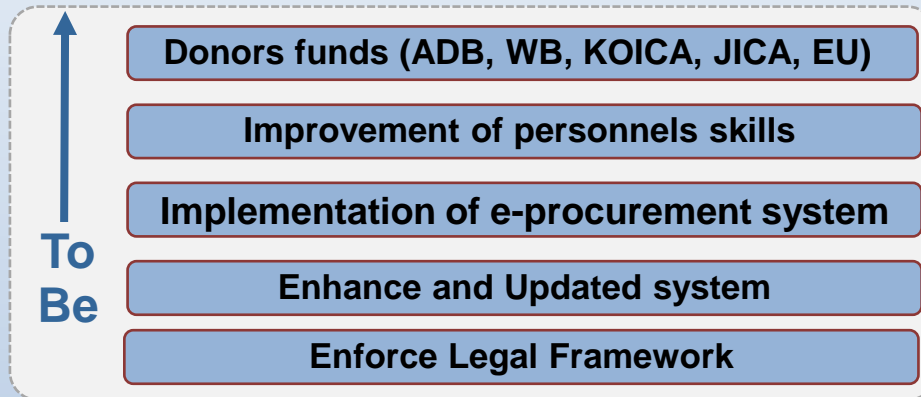
### T

- Failure of (on time) Bid Submission (Internet, power failure, system corruption etc.)
- Weak protection and security of system
- Poor technical design

### Threat

## 2. Current Status and Issues – Gap Analysis

### Proposed Overall Goals (Objectives)



### Proposed Purpose

MoU establishment between donors funding nations

Training from Expertise Professionals

Installation of submarine cable

Development of full fledged new system in new technology or adopt readymade e-procurement system

Develop Legal Foundation (Omnibus Procurement Law)

### 3. Improvement Strategy

1. Creation of Legal Framework
2. Creation of Comprehensive Portal System
3. Improvement of Capacity Building
4. Roll-out of the system at the **national level**
5. Roll-out of the system at the **international level**
6. Secure Budget

## 4. Specific Action Plan

- Creation of Legal framework for the establishment and implementation of e-Procurement solutions. A *legal framework* is an essential tool that offers and secures legal bases for all the relevant undertakings related to procurement. It serves as an instrument that entitles a person or an act, it guides, and at the same time, constraints and eventually becomes a basis for coercing. A clearly defined and legitimate legal framework is necessary to guarantee accountable, transparent, free, and fair planning and execution of e-procurement.
- Comprehensive portal system creation. After securing a legitimate legal framework, the following important requirement is to create a comprehensive portal system. First and foremost, this creation is meant to address the need to digitalize the whole process of any procurement. At the time being, most of the processes and procedures are still in manual form. As such, the relevant and compatible infrastructures and other related resources should be in place to facilitate this transformation of operation. What follows is the adoption and implementation of a contextualized KONEPS system according to the current needs and circumstances of Fiji, Nepal and Timor-Leste. To have an effective and maximum benefit of the KONEPS system, which we call a contextualized KONEPS system, we consider it necessary to conduct a feasibility study of this system. Such a study facilitates a clear view of its effectiveness in the context of Fiji, Nepal and Timor-Leste or even to devise, if necessary, another new system that delivers better results.



## 4. Specific Action Plan

- Capacity building. Capacity building is the next important factor. It enables all the involved persons in the system's operation to know how to manage and maintain the system. This is so crucial that the system remains operative and user-friendly. That said, the envisioned objectives of the establishment of the e-procurement are secured and achieved. The capacity building also serves as an opportunity to upgrade the operator of the system's knowledge according to the actual progress of the system and the new related requirements of the operating system.
- What follows is the roll-out of the system at the national level. At this point, we attempt to secure how the e-procurement is established and accessed by all sectors and relevant agents at the national level. What matters is not only technical-related issues but also the qualities of the service provided by this system should be guaranteed according to transparency, accountability, and fairness. It should also secure a professional engagement between the owner and participants of any project/bidding.

## 4. Specific Action Plan

- Finally, it is the roll-out of the system at the **international level**. The requirements in terms of technical and quality concerns mentioned earlier at the national level remained applicable and valid at the international level as well. However, there should be careful consideration given to any relevant international arrangement and norms upheld globally at the international level. In its service to the applicants from foreign citizens and companies, the system should uphold the international standards. Equally true, that the system of e-Procurement should secure a mutual agreement between domestic and international standards and avoid any disadvantage to the interest of Fiji, Nepal and Timor-Leste.

## 4. Specific Action Plan

- **The steps to achieve your goals**

STEP 1

- Establishing a legal decree that accounts for e-procurement. In part of this effort, there is a necessity to hire a legal consultant who is knowledgeable of e-procurement and other relevant aspects

STEP 2

- Establishing a skill and technology partnership between Fiji, Nepal, Timor-Leste and KOICA. It includes in the upgrading of the necessary infrastructures and the adjustment of the system.

STEP 3

- Capacity building for the operators and users of the e-procurement through seminar, training or workshop (PPS, ADB and KIP)
- Launching of the system at national and international levels

## 5. Outline of the Action Plan

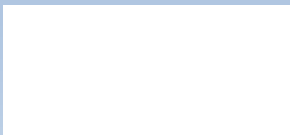
- **Implementing Organization**

- Name of the organization: **Procurement Office**
- Nature or type of the organization: **Procurement Regulator**
- Major functions of the organization:

**The function is to establish and regulate of e-procurement system, to monitor public procurement activity and to formulate public procurement related legal frame work.**

- **Duration of the Project : (2) Year(s)**

- Date of commencement: January 2025
- Date of completion: January 2027

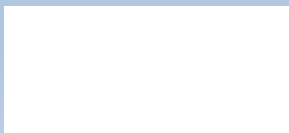




## ※ Action Plan – Time table (Examples)

- **Duration : (0) Year(s), Second Year Work Plan: 2026**

No	Item	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Fund US\$
1	Collaboration working group team meeting	■	■	■										
2	E-Procurement System implementation/roll out (KONEPS system adoption) national and designated municipalities			■	■	■	■							100,000
3	Workshop and Seminar							■						10,000
4	Continue individual learning(Web portal, CDs /DVDs) for distribution								■	■				5,000
5	Capacity Building to Procurement officials (with PPS support) and internal IT staff								■	■	■			50,000
6	Monitoring and Evaluation	■	■	■	■	■	■	■	■	■	■	■	■	
7	Collaboration working group team meeting								■	■	■			
8	E-Procurement System implementation/roll out (KONEPS system adoption) national and designated municipalities										■	■	■	100,000



## ❖ Outline of the Action Plan–Budget (if needed)

- ✓ Hire a legal consultant who is knowledgeable of e-procurement decree law and general framework and other relevant aspects and KONEPS-based e-Procurement System feasibility study (US\$200,000)
- ✓ Collaborative working group team, seminar, workshop and Field trip assessment (US\$200,000)
- ✓ System Implementation/Roll out (US\$100,000)
- ✓ Monitoring & Evaluation (US\$200,000)
- ✓ Other miscellaneous cost (brochures, media publication etc) (US\$100,000)

## 6. Expected Results – Outputs/Outcomes

### • Economic Effects

- ✓ To attract new investments and generate employment (National/International)
- ✓ To provide job opportunity for the citizenships
- ✓ To decrease government expenditure in rural areas

### • Technical Effects

- ✓ To improve technical capacity in the E-Procurement Process
- ✓ To enable better control and easy access
- ✓ To allow a centralized data system
- ✓ To have a greater connectivity between central administration and municipalities

### • Social and Environmental Effects

- ✓ To reduce corruption
- ✓ To promote transparency and accountability
- ✓ To increase awareness of procurement officers and suppliers
- ✓ To be more environmental friendly by reducing paper use



## 6. Expected Results – Challenges/Solutions

### • Challenges and Risks

- ✓ Failure of (on time) bid submission (due to low internet capacity, power failure, and insufficient knowledge of the system)
- ✓ Vulnerability to political interventions
- ✓ Weak cyber protection of the current system
- ✓ Poor technical design
- ✓ Lack of financial support
- ✓ Resistance against the use of the new system

### • Solutions

- ✓ Skill and technology partnership between Fiji, Nepal, Timor-Leste and Korea (a possibility of the adoption of a 'contextualized' KONEPS system).
- ✓ Socializing the new system through media, workshop, and seminar.

# Action Plan

