European Commission acts to expand the use of e-procurement in the EU

The European Commission is today launching a consultation on e-procurement. Taking the form of a Green Paper, the consultation will seek the views of interested parties on how the EU can help Member States to speed up and facilitate the procurement process. E-procurement refers to the use of electronic communication and transaction processing by government institutions and other public sector organisations when buying supplies and services or tendering public works. The Green Paper identifies obstacles to faster take-up of e-procurement as well as the risks that divergent national approaches present for cross-border participation in on-line procurement. It sets out options for overcoming these challenges including, for example, regulatory incentives, standardisation and inter-operability solutions. At the same time, the Commission is also unveiling its new e-CERTIS data base which is a free, web-based tool to help companies and contracting organisations cope with the documentation demands encountered when tendering for public contracts in the EU.

Internal Market and Services Commissioner Michel Barnier said: "The European Commission has always promoted the use of information and communication technology in public procurement. Our evaluation shows that where it is being used, it increases the speed and efficiency of public purchasing while significantly cutting the costs when participating in tenders. However, we are only at the beginning of a long road. A push is needed at all levels and we will work together with national governments in order to expand the use of e-procurement. I am ready to do my bit to harness the enormous potential that ICT offers for modernising and simplifying public procurement in the EU."

The phasing in of e-procurement forms part of the ambitious e-Government agenda which can fundamentally transform the delivery and performance of public administration. In 2009 over 150 000 contracts were advertised EU-wide with an estimated value of around 3% of EU GDP. The Commission's evaluation of the 2004 Action Plan for electronic procurement[1] reveals that the technology to conduct e-procurement is now ready to be used. The replacement of paper-based public procurement procedures by automated processes holds out the promise of significantly faster and more streamlined procurement administration. Ultimately this should lead to better value for money for the taxpayer, which in the current climate would be very welcome, maximising the potential of constrained resources.

In some Member States, up to 5% of procurement procedures above the EU thresholds now involve electronic processing. However, public authorities are often deterred by the significant costs and challenges of the switch-over.

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[1] http://ec.europa.eu/internal_market/consultations/docs/2010/e-procurement/evaluation-report_en.pdf

That is why the Green Paper invites comment on how the EU can help Member States to:

- fully exploit e-procurement's potential to simplify and improve public purchasing;

- accelerate the switch-over by providing the right mix of legislative incentives and tools; and

- allow operators from other Member States to participate in on-line procurement procedures.

The Green Paper will be of interest to national ministries, large procurement agencies and contracting authorities, providers of technology solutions, procurement specialists in the private and public sector and representatives of business trade associations. It represents a first step towards a more comprehensive programme to harness the potential of ICT for better public procurement in Europe. The responses received from interested parties will help in drawing up a programme of EU level actions to enhance the use of e-procurement (which is to be finalised during 2011).

The consultation page can be found here:

http://ec.europa.eu/internal_market/consultations/2010/e-procurement_en.htm

At the same time, the Commission is offering access to its e-CERTIS database which provides an on-line storehouse of the documents which are most frequently requested in the 27 Member States (for example, evidence of compliance with fiscal obligations or social security obligations or evidence of economic and financial standing). Inter alia, it allows users to identify such documents and match them with their local equivalent. The use of e-CERTIS will help business operators to reduce costs and uncertainty due to the lack of knowledge about the various certificates requested by the various national contracting authorities.

The e-CERTIS page can be accessed through the following link:

http://ec.europa.eu/internal_market/publicprocurement/e-certis/index_en.htm

More information:

http://ec.europa.eu/internal_market/publicprocurement/index_en.htm

See also MEMO/10/499.