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## **Basque Government's eTendering Public Model.**

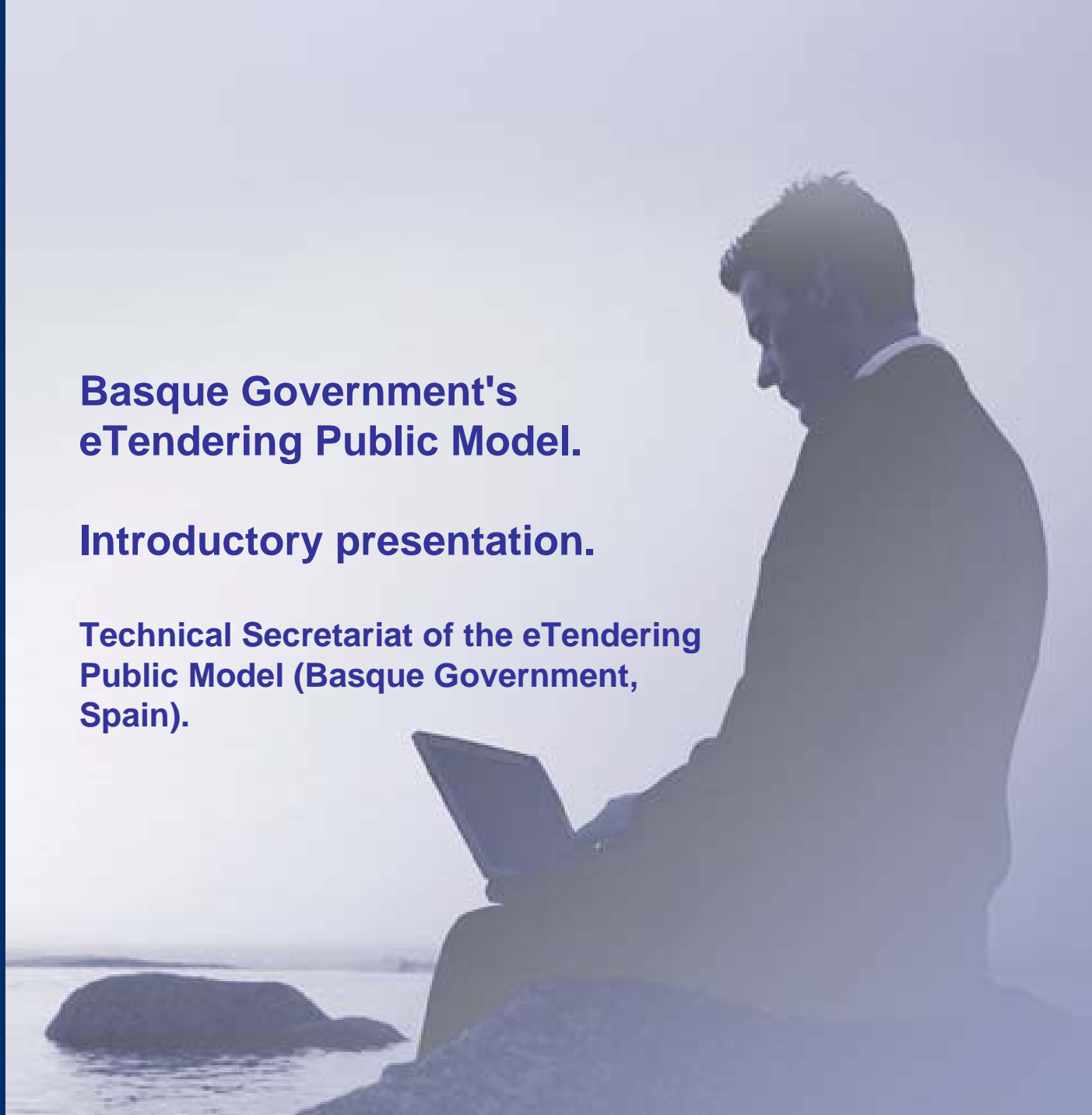
**Introductory presentation.**

**Technical Secretariat of the eTendering  
Public Model (Basque Government,  
Spain).**



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# 01

## General Introduction.



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## General Introduction (1).

- The Basque Government is the first administration to introduce e-procurement in Spain, having developed an integral electronic tendering system for the entire procurement process.
- The software developments began in 2004 and the first eTender took place in October 2005.
- Our eTendering system services are available to the Basque Government's Central Procurement Committee, the various Departments and Autonomous Bodies.
- Our contracting activity is **mainly** devoted to contracting **mastermind services**. Therefore, **the offers we receive are complex and heavy**.
- The range of goods and services procured via e-procurement is growing and diverse: **Consultancy services, auditing, insurance, advertising, cleaning services, travel organisation, pharmaceutical, IT services, energy, computers.**



## General Introduction (2).

- **Dossiers of high value have been issued.**
- **Our user group includes 3,200 suppliers.**
- **Of the 100 dossiers issued 50 (%) received digital bids.**
- **On average 33% of bids received have been digital.**
- **To promote electronic procurement, the Basque Government has a Technical Office working in the following areas:**
  - Training.
  - Operative support for electronic tenders.
  - Marketing and Dissemination.
  - Technological development.



## General Introduction (4).

- **Training action for bidding companies.** We offer intensive **attendance courses** of **3 hours** duration, including **trial electronic tenders** .

Statistics for the (2006-07) period:

- **68** courses.
  - **403** companies.
  - **668** people.
- 
- **We also offer Training for administration official.** The Statistics for the (2006-07) period are as follows:
    - **32** courses.
    - **180** civil servants.
    - **56** people from the Call-Centre.
    - A total of **236** people formed.
- 
- **All applications, informational and educational materials are considered “open source” and available to all interested European administrations.**



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02

## Basque Country Public Model of eTendering Architecture.



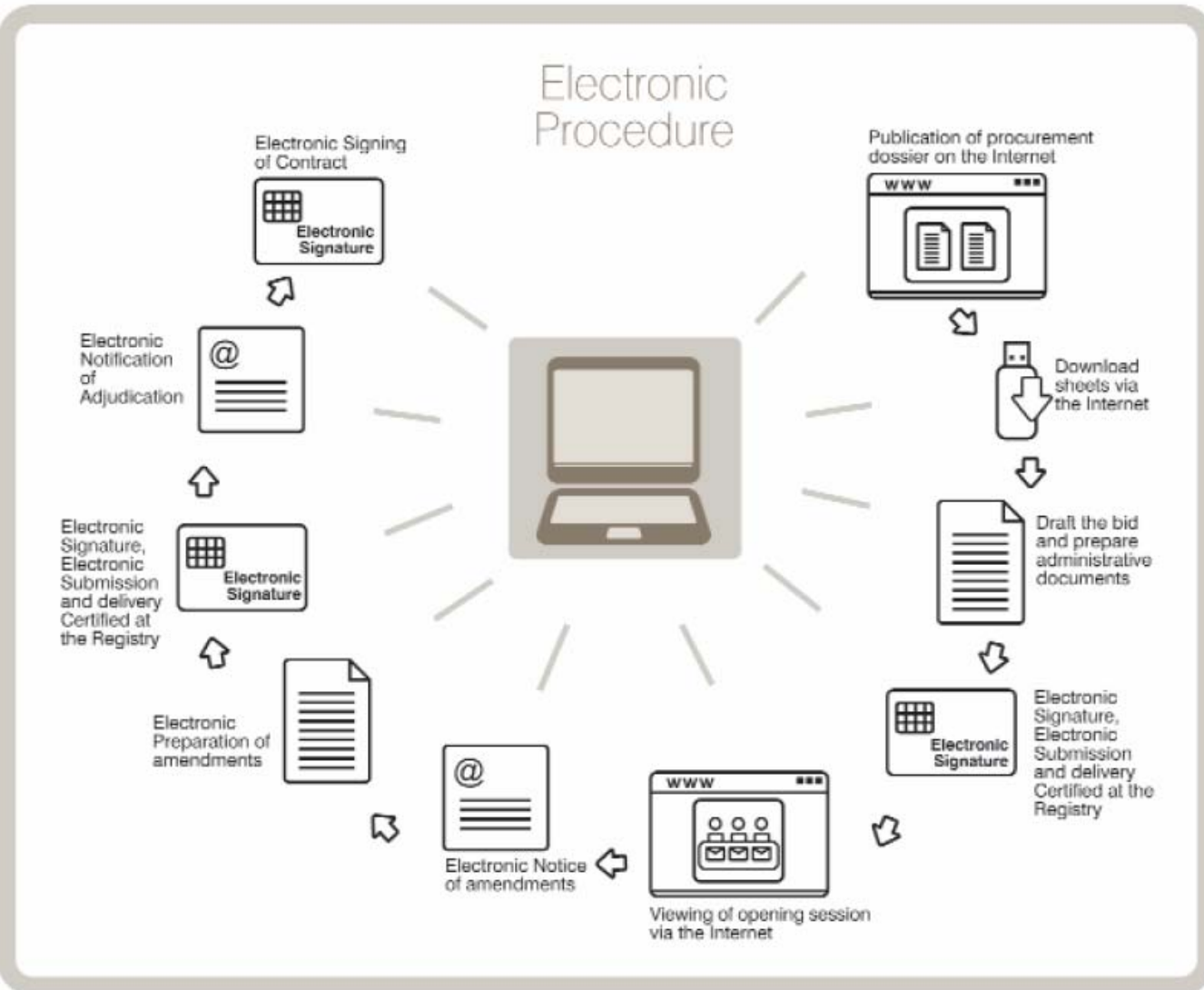
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# Electronic tendering procedure.



The eTender application enables the automated processing of following activities:

- Competition activation.
- Bidder authentication, verification and signature.
- Submission of tenders.
- Opening of offers.
- Documentation correction.
- Sealed tender opening session.
- Virtual attendance at sealed tender opening session.
- Adjudication-Publication-Notification.
- Contract Signature.



# The Basque Government has developed a comprehensive Electronic Tendering System.

- It is comprehensive as the whole procedure is carried out using telematic resources:

- **Basque Government:**

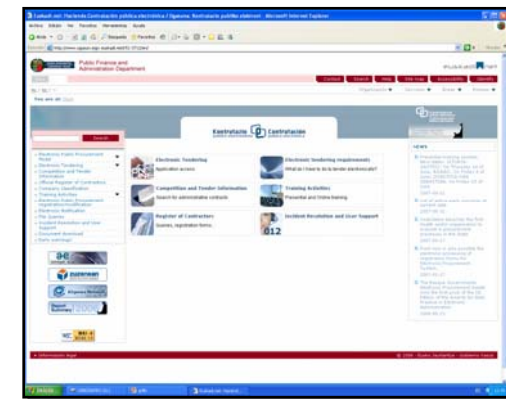
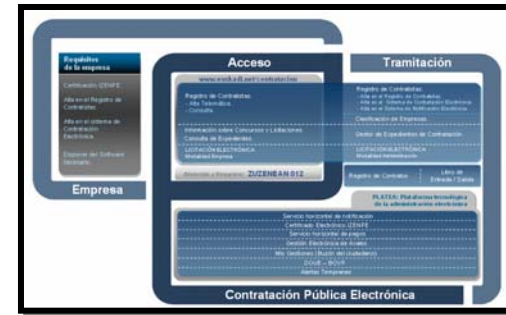
- On-line publication of calls to tender and their complementary documentation,
- Opening of an electronic tendering system.
- Sending notifications.
- Opening bids, etc.

- **Bidding companies:**

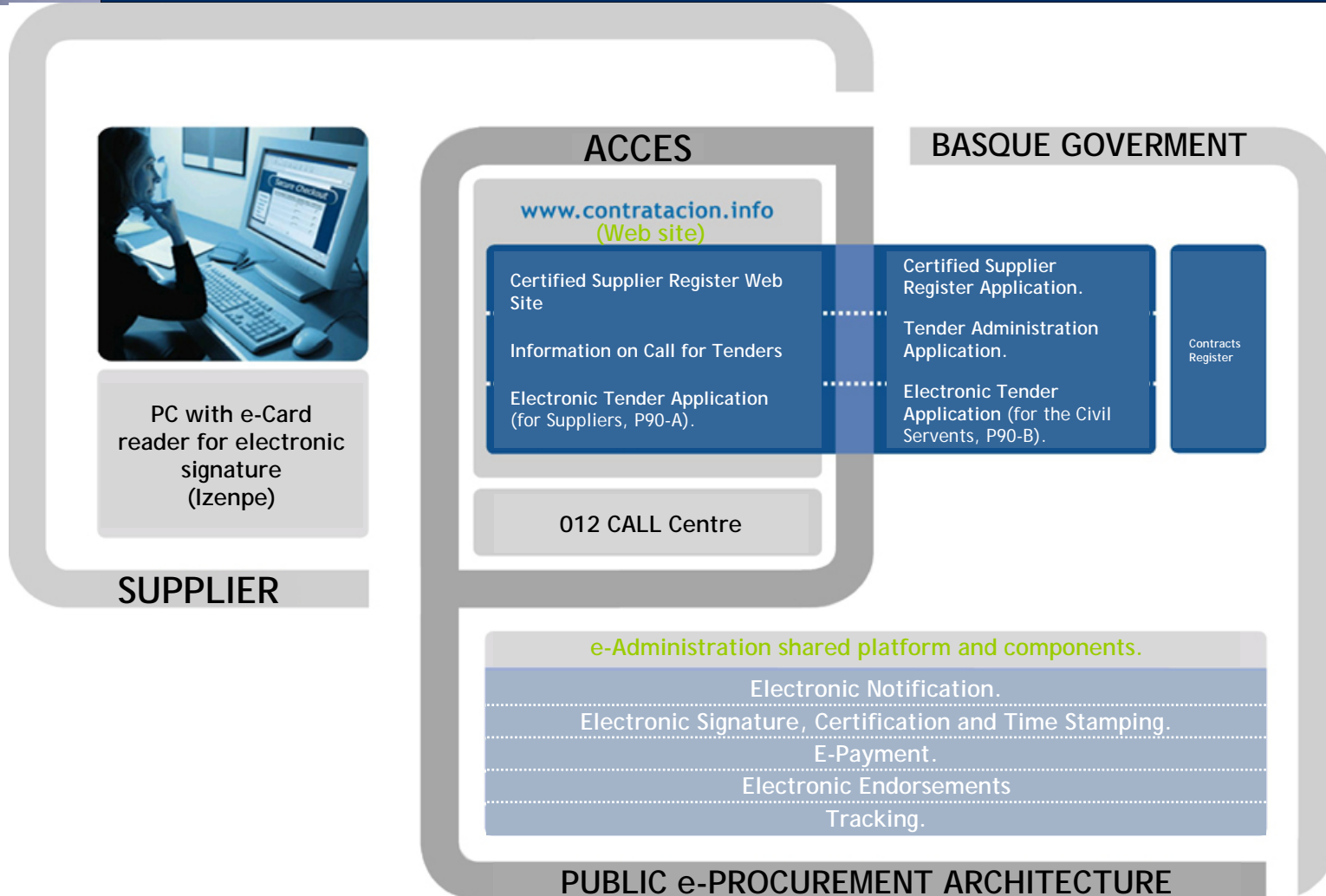
- Bid submission.
- Receipt of electronic notifications.
- Signature of contracts, etc.

- This is not one single application: over 15 integrated computer applications are required.

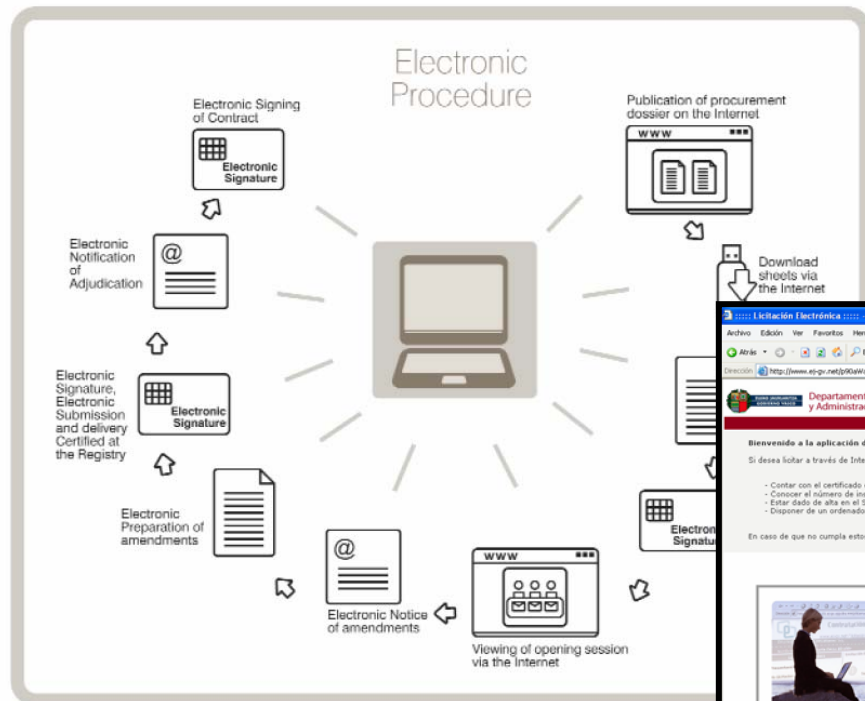
- The support for this is the Basque Government's general eAdministration platform.



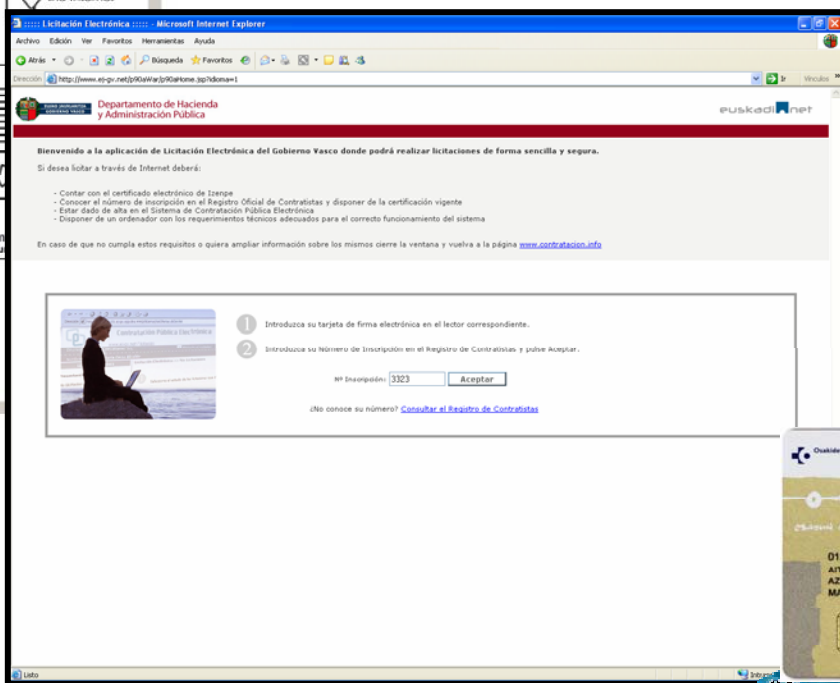
# Basque Country Public Model of eTendering Architecture (PETM-BCS).



Although the eProcurement system of the Basque Government is very complex, bidding companies has to use only a single application.



For bidding companies eprocurement it is simple, accessible, and secure.





## Other special characteristics of the Basque Government's eProcurement system.

- All the processes are exclusively carried out on the tendering company's computer.
- The Application only allows access to the financial and technical bids on the day and time anticipated for the public opening of the proposals. **The minimum quorum of procurement desk members is required.**
- The decryption and restructuring of the bids is done before the persons attending the bid opening act.
- The public openings are retransmitted live on-line. **From February 2008 there will be an opening room exclusively dedicated to electronic tendering.**





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# 03

**eProcurement procedures  
supported by the system and  
Detailed Technical description.**



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# eProcurement procedures supported by the system.

## ■ eProcurement procedures supported by the system:

- Open by competition
- Negotiated with advertising
- Negotiated without advertising

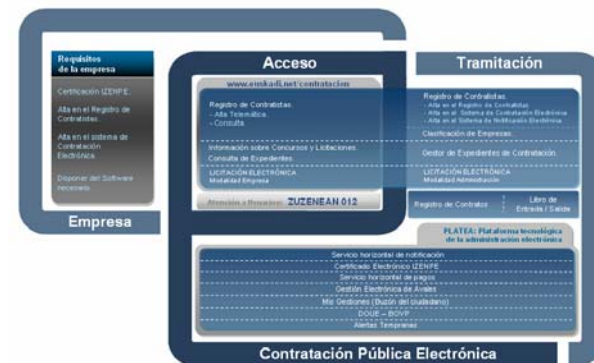
## ■ eProcurement procedures not supported:

- |                               |               |
|-------------------------------|---------------|
| • Restricted procedure        | Due for 2008. |
| • dynamic purchasing systems  | Due for 2008. |
| • eAuctions                   | Due for 2009. |
| • Framework agreement systems | Not covered.  |

# Technical description of the Public Electronic Tendering Model of the Basque Country.

## ■ eProcurement phases covered by the system:

- **eNoticing:** Yes, fully covered.
- **eTendering:** Yes, fully covered.
- **eAwarding:** Yes, fully covered.
- **eContract:** Yes, fully covered.
- **ePayment:** Yes, fully covered.



## ■ eProcurement phases Not covered:

- **eSourcing:** Development in progress, due for 2008.
- **eInvoice:** Development in progress, due for 2009.



# Compliance against Public eProcurement Functional Requirements.

- **eProcurement phases covered by the system:**
  - **Open procedure** Yes, fully covered.
  - **User Registration** Yes, fully covered.
  - **User Profiling** Yes, covered.  
Further developments in progress.
  - **User Authentication** Yes, fully covered.
  - **User Authorisation** Yes, fully covered.
  - **Tender workspace creation:** Yes, fully covered.
  - **Preparation of a Prior Information Notice:** Yes, fully covered.
  - **Use of the Common Procurement Vocabulary (CPV) classification standard:** Yes, fully covered.
  
  - **Publication of a Prior Information Notice:** Yes. But homologation process still in progress with the DOUE.
  
  - **Nomenclature of Territorial Units for Statistics (NUTS) classification standard:** Yes, fully covered.



# Compliance against Public eProcurement Functional Requirements.

- **Tender Evaluation Mechanism** Yes, fully covered.
- **Interface with the OJEU** Yes. But homologation process still in progress with the DOUE.
- **Publication of Contract Documents:** Yes, covered.
- **Search Calls mechanism** Yes, fully covered.
- **Visualise/Download Call for Tenders specifications** Yes.
- **Request for Additional Documents:** Not covered.
- **Automated Notifications:** Yes, fully covered.
- **Submission of Tenders:** Yes, fully covered.
- **Four-eye Principle:** Yes, fully covered.
- **Tender Confidentiality:** Yes, fully covered.
- **Tender Evaluation:** Not covered.
- **Creation of Mandatory Reports:** Yes, fully covered.



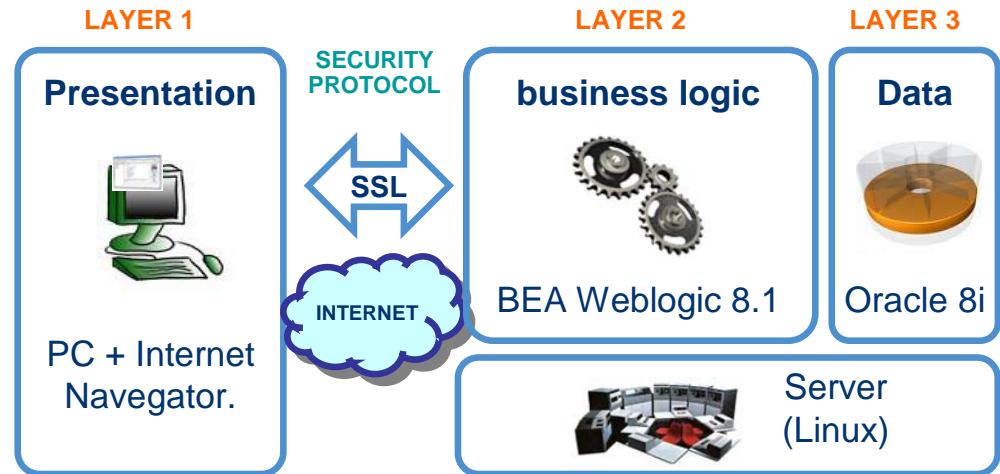
# Compliance against Public eProcurement Functional Requirements.

- **Invitation to Tender:** In progress, due to 2008.
- **DPS reporting:** In progress, due to 2008.
- **Creation of specific contract workspaces within DPS workspace:** Not covered.
- **Indicative Tenders in the form of electronic catalogues (eCatalogues):** Not covered.
- **Creation of eAuction workspace and establishing eAuction details:** Developments are in progress, due to 2009.



# Technical description of the Public Electronic Tendering Model of the Basque Country.

- Based on J2EE (Java) Technology.
- Three layer Architecture.
- BEA Weblogic 8.1 Application Server for the business logic.
- Oracle 8i Data Base.
- Connectivity between PC (Company) and Server (Basque Government) under **SSL Security Protocol**.





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# 04

**Presentation of training  
provided.**



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# Training provided to bidding companies.

## ■ Training action for bidding companies

- Intensive **attendance courses** of **3 hours** duration, including **trial electronic tenders** and covering the following subjects:
  - **Scope, architecture**, components and general **characteristics**.
  - Electronic tendering administrative and technical **requirements**.
  - **Practical** aspects to be aware of.
  - Processing **procedure**.
  - **Preparation** of digital bids.
  - Demonstration and **practice**.

Statistics:

- **68 courses.**
- **403 companies.**
- **668 people.**



# Training provided to officials.

- **20 hour** duration courses for **all those involved** in the procurement process.
- The aims of internal user training are:
  - Model **architecture**, components and general characteristics.
  - **Regulatory** framework governing electronic tendering.
  - Processing **procedure**.
  - Electronic tendering application usage and **practice**.
- Statistics.
  - **32** courses.
  - **180** contracting official belonging to every departments and main autonomous bodies.
  - **56** people from the Call-Centre.
  - A total of **236** people formed.

	DAY 1	DAY 2	DAY 3	DAY 4	DAY 5	DAY 6	DAY 7
15	Course introduction and outline	Summary and queries	Summary and queries	Summary and queries	Summary and queries	Summary and queries	
30		Procurement dossier digitalisation best practices	Company benefits	Digital tender amendment and query	Send and receive notices and communications		General summary and queries
45			Administrative requirements for bidders	Procurement queries			
1h	Introduction to the Digital Administration		System access	Tender register	Document opening	Technical characteristics and security	
1h 15		New tender	Form access and download (bidder)		Tendering technical requirements	Opening of sealed tenders	
1h 30	Regulatory environment		Availability, deadlines and dates	Introduction to L29			Trial evaluation
1h 45	System architecture and applications	Large electronic signature and certification services	Best practices for drawing up digital tenders	Integrated processing procedure	Send notices	Adjudication Contract preparation	
2h	e-Procurement coverage and scope	Bid inviolability and secrecy	Loading bids (bidder)		Receive communications	Contract signature (bidder)	Contract signature
2h 15	Regarding data protection procedures				User support		
2h 30			Electronic notification	Procurement queries	Documents and sealed tender opening	Adjudication Contract preparation	
2h 45	Independent processing procedure	New tender	Digital receipt and registration	Tender register	Opening of sealed tenders	Administration signature	
3h			Bid signature and submission (bidder)	Opening of documentation			





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# 06



## Protocol for 1st Electronic Tender.



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07

## Communication Plan.



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# Communication Plan.

The Basque Government has decided that it is necessary to promote its adoption amongst the 3,200 businesses that have to date registered with the Official Register of Contractors, and has therefore developed the following specific marketing and promotional activities:

- **Development of an extensive documentary presence, to date comprised of:**
  - 18 Catalogues.
  - 2 Manuals.
  - 8 issues of the “Prest” magazine.
- **Development of postal mailings. 4 mailings were performed in 2006 to the entire supplier base registered in the Official Register of Contractors, containing 14 different information catalogues.**
- **Development of a Internet complete WebSite.**
- **Development of promotional days.**
- **“Early Warning” and other e-Marketing actions.**



# Printed materials.



- An important publishing work has been performed for catalogues aimed at illustrating the different technical and administrative aspects of the e-procurement launch.
- The catalogues have been distributed by post to all companies registered with the Official Register of Contractors.



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# 08

## Presence on the Internet.

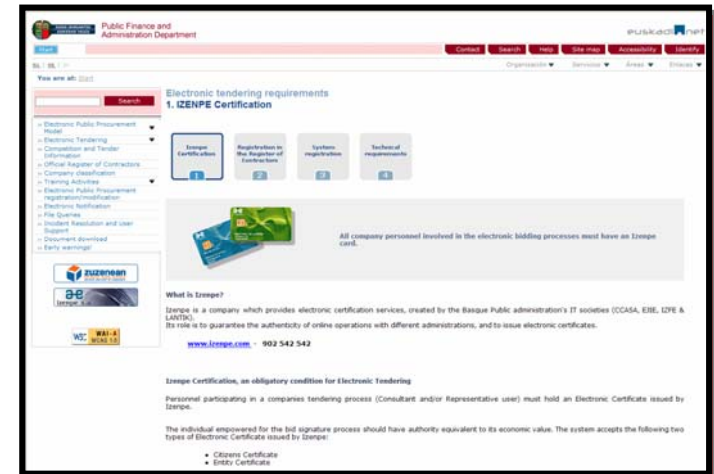
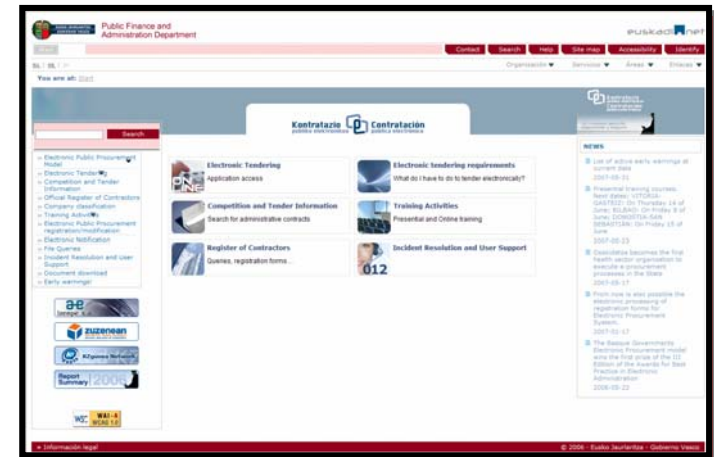


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# Presence on the Internet: A full English version of the web-site is available.

- Our internet website is a cornerstone of the project, numerous activities have been performed in this area.
- See: [www.contratacion.info](http://www.contratacion.info)
- The information provided covers all model areas, with the following sections:
  - Electronic Tendering: Application access.
  - Tendering requirements: What do I have to do to tender electronically?
  - Competitions and Tenders: Search for Administrative Procurements.
  - Training activities.
  - Official Register of Contractors: Queries, registration forms, etc.
  - User support.





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# 09

## Information Days.



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# Information Days.

- The Basque Government thought it was necessary to develop individual efforts to general sufficient social and business awareness to motivate demand for the new uses and applications involved, and articulate clear mechanisms for learning and promotion.
- Therefore, an important area of activity in 2006 and 2007 has been the development of Information Days. This has been an important mission objective, as very few companies are aware of the scope, advantages and usage conditions of Public e-Procurement.
- Promotional activities have been intense and had an impact, as demonstrated by the following quantitative indicators:
  - Days held: 23.
  - Participating companies: 860.
  - Individual participants: 950





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# 10

## Early Warnings and other e-Marketing actions.

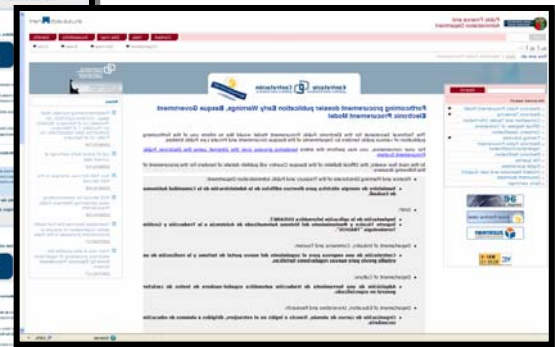
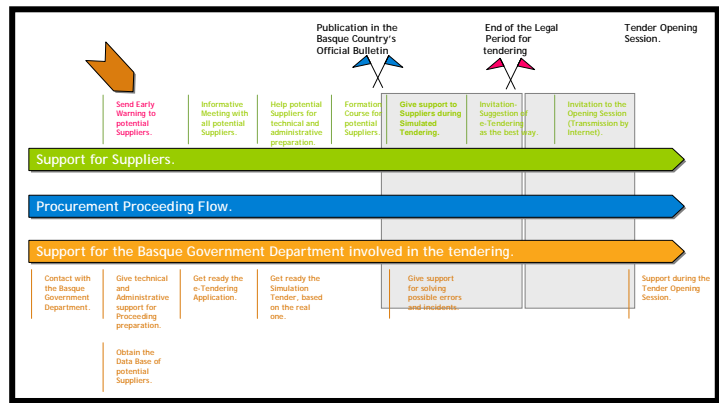


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# Explanation of the Early Warning concept.

- The Early Warning concept is a way for providing companies with sufficient notice (average of 45 days from procurement dossier publication in the Official Bulletin) so that they can prepare and act.
- Early Warnings are distributed through:
  - Our WebSite.
  - By direct email.
  - By distribution to companies specialising in supplying tender information.







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# 11



**User Support Centre.**



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# “Remote Collaboration” possibilities over the Internet.



- A support Centre has been established to provide user support, technical assistance, articulate access channels, personify marketing and promotional features, etc.
- The User Support service also provides “remote collaboration” (WebControl) features via the Internet, whilst support technicians attend to the user by telephone.
- Company users and support technicians can thereby perform electronic tendering functions and verify that everything is working correctly.





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# 12

## Quantitative evaluation of our activity during 2006 and 2007.



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# Quantitative evaluation (1).

- In 2007, 100 procurement dossiers have been totally electronically processed, and procurement turnover has been over 80 million Euros.
- The number of electronic tenders increased notably the moment internal training courses were regularly provided.
- From January 2007, a regime has been put in place to enable the issue of approximately 10 dossiers/month.
- Our contracting activity is **mainly** devoted to contracting **mastermind services**. Therefore, **the offers we receive are complex and heavy**.
- The types of goods and services provided through electronic tendering is growing and diverse:
  - Consultancy services.
  - Insurance.
  - Security systems.
  - Auditors.
  - Office furniture.
  - Text translation.



## Quantitative evaluation (2).

- Advertising.
  - Travel organisation services.
  - IT services.
  - Software.
  - Maintenance services.
  - Cleaning services.
  - Pharmaceuticals.
  - Pc-s and Servers.
  - ERP applications.
  - Electrical Power.
- **Of the 100 dossiers issued 50 (%) received digital bids.**
  - **On average 33% of bids received have been digital.**
  - **Dossiers of very high value have been issued.**
  - **The first procurements with 100% electronic bids have been developed.**
  - **The “Early Warning” of dossiers subject to electronic tendering is essential for companies to prepare.**



**Main lessons that can be learned from our case: positive and negative outcomes.**





## The main lessons to be learned from our case (1).

- It would be good if **European Directives** were more authoritative. Likewise, the rapid transposition of **European Directives** is needed.
- **Firm political will** for e-Procurement adoption is essential.
- In Spain, the interoperability between institutions providing electronic signatures needs to be improved.
- The multiplicity of platforms will represent an obstacle to e-Procurement adoption. Therefore, it would be useful to share “open source” developments between countries to promote their decided adoption.
- Training in e-Procurement has been very well received by Companies, serving as an excellent vehicle for its extension.
- **SMBs** are decided adopters of e-Procurement. To the contrary, the response from big consultancy firms, IT and telecoms companies is disappointing.



## Our main operative limitations at present: negative outcomes.

- **The electronic tendering carried out by the Basque Government has to face the following limitations:**
  - **The spanish companies' low available bandwidth capacity.**
  - **The limits of the Java J2EE technology architecture's functioning and its implementation in the Internet browsers available today.**
  - **The electronic signature capacity of Recognised Certification Body suppliers (40 Mbs).**



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# 15

**Technological evolution  
of our eProcurement  
system applications in  
2008.**

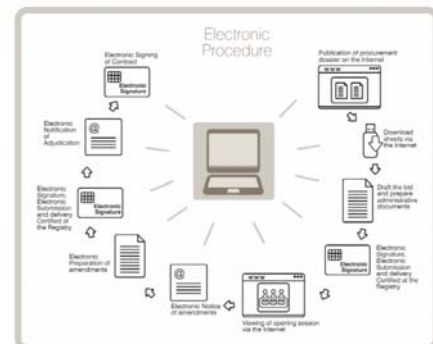


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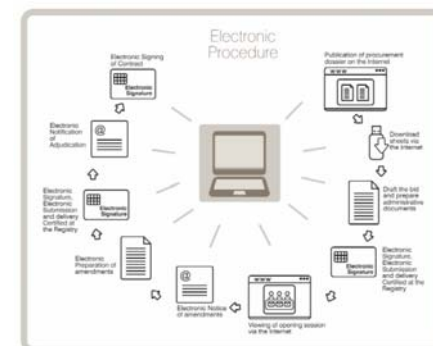
# Evolution of the Electronic Tendering Application (1).

- Implementation of a new client tendering version (the version used by the companies) based on Sun's Java Virtual Machine.
- Use of the new electronic signature software, which will allow the individual size of the files to be increased to 70 Mb.
- Adaptation to the two time-separated phases included in the new Law of Contracts:
  - **Sending Signatures** for the Bid:
  - **Sending the Bid** itself, within a 24-hour deadline:
  - **Technical annexes** provided by the “Lift” System.



## Evolution of the Electronic Tendering Application (2).

- Development of functions that will allow several companies to bid electronically for the same dossier:
  - Bid submission by **Temporary Ventures**.
  - **Joint bid submission by several companies**.
- Development of functions enabling the implementation of **Dynamic Procurement Systems**.
- Start of the development of a version of the electronic tendering application that can be offered free of charge to other administrations.





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# 16

## Operative goals for 2008.



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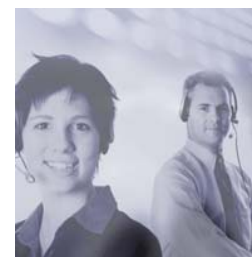
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# Operative goals for 2008.

- **Launch of at least 300 electronic procurement dossiers during 2008:**
  - **80% of the dossiers offered by electronic procedures will receive digital bids.**
  - **On average, 40% of the digital bids will be received by electronic procedures.**
- **Electronic procurement will be compulsory from Autumn 2008 for all the Basque Government's dossiers.**
- **Launch of a new generation of hands-on training courses for procurement technicians.**
- **Implementation of an Electronic Bid Opening Room.**





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# 17



**Possibility of cooperation  
with other projects.**



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## Possibility of cooperation with other projects (1).

- **Collaboration is provided, available human and technical resources permitting, for the adoption by Basque Country provincial and local administrations that so desire.**
- **All our material and applications have been declared “open source”, and therefore the Basque Government will make the available free of charge to any European administrations that may be interested.**
- **In 2008, we will Start of the development of a version of the electronic tendering application that can be offered free of charge to other administrations.**



## What kind of support would we like to receive from other projects?

- **The Basque Government estimates that the number of Electronic Auctions (eAuctions) it could develop in future does not justify the cost of specific development in this area.**
- **The Basque Government would, therefore, like to:**
  - **Be able to work with an eAuction module developed as part of another project, or**
  - **Participate on a collaborative project for developing an eAuction module.**



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## Future objectives.



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## Future objectives.

- **The European Union has set as an objective for 2010 that 50% of all European public administration be performed via electronic procedures.**

**The Basque Government aims to achieve this goal as soon as possible.**