



ELECTRONIC GOVERNMENT PROCUREMENT (e-GP)

READINESS SELF ASSESSMENT

Reviewed November 2004

This document was prepared for the Procurement Harmonization Project of The Asian Development Bank, The Inter-American Development Bank and The World Bank.

Copyright © July 2004. All rights reserved.

Member States and their governmental institutions may reproduce this work without prior authorisation, but are requested to reference the source.

Disclaimer

The views expressed in this document are purely those of the writers and may not, in any circumstances, be interpreted as stating an official position of The Asian Development Bank (ADB), The Inter-American Development Bank (IDB) or The World Bank.

The ADB, the IDB and the World Bank do not guarantee the accuracy of the information included in this study, nor do they accept any responsibility for any use thereof.

Reference herein to any specific products, specifications, process, or service by trade name, trademark, manufacturer, or otherwise, does not necessarily constitute or imply its endorsement, recommendation, or favoring by the ADB, the IDB or the World Bank.

CONTENTS

OBJECTIVE OF THIS ASSESSMENT	4
ABOUT THIS ASSESSMENT	5
USING THIS ASSESSMENT	9
E-GP READINESS ASSESSMENT FORM	10
COMPONENT 1: GOVERNMENT LEADERSHIP.....	11
COMPONENT 2: HUMAN RESOURCE MANAGEMENT	14
COMPONENT 3: PLANNING AND MANAGEMENT	16
COMPONENT 4: POLICY.....	19
COMPONENT 5: LEGISLATION & REGULATION	21
COMPONENT 6: INFRASTRUCTURE & WEB SERVICES	24
COMPONENT 7: STANDARDS.....	27
COMPONENT 8: PRIVATE SECTOR INTEGRATION.....	29
COMPONENT 9: SYSTEMS (CURRENT E-GP INITIATIVES)	32
RESPONDENTS VIEWS	35
ATTACHMENT 1: READINESS LEVELS	38

Objective of this Assessment

One of the most important parts of any e-government programme is electronic government procurement (e-GP). E-GP has the potential to significantly increase the efficiency, effectiveness and transparency of government procurement as well as enhance other government objectives. These opportunities are discussed and explained in other reports on the www.mdb-egp.org site which is dedicated to advancing e-GP. Reports on that site also explain that there is no single ‘right’ way to approach e-GP, instead there are a range of possible options and the choice will depend on the circumstances of each jurisdiction.

In many jurisdictions, e-GP is regarded, correctly, as a means to strengthen transparency. However, it has also been explained previously that e-GP can assist procurement reform and indeed is not a substitute for a flawed management framework. This Assessment is designed to assist jurisdictions to integrate the reform of their public procurement processes with the transformative potential of technology. While not essential to initiating e-GP the management reform of procurement will allow jurisdictions to take maximum advantage of technology.

This Assessment addresses the managerial and technical components that underlie the e-GP environment and adopts a procurement reform approach. It could be used as a precursor to planning the implementation of e-GP using the management reform approach outlined in the e-GP Strategic Planning Guide as well as the system centred approach shown in the e-GP Roadmap. It is for each jurisdiction to judge which planning approach best matches its requirements. It is advisable that all of these reports be considered and for a country-specific approach to be developed.

About This Assessment

This *Electronic Government Procurement (e-GP) Readiness Assessment* (Assessment) is intended to assist a jurisdiction to conduct a high level review of its procurement environment to determine its level of readiness to make a transition to e-GP in a sustainable manner. It will assist a jurisdiction to determine the degree to which the components and their subcomponents, which underlay e-GP, are in place. Conducting a current assessment is usually one of the key initial steps for developing an implementation plan for e-GP.

The Assessment addresses the strategic foundations of e-GP by examining the components that are the basis for planning the transition to e-GP, as shown in Table 1. The components underlying e-GP are those issues which, when addressed and integrated, provide a jurisdiction with a framework for an effective, efficient and sustainable approach to e-GP. They have been developed both from research of and experience with a range of existing procurement environments in different countries.

Additionally, the Assessment invites comment from respondents on other factors seen as influencing readiness, and on the critical changes required to implement e-GP. These comments are grouped under the heading Respondent Views.

The Systems component of the Assessment addresses any current e-procurement initiatives, as many jurisdictions have initiated developments in this area. These initiatives need to both be acknowledged and reviewed in terms of how they may support any overall e-GP strategy to be adopted.

The Assessment is intended to provide a strategic view of e-readiness in relation to the components. For example, the Assessment is broad in scope, in that it will focus on whether a managed, consistent procurement process is used, not the specific details of the process itself. This Assessment will identify if there are critical problems with the process. A more detailed investigation of the process would be required to support re-engineering and other changes in its management.

It is intended that the Assessment be voluntary and completed by people who are positive to procurement reform. Given the scope of the Assessment it is not expected that any one individual would be able to competently address all sections. Additionally, the completion of the Assessment by individuals or groups is intended to be followed or accompanied by interviews to clarify and discuss any issues that may arise.

Four levels of readiness for transition to e-GP have been used in the Assessment. They are based on reviews of what has been achieved in a number of countries at various levels of development with respect to the components and subcomponents. The four levels of readiness in relation to all the components are shown in Table 2.

**TABLE 1
COMPONENTS UNDERLYING E-GP**

STRATEGIC FOUNDATIONS	COMPONENTS
Institutional Capacity (the capacity for government to set directions and lead and resource the changes required).	<ol style="list-style-type: none"> 1. Government Leadership (vision, sponsorship, resources, stakeholder support and implementation support). 2. Human Resource Management (education, skills development, expertise and career development).
Governance (putting the rules, management support, performance monitoring and evaluation to support e-GP in place).	<ol style="list-style-type: none"> 3. Planning and Management (strategic planning and re-engineering of management protocols and processes). 4. Policy (setting intent and guidelines that can be consistently applied). 5. Legislation and Regulation (supporting rules and the external and internal monitoring of the efficiency, performance and compliance in relation to the total approach to e-GP).
Business Functionality and Standards (sustainable infrastructure, support services and common standards are developed to ensure accessible, integrated and consistent procurement services can be put in place).	<ol style="list-style-type: none"> 6. Infrastructure and Web Services (ensuring reasonable access to, and quality of e-services and their sustainable development and maintenance). 7. Standards (development of management, procurement and technical standards to ensure consistency of the approach to e-GP and interoperability across the systems involved).
Third Party Involvement (ensuring the private sector is enabled to both participate and be involved in e-GP)	<ol style="list-style-type: none"> 8. Private Sector Integration (suppliers are enabled and have incentives to participate in e-GP).
Application of Technology (appropriate, integrated, sustainable and modifiable technology is phased in to provide tendering, contract management and purchasing services).	<ol style="list-style-type: none"> 9. Systems (the planning, selection, development, implementation and support of e-procurement systems to provide tendering, contract management and purchasing services).

**TABLE 2
GENERIC LEVELS OF READINESS FOR ALL e-GP COMPONENTS**

Level of Readiness	Generic Descriptors of Existing Procurement Environment (Degree to which the components are being addressed)
<p align="center">1 None</p>	<p>There is no real evidence that components are being addressed and supported. No apparent leadership, planning, implementation, regulation or monitoring is in place. Very little or no sharing of ideas and directions with no documentation and/or policy outcomes. Very few people with appropriate skills and incentives and other resources are being applied to the issue. The future implications for e-GP have not been considered. Little or no technology and infrastructure is available to support procurement. Access to procurement processes by the users and the public is very limited. Communication regarding the issues is non-existent or poor. No measures of procurement effectiveness or efficiency are monitored and reported. Where components or subcomponents require supporting management strategies, training and education approaches, dissemination and application of sanctions or incentives they are not evidenced to any real degree.</p>
<p align="center">2 Small degree</p>	<p>There is little evidence that components are being addressed and supported. Very limited leadership, planning, implementation, regulation and monitoring are in place. A little sharing of ideas and directions with some documentation and/or policy outcomes. A few people with appropriate skills and incentives and other resources are being applied to the issue. Very limited technology and infrastructure is available to support procurement. A few of the implications for e-GP are starting to be considered. Generally, access to the processes by the users and the public is very limited. Little communication regarding the issue is taking place. Very few measures of procurement effectiveness or efficiency are monitored and reported. Where components or subcomponents require supporting management strategies, training and education approaches, dissemination and application of sanctions or incentives they are evidenced to a small degree.</p>
<p align="center">3 Some degree</p>	<p>There is some evidence that components are being addressed and supported. Some leadership, planning, implementation, regulation and monitoring are in place. Some sharing of ideas and directions with some documentation and/or policy outcomes. Some people with appropriate skills and incentives and other resources are being applied to the issue. Some of the future implications for e-GP have been considered. Some technology and infrastructure is widely available to support procurement. Generally, access to the processes by the users and the public has broadened. Some formal and regular communication regarding the issue is taking place. A few measures of procurement effectiveness or efficiency are monitored and reported. Where components or subcomponents require supporting management strategies, training and education approaches, dissemination and application of sanctions or incentives they are evidenced to some degree</p>
<p align="center">4 Adequate degree</p>	<p>There is adequate evidence that components are being addressed and supported. Ongoing leadership, planning, implementation regulation and monitoring are in place. Wide sharing of ideas and directions with significant documentation and policy outcomes. Sufficient people with appropriate skills and incentives and other resources are being applied to the issue. Many of the future implications for e-GP have been considered. The technology and infrastructure is widely available to support procurement. Generally, access to the processes by the users and the public has few restrictions. Formal and regular communication regarding the issue is established. Some measures of procurement effectiveness or efficiency are monitored and reported. Where components or subcomponents require supporting management strategies, training and education approaches, dissemination and application of sanctions or incentives they are evidenced to an adequate degree</p>

The subcomponents within each component can be assessed using the same levels of readiness as indicated above in Table 2. The level of readiness is measured by the degree to which the subcomponents are in place and supported. These levels are summarised in Table 3.

TABLE 3
SUBCOMPONENT READINESS LEVELS

Level of Readiness	Description
1	No evidence that subcomponent is in place and no evidence it is supported.
2	Little evidence that subcomponent is in place and little or no evidence it is supported.
3	Some evidence that subcomponent is in place and some evidence it is supported.
4	Adequate evidence that subcomponent is in place and adequate evidence it is supported.

Each level of readiness is expressed in two parts. The first part looks at the degree to which the substance of the subcomponent is in place. For example, are procurement guidelines available to the public and suppliers? The answer may be there is some evidence that partial guidelines are available (i.e. Level 3). However, they may not have been well supported in that they are poorly distributed, have not been revised for many years and are available for a fee on request (ie. Level 2). Overall the readiness level is effectively Level 2 on this component.

The levels of readiness of subcomponents assigned within the one component may range, for example, from Level 1 to 3. Therefore the overall readiness level assigned to a component may require some ‘averaging’ and some comparison to the generic descriptions in Table 2. In the end however, it is the level of readiness at the subcomponent level that will guide the development of plans.

The Assessment should be addressed by a wide range of respondents from government, business and the community who are informed stakeholders in the government procurement environment. This would include people such as senior managers of government agencies, public and private sector procurement and IT managers, representatives of professional procurement associations, representatives of key business sectors involved in government procurement, watchdog organisations, consumer groups and representatives of education and training institutions. This will provide a balanced view and highlight where there are major differences in perceptions. As any single respondent is unlikely to have an in-depth understanding across all the components, involving respondents with a range of viewpoints should ensure all areas are covered. It should be remembered that the above stakeholders will ultimately have a role in e-GP planning and implementation.

Where possible, it would be an advantage if a range of respondents could meet as a group, so there is an opportunity to gain a balance of viewpoints.

Respondents are not the only sources of information that can be included in the Assessment. Often there are recent reports such as audits, functional and process reviews, government strategic plans, Country Procurement Assessment Reports, other e-Readiness Assessments, and annual reports that contain relevant information. This information may be used to support and qualify the views of particular respondents and also has status in its own right.

Using this Assessment

This Assessment should be distributed in electronic format so that respondents can record their responses directly.

- In its current form this Assessment has not been used as a stand-alone assessment but in conjunction with an independent assessor. After completing the Assessment, respondents, either singularly or in groups, have held discussions with an assessor. These discussions have served to clarify issues, gain deeper understandings and test alternative viewpoints.
- It is structured so that each component is described by its subcomponents. A statement of good international practice for each component is included so that a picture of good practice on each component is established. The statements in the Tables that follow all relate to the subcomponents within each component. The respondent is requested to make an initial judgement as to whether each subcomponent is effectively in place and is being supported by indicating 'yes', 'partly' or 'no'.
- If the respondent does not have an informed view on a component or particular subcomponent then the comments area and levels should be left blank.
- The respondent is then asked to comment as to what evidence they are aware of that supports their initial response. This evidence may be based on the knowledge and experience of the respondent, and/or documents and reports (named) that support the respondent's assessment. If the respondent has no knowledge of a particular subcomponent, then no assessment or comment should be made. Finally, the respondent should relate their initial response and comments to a level of readiness for that subcomponent. Provision has been made at the end of the each table for respondents to insert any additional subcomponents, which they consider should also be addressed.
- Opportunity should be made available for respondents to seek clarification from the assessor where they are unsure of the meaning of the issues raised.
- The Assessment should be issued to respondents at least two weeks prior to the follow-up discussion of their viewpoints with the assessor.

E-GP READINESS ASSESSMENT FORM

Name of person responsible for the assessment	Position
Name of Organisation:	
Tel:	Fax:
Email:	Date:

Name and position of respondents or participants in the assessment if applicable:

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____
7. _____
8. _____
9. _____
10. _____

Assessment Co-ordinator Contact Details

Address	
Telephone	
Mobile	
Facsimile	
E-mail	

COMPONENT 1: GOVERNMENT LEADERSHIP

Jurisdictions that have successfully adopted e-GP have usually had significant government leadership with funding, resourcing, planning, management and implementation support to create an environment where procurement modernisation and change can occur in a sustainable way...Government leadership is evidenced by the degree to which a national vision and objectives for procurement has been articulated, a lead agency(s) is in place with responsibility for procurement policy and guidelines, an integrated implementation strategy for procurement reform and change, procurement career development and education, and the provision of procurement advice to agencies.

Table 4 below identifies the subcomponents involved.

**TABLE 4
COMPONENT 1: GOVERNMENT LEADERSHIP**

SUBCOMPONENTS	FINDINGS				
The degree to which	Y	P	N	Comment	LoR
a) The government has set a vision and objectives for procurement.					
b) The government's vision and objectives were developed in consultation with the key stakeholders in procurement.					
c) The government's vision and objectives have been made public.					
d) The government has issued plans for procurement modernisation.					
e) The government has nominated a sponsor for procurement modernisation and change.					
f) A government lead agency is available to provide leadership for procurement management and modernisation.					
g) The government lead agency has adequate resources to provide its leadership role (for example, an implementation group).					
h) The government lead agency has the authority to manage and modernise procurement.					
i) The government lead agency is currently providing leadership to resolve some key issues in procurement (such as policies, governance issues, human resources management, standards adoption, third party involvement and application of technology).					

j) The government is involving a range of key public and private sector and community stakeholders to support procurement management and modernisation.				
k) Overall the government has the capacity to lead, resource and implement procurement modernisation.				
l) Other related subcomponents				

COMPONENT 2: HUMAN RESOURCE MANAGEMENT

In jurisdictions that have successfully adopted e-GP, there have usually been significant government efforts to make provision for the education and training of executives, managers and staff with procurement responsibilities. Education and training is also available to suppliers as they are required to adopt the changes made. The government lead agency has had available to it the appropriate high level policy, legislative, technical and management expertise and knowledge required. The range of education and training programs may be provided via government agencies, private sector organisations and tertiary institutions.

Table 5 below identifies the sub components involved.

TABLE 5
COMPONENT 2: HUMAN RESOURCE MANAGEMENT

SUBCOMPONENTS	FINDINGS				
The degree to which	Y	P	N	Comment	LoR
a) There is an agency or function responsible for human resource management issues in relation to procurement.					
b) The government has access to internationally recognised sources for human resource development in procurement.					
c) An education and training program for executives, managers and staff in strategic and operational procurement is in place					
d) Education and training related to government procurement is available to suppliers					
e) Information related to government procurement is disseminated and available to business and the community.					
f) The range of expertise required to plan and implement a strategic implementation plan for e-GP is available to government.					
g) Actions have been taken to review the jobs and responsibilities of procurement managers and staff to ensure a viable career structure is in place and modernisation issues can be addressed.					
h) There is a recognisable change management strategy in operation to assist procurement modernisation and change.					
i) Other related subcomponents					

COMPONENT 3: PLANNING AND MANAGEMENT

For any e-GP implementation strategy good planning and management are essential. The role of planning and management to support electronic based services is complex and challenging. Respondents are advised to familiarise themselves with the issues by and read the *e-GP Guide to Implementation Planning* document at www.mdb-egp.org .

Planning should be based on a clear assessment of the existing procurement environment. This assists management to define the direction, scope, focus and phasing required for their plans. A Strategic Implementation Plan (SIP) includes an e-GP strategy, which is linked to other current e-Government and e-Commerce plans. The plans are developed collaboratively with the involvement and support of major stakeholders in government procurement. These stakeholders represent government functions such as finance, asset planning, audit and review, legislation development, regulation, procurement management, education and training and public sector management. In the private sector they represent industry sectors, professional associations, supplier groups and watchdog organisations.

There should be a lead agency (or agencies) in place for the **management** of government procurement and to support agencies in meeting their procurement responsibilities. Clear guidelines and procedures that can be translated into consistent management actions and outcomes are beneficial. Procurement guidelines and processes should be well documented to assist users to learn and check their understanding as required. Contract outcomes are managed and reported and appropriate action is taken where required. Consolidated procurement data should be available to support current understanding of the market and to support future decisions on government procurement.

Public information on the procurement process and outcomes should be available. Sufficient management controls are embedded in the process to ensure effective compliance with policies and guidelines, risk management, probity and performance auditing, and quality management, so that corrective action can be taken. Independent external audits can be carried out on any agency with responsibilities for government procurement.

Procurement staff have access to appropriate competent advice on procurement issues. Some level of procurement responsibility is usually devolved to government agencies together with a mechanism (eg accreditation) to demonstrate they can meet the standards required. The Table 6 below identifies the sub components involved.

TABLE 6
COMPONENT 3: PLANNING AND MANAGEMENT

SUBCOMPONENTS	FINDINGS				
	Y	P	N	Comment	LoR
a) The government has assessed the current procurement environment on a wide range of issues to both understand the existing environment and to assist future procurement planning.					
b) The reports on any assessment have been made public and comment invited from key stakeholders.					
c) A strategic plan, which sets deadlines, responsibilities and financing for the future development of government procurement (which may also include e-GP) at the National and Regional level is available (see also Component 9).					
d) Any available plan for procurement has the support and involvement of key public sector, business and community stakeholders.					
e) Any available plan for procurement is linked to other government plans for managing and delivering services (eg financial systems plans, e-Government).					
f) A consistent approach to procurement with common platforms and process is used across government.					
g) Common management, process and technical standards are being applied to procurement (eg UN Standard Product and Services Code).					
h) A lead agency is in place to monitor and guide government procurement on a day to day basis.					
i) Clear procurement guidelines and procedures are well documented and easily available to government agencies and suppliers.					

j) The procurement procedures and guidelines are consistently applied across government agencies.					
k) Government agencies or a central agency assesses the feasibility and risks associated with major procurement projects.					
l) Specialised procurement processes are developed for specialised goods, common goods and/or major capital assets.					
m) Standardised and simplified documents are available to support the procurement process.					
n) Contract outcomes related to service delivery and product/service quality are well managed and reported.					
o) Consolidated procurement data on usage, trends, and performance is available to assist government decision-making (e.g. type and cost of consultants used by each government agency).					
p) The community has access to information on the process and the outcomes of procurement decisions.					
q) Management controls for monitoring compliance, probity, quality, risk management, efficiency and the performance of the procurement process in all government agencies is in place.					
r) Other related subcomponents					

COMPONENT 4: POLICY

The development of policy gives important direction and intent to the procurement environment and its transformation. Policy should be applied to issues such as value for money, open and effective competition, risk management, supporting local business, economic development, public procurement performance, common use contracts and integrity and ethics. It should also be applied to the development of e-procurement systems and their interfaces to other corporate systems. A policy driven approach to procurement gives broad direction as to what outcomes government procurement should achieve without over specifying how it is done. The procurement guidelines, based on policies, can then provide for some flexibility in how the process is managed for different levels and types of procurement involved. This appears to have sometimes had more success than adopting a rigid set of regulations that have little flexibility and stifle management decision making. Policies need to be well understood by all stakeholders and be independently monitored for compliance. Changing policy to affect change is often a more simple process than changing the legislation.

The Table 7 below identifies the sub components involved.

**TABLE 7
COMPONENT 4: POLICY**

SUBCOMPONENTS	FINDINGS				
The degree to which	Y	P	N	Comment	LoR
a) Procurement policies have been developed to achieve a range of outcomes in government procurement including 1) to 4).:					
1) effectiveness of government procurement (eg value for money).					
2) the purchase of specific goods and services (e.g. IT goods and services, environmental sustainability considerations)					
3) business efficiency and development, small business issues, and regional economic development					
4) development of e-procurement systems using open architecture and software and common standards.					
b) A policy review process is in place that has authority to recommend change					
c) Procurement policies are easily available and supported by education programs and expert advice					
d) There is independent monitoring of compliance with policies and policy outcomes.					
e) Procurement policy is linked to policies on e-Commerce, e-Government and industry development.					
f) Other related subcomponents					

COMPONENT 5: LEGISLATION & REGULATION

An e-GP strategy has sometimes been linked with a range of direct and supporting **legislation**. Nevertheless in many instances there is often much that can be achieved without legislative change and an e-GP strategy should recognise this in its schedule of phased implementation. Legislation that allows for policy to be developed and changed without requiring major change to the legislation appears to have some advantage in dealing with the evolving issues in procurement. Some specific legislation may have already been enacted in relation to electronic commerce including issues such as authentication, privacy and security of data.

Regulation is a key factor in determining the integrity, fairness and effectiveness of government procurement. Regulation is much more than the ‘regulations’. It includes enforcement of the legislation and its regulations, good management of behaviour and process, external and internal auditing of compliance and performance and the maintenance of procurement responsibilities at agency level via accreditation and other means of performance management. Often there are independent regulatory agencies in place with supporting authority to set and monitor legislation, policies and guidelines, act as an arbiter of disputes, manage the accountability of agencies with procurement responsibilities and conduct reviews of procurement issues. The regulators also often have powers to audit government agencies and ensure standards are adopted for procurement.

The Table 8 below identifies the sub components involved.

TABLE 8
COMPONENT 5: LEGISLATION & REGULATION

SUBCOMPONENTS	FINDINGS				
The degree to which	Y	P	N	Comment	LoR
a) Direct specific procurement legislation to cover the existing procurement environment is available.					
b) Other wider supporting legislation addressing procurement related issues is available (eg privacy laws, laws on the behaviour of public officials, etc).					
c) Specific legislation has been enacted to support the requirements of e-procurement (eg use of electronic documents).					
d) Specific legislation is in place to link procurement law and practice with the requirements of international trade agreements and other international arrangements.					
e) Initiatives to modernise legislation and the law in relation to procurement are in progress or have taken place.					
f) An independent agency or agencies (Regulator) with clear, enforceable powers to regulate both the procurement policy and legislation and the conduct of the procurement process is in place.					
g) Legislation is in place and applied to support the role and authority of the regulator(s).					
h) The regulator(s) is sufficiently resourced to carry out its role.					
i) A process is available to independently audit any government agency that has procurement responsibilities.					

j) The government has comprehensive procurement information made available to it to assist the management of its procurement function.					
k) The government has given an agency responsibility for setting standards for the national and international operation of the procurement function (eg item codes).					
l) Government agencies are required to report on their procurement activities and achievement of procurement outcomes.					
m) Some form of accountability monitoring is applied to agencies with devolved responsibilities for government procurement.					
n) Procurement Laws and regulations are able to be changed in response to developments in technology, e-GP and e-Commerce.					
o) Other relevant subcomponents.					

COMPONENT 6: INFRASTRUCTURE & WEB SERVICES

Infrastructure is an important issue for e-GP. Reasonable connectivity, and the availability of web services, provide user access, reliability and support. The services should be comparatively affordable for users. There needs to be interoperability between systems (internet, fax, post) enabling systems to be linked (and also indicating that some technical standards have been applied). The speed and quality of the network should be sufficient to encourage growth in its usage. There should be a viable hardware and software market and sufficient expertise available to support and maintain the infrastructure. The term “reasonable or adequate” can be quantified from comparative data provided from a range of e-readiness assessments that have been applied in a number of countries. The Table in Attachment 1 attempts to summarise some of the key infrastructure and web service characteristics and relate them to the readiness levels used in this Assessment. It is suggested that the government ITC agency may be able to use the Table to provide a profile for the jurisdiction. This information could then be used to support and verify the respondent responses to the subcomponents below.

Table 9 below identifies the subcomponents involved.

**TABLE 9
COMPONENT 6: INFRASTRUCTURE AND WEB SERVICES**

SUBCOMPONENTS	FINDINGS				
The degree to which	Y	P	N	Comment	LoR
a) Telephone and internet networks are in place that can service major city users.					
b) Telephone and internet networks (perhaps via kiosks or internet centres) are in place that can service regional users.					
c) Buyers and suppliers have reasonable access to telecommunications systems					
d) Available bandwidth is sufficient to provide internet service at sufficient quality and speed to encourage buyers and suppliers					
e) Buyers and suppliers can easily access Internet services in the major cities					
f) Buyers and suppliers can easily access Internet services in regional areas.					
g) Internet access is reasonably affordable in comparison to adjacent countries.					
h) Average network speed and quality of connection encourage continued commercial use of the network.					
i) Maintenance and repair services are available to users at reasonable cost and time delays.					

j) Buyers and suppliers have access to a viable, competitive software and hardware market.					
k) Sufficient expertise is available to government and suppliers to support and maintain the infrastructure and their software and hardware.					
l) Other relevant subcomponents					

COMPONENT 7: STANDARDS

The establishment of standards to support electronic based services is a complex and developing area (see *e-GP Standards*). Respondents who are unfamiliar with this component are advised to read the *e-GP Standards Framework* document at www.mdb-egp.org . E-GP, as part of e-Commerce, is inextricably part of these developments. The immature status of many, if not most, of the standards on which e-GP is dependent poses special risks to governments. These risks include systems obsolescence, lack of interoperability, higher operating costs, vested interest influences, sub-optimal functionality and reduced innovation and, more broadly, retarded technological enablement of commerce generally. These financial, commercial and social risks mean that these standards become essential dimensions of government policy, legislation and leadership. It is important that executives and managers be able to appreciate and engage with these issues if the risks to governments are to be managed. The existence of a well defined and broadly generic framework in government can play a catalytic role of bringing together major developers and sectors and networks to promote common methodologies, modelling and standards.

The standards that underlay e-GP are not all technical. Identification of standards depends on what processes are to be integrated, the markets to which they are applied, and the qualities inherent in the sustainable technologies and business requirements applied to procurement. Some examples of where standards are being applied are:

Procurement Market Standards for supplier registries and catalogues, market networks and communities.

Systemic Qualities Standards for reliability, security, portability, communicability and management.

Procurement Process Standards for documentation, legal contracting, interpretation of legislation, process workflow and choreography.

Table 10 below identifies the subcomponents involved

**TABLE 10
COMPONENT 7: STANDARDS**

SUBCOMPONENTS	FINDINGS				
The degree to which	Y	P	N	Comment	LoR
a) The government has taken a leadership role in setting a policy framework on standards.					
b) The government is collaborating with the private sector and/or standards bodies in attempting to set standards.					
c) The existing legislation is technology neutral rather than technology based.					
d) The government has supported the provision of open standards					
e) The government is collaborating with its international trading partners to achieve interoperability of procurement approaches.					
f) Standards related to the procurement process are in place.					
g) Standards related to the procurement market are in place.					
h) Standards related to procurement systems (where applicable) have been put in place.					
i) Other related subcomponents					

COMPONENT 8: PRIVATE SECTOR INTEGRATION

The participation of the private sector should not be taken for granted. Business will see benefits in e-GP, if it improves its confidence in the integrity, fairness, consistency, transparency and efficiency of the procurement process, provides open access to a wider range of business opportunities, and training and advisory support is made available. Private sector integration can be achieved in a number of ways. There is a high level of consultation between government and business in relation to e-GP issues. Business is represented on government decision making bodies dealing with procurement strategy and process. It has ready access to information and advice on government policy, regulations and procedures. Feedback for unsuccessful bidders and an independent appeal mechanism to deal with industry and public complaints is available. The government initiates strategies to enable all business sectors to develop electronic catalogues and support business systems integration. The government has strategies to ensure suppliers, particularly small to medium enterprises (SMEs), have access to the electronic government procurement market through a well distributed infrastructure or other mechanisms such as Internet kiosks. The government is developing strategies to assist business to compete in regional and international procurement markets as well as meeting its international trade obligations. The cost of engaging in government procurement is not a deterrent for SMEs and they are not disadvantaged by the procurement process. Training and education on procurement is readily available. A significant percentage of suppliers participate in government work.

Table 11 below identifies the subcomponents involved.

TABLE 11
COMPONENT 8: PRIVATE SECTOR INTEGRATION

SUBCOMPONENTS	FINDINGS				
The degree to which	Y	P	N	Comment	LoR
a) The private sector participates in decisions related to government procurement.					
b) There is a high level of consultation between government and business on procurement issues.					
c) Information and advice on procurement policy, regulation and process is freely available to the private sector.					
d) Feedback to suppliers on non successful bids is available.					
e) An independent appeal mechanism is in place.					
f) Costs to participate in government procurement are acceptable to big and small business					
g) The private sector has confidence in the integrity, fairness, consistency, transparency and efficiency of the existing system.					
h) Plans to ensure SMEs are not disadvantaged by the procurement process, including in terms of cost and difficulty of access, and competition from large companies, are in place.					

i) Government is providing strategies to assist business to develop catalogues and access to its infrastructure and systems.					
j) Government is harmonising its approach to procurement with its regional and international trading partners to assist supplier access.					
k) Training and education on procurement is readily available to all suppliers					
l) Some private industry sectors have already moved to an e-procurement approach.					
m) Other relevant subcomponents.					

COMPONENT 9: SYSTEMS (CURRENT E-GP INITIATIVES)

Some governments already have initiatives underway to establish specific e-procurement systems. This may or may not be linked to an overall strategy to pursue e-GP. However, the subcomponents listed below could be used as guidance for considering how these systems might be integrated into an overall e-GP strategy.

From a management perspective, Government has developed an e-GP Strategic Plan to link e-GP with other e-initiatives and provide for the development and implementation of the e-procurement system(s). Government policy and management direction is leading the type of systems being considered. Some procurement market, process and systems standards have been identified and adopted. There is a government lead agency to oversee the development and implementation of the system(s). The Government has control over the further development and use of the system (even though the delivery and support of the services may be via the private sector).

From a system perspective, the initial systems (usually tendering systems) commonly have been developed and implemented with the following functionality in mind:

- 1) Systems are web based.
- 2) Information on all procurement opportunities is advertised on a single internet site.
- 3) No proprietary hardware or software is required by suppliers to use the system other than a web browser and access to the Internet.
- 4) Buyers and suppliers can register for business online.
- 5) The system has a search engine to assist users to find information.
- 6) Procurement legislation, policies and guidelines, and information on how to use the system, can be accessed online.
- 7) There is open access to all bidding documents.
- 8) Access to the system for registered buyers and suppliers is free or at low cost.
- 9) Electronic download of bidding documents is available.
- 10) Electronic upload of supplier proposal documents is available.
- 11) The system provides for security and privacy of information.
- 12) Progress of the evaluation and award process can be accessed by the public.
- 13) Information on award outcomes, can be accessed by the public free of cost.
- 14) Common inter-operability and procurement standards are applied to all systems.

It is critical to appreciate here that bidding documents, policies and legislation that appear on this electronic system must have legal validity: that is they are to be equivalent to the originals and not simply represent copies.

The readiness issue in the above is the extent to which e-procurement systems are being developed so as to be compatible with a longer-term e-GP strategy. Table 12 below identifies the subcomponents involved

TABLE 12
COMPONENT 9: SYSTEMS (CURRENT E-GP SYSTEMS)

SUBCOMPONENTS	FINDINGS				
The degree to which	Y	P	N	Comment	LoR
Management					
a) A strategy to modernise procurement and adopt e-GP is in place.					
b) Government has control of the direction of the development and implementation of the system(s).					
c) A government lead agency is managing the development and implementation of the system.					
d) The lead agency has the resources to provide for the development, implementation and operation of an e-procurement system.					
e) Training is available for buyers and suppliers					
Systems					
f) A system to support procurement activities, with some of the following functionality is in place.					
1) The system is web based.					
2) Information on all procurement opportunities is advertised on a single internet site.					
3) No proprietary hardware or software is required by suppliers to use the system other than a web browser and access to the Internet.					
4) Buyers and suppliers can register for business online.					

5) Buyer and supplier registries are linked to the system.				
6) The system has a search engine to assist users to find information.				
7) Procurement legislation, policies and guidelines, and information on how to use the system, can be accessed online				
8) There is open access to all bidding other process documents				
9) Access to the system for registered buyers and suppliers is free or at very affordable cost.				
10) Electronic download of bidding documents is available				
11) Electronic upload of supplier proposal documents is available				
12) The system provides for security and privacy of information.				
13) Progress of the process				
14) Information on contract awards can be accessed by the public free.				
15) Common inter-operability and procurement standards are applied to all systems.				
g) Other relevant sub-issues				

RESPONDENTS VIEWS

Respondents are requested to identify the degree to which issues, such as the incentives for government to follow through with the modernisation of procurement, previous attempts at modernisation in government, community attitudes to corruption and business, staff concerns and other possible barriers, are likely to affect the success in planning and delivering an e-GP strategy. Respondents should add issues to Table 13 they feel are relevant. Respondents are also requested to identify what they see as the five most critical issues that need to be addressed to most improve the existing approach to procurement.

Please append any additional information that seems relevant to the assessment when it is returned

**TABLE 13
RESPONDENTS VIEWS**

ISSUES	FINDINGS				
The degree to which	Y	P	N	Comment	LoR
Incentives and Barriers to Modernisation					
a) There are identified incentives for the government to modernisation and develop its approach to procurement.					
b) There are identified barriers for the government to modernisation and develop its approach to procurement.					
c) The government has the political will to support procurement change and modernisation.					
d) There are community attitudes that may support procurement modernisation and change.					
e) There are community attitudes that may be obstacles to procurement modernisation and change.					
f) There are business attitudes that may support procurement modernisation and change.					
g) There are business attitudes that may be obstacles to procurement modernisation and change.					

h) Data on public and industry perceptions of the transparency and integrity of government procurement has been collected and made public.					
i)					
j)					
k)					
l)					

Critical issues to improve the existing procurement approach
1)
2)
3)
4)
5)

THANK YOU FOR YOUR PARTICIPATION IN THIS ASSESSMENT.

ATTACHMENT 1: READINESS LEVELS
for
**INDICATORS OF THE DEVELOPMENT OF INFRASTRUCTURE
& WEB SERVICES**

No	Indicators	Level of Readiness				Jurisdiction data
		L1 none/little	L2 small	L3 some	L4 adequate	
1.	Internet subscribers (% pop)	<0.05	<1.0	<10.0	>10.0	
2.	Internet users (% pop)	<1.0	1-3.0	4-10.0	>10.0	
3.	Number of ISP providers /million people	0	1.0	2-3	>3	
4.	Number of internet hosts/10,000 people	<1.0	1-5	6-10	>10.0	
5.	PC penetration (%pop)	<1.0	<3.0	<10.0	>10.0	
6.	Modem transfer speeds generally available	e-mail only	9.6-14.4 Kbps	14.4-28.8 Kbps	28.8-56.0 Kbps	
7.	Availability of data network	Little or no network	A few agencies with LAN	Networks in major centres	Networks link many centres	
8.	Availability of public internet centres	None	Few in large locations	Few in most locations	Some in most centres	
9.	Comparative (regional)cost of internet access	Very high	High	Marginally above	Comparable	
10.	Telephone line penetration (% pop)	<2%	<8%	<40%	>40%	
11.	Mobile phone penetration (% pop)	<0.5%	<5%	<14%	>14%	

12.	Coverage of telephone service (%pop)	<10%	10-30%	31-50%	>50%	
13.	Quality of service (faults /100 lines)	>100	50-100	10-50	<10	
14.	Service and support to install service/fix problems	4 years/ 6 months	6 months/ 1 month	1 month/ 1 week	Few days/ <48 hrs	
15.	Availability of hardware	All components imported	Many components imported	Some components imported	Few components imported	
16.	Availability of software providers	0	1-10	10-50	50+	

Sources: Adapted from *Sri Lanka Development Gateway, e-Readiness and e-Needs Assessment Report 2002*, Harvard University, Centre for International Development publications *Global Information Technology Report 2001-2002, Readiness for the Networked World Guide-A guide for Developing Countries 2002*.