Benefits and Difficulties of Electronic Government Procurement (e-GP)

An Analysis of Local Government Engineering Department (LGED), Thakurgaon

Dissertation submitted in partial fulfillment of the

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Masters in Procurement and Supply Management

Submitted by,

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This is to certify that Md. Manjur Alam Prodhan, MPSM, Batch : 12, ID: 16382004 has prepared the dissertation entitled *"Benefits and Difficulties of Electronic Government Procurement (e-GP); An Analysis of Local Government Engineering Department (LGED), Thakurgaon"* under my supervision. I do hereby approve the style and content of this thesis.

 I also certify that I have gone through the draft and final version of the dissertation and found it satisfactory for submission to the BRAC Institute of Governance and Development, BRAC University for the partial fulfillment of the requirement for the degree of Masters in Procurement and Supply Management (MPSM).

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Abstract

Ministry of Planning took initiative to bring all government purchases under similar process known as electronic government procurement (e-GP). The traditional manual system of procurement has enough scope of corruption and irregularities. Even during submission of tender the tenderers have to face threats from criminal persons. There are vested quarters behind the criminal who control the procurement activities. People are to suffer for such unwanted events.

For resolving the issues, government introduced e-GP system in 2011 for procurement in Roads and Highway Department (RHD), Bangladesh Water Development Board (BWDB), Rural Electrification Board (REB) and Local Government Engineering Department (LGED). e-GP uses unique web portal for conducting procurement activities of government agencies with transparency and accountability. In this system procuring entity and bidder both can save time and money.

Electronic government procurement is nothing but an updated and real time internet based system for procurement of Goods, Works and Services using public fund. The efforts of government should be appreciated for digitizing the public procurement involving approximately 1500 billion development budget every year.

This research investigates the e-GP system through the eye of Local Government Engineering Department. There are a lot of factors either making obstacle or benefitting the procurement process through e-GP in LGED. The questionnaire survey discovered many interesting factors. Respondents cited bitter experience of traditional paper procurement system. A lot of impediments have been observed such as inadequate training and misunderstanding about the system, insufficient capability of CPTU server, ill trained contractor encompassing all stakeholders.

Respondents suggested a lot of steps to be taken for future improvement in e-GP system. Training to be imparted to various stakeholders should be innovative and interactive in nature. The suggested training was consisted of online and offline. Some respondents recommended to improve the interface of the website making a bit more user friendly. If the recommendations are taken into practice, 100% coverage of all government procurement through e-GP is possible effectively and efficiently.

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Acronyms and Abbreviations

ADB-Asian Development Bank

EGP-Electronic Government Procurement

ICT- Information and Communication Technology

IDA-International Development Agency

KPI- Key Performance Indicator

LOI- Letter of Invitation

LGED-Local Government Engineering Department

IMED-Implementation Monitoring and Evaluation Division

CPTU-Central Procurement Technical Unit

EDI- Electronic Data Interchange

NOA—Notification of Award

PE-Procuring Entity

PROMIS—Procurement Management Information System

STD—Standard Tender Document

WB—World Bank

XEN-Executive Engineer

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1.0 INTRODUCTION

1.1 Background

Purchasing is a very common term in our everyday life. We all perform this function every day. For example we purchase food, newspaper, clothes, life insurance, transport services and many other things. Somebody is doing it in a professional way as a condition of their jobs, such as purchase of materials, works and services and other necessities for the organisation they own. Everything is true but one thing is missing. There was a distinction between performing something in everyday life and doing it as a professional. Purchasing by organisaton is a technical discipline depending on the foundation of study and research following same systematic guidelines on the basis of best practices.

1.2 Purchasing & supply

There is no single definition of purchasing. It can be defined in various ways based on perspective. Purchasing department of an organisation acquire supplies or inputs including goods, works or services to the originations activities of transformation, consumption or resale.

There is purchasing department or unit for some organizations. Other individual's or teams comprising various departments may carry out the function. The basic goal of purchasing is to acquire materials of the right quality, in the right quantity, supplied to the right place at the right time, at the right price. These are at times known as five rights of purchasing. An origination acquires goods, works or services through purchasing process which is a set of stages or chain of events. A standard purchasing process involves with getting a purchase requisition, making negotiations with suppliers, giving an order, receiving the supplies and making a payment.

1.3 Supply

Supply is the act to provide something or to make something available responding to buyers or customer's need. It deals with the transferring or flowing of goods, works or services and information from one party meaning supplier to another party meaning customer.

In fact, supply often Occurs in a longer chain of activities which make output or products of suppliers into inputs to customers production process.

It can be clarified with a set of example. Raw materials are provided to manufacturers of components, the finished parts are supplied to a subassemblies maker, the finished sub assemblies are provided to assembler of equipment, the finished product is supplied to the wholesaler. Wholesaler supplies to retailer and the retailer supply to the end user or consumer of the equipment.

The term "purchasing & supply" means not just 'buying inputs' but obtaining supply. It ensures cost effective, reliable and demand driven flow of goods and services into any organisation from the supply market & supply chain.

Parching and supply thus help to secure and transform inputs suppliers into output for satisfying customers.

1.4 Procurement

According to Lysons and Farrington (P&SCM)

Traditional definitions of purchasing and supply as discussed above are not adequate and rather outdated compared to the function performed by the organizational buyers.

Organizational buyers supply that purchasing is reactive in nature because it means getting inputs responding to request or instructions provided from user department. In reality now a day purchasing is becoming proactive through taking the initiative in formulating purchasing policies and working together with user to define the needs.

They describe that 'purchasing' is transactional by nature. It is involved with processing purchase order and contracts in order of securing the best deal on a one off or case by case basis. It can be said that modern purchasing is moving toward relational because it recognizes that long term best value can be achieved through developing long term and collaborative relationship with pre-selected suppliers. It can be earned by working with suppliers in such a way supporting ongoing mutually beneficial business.

The organizational buyers narrated that purchasing is tactical focusing on short term buying processes and goals. In reality modern purchasing is becoming to be strategic focusing on achieving a long term high level organizational objective such as profitability, competitive advantage, innovation or corporate social responsibility.

They tend to imply that purchasing is always about 'buying' goods, work and services in exchange of payment. In fact a number ways are in existence by which goods, work and services can be obtained of which purchasing is only one form or medium. Now a day goods, works and services are increasingly obtained through more complex processes like hiring or leasing, barrowing from their organisation or sharing with other organisation or attaining access or usage rights to resource owned by other firms.

Many people or organisation use the term procurement and purchasing interchangeably, but in meaning and spirit they are not the same.

- Procurement has a wider meaning than purchasing. we can define procurement as 'the process of obtaining goods, works or services is any way including, purchasing, hiring,

leasing and borrowing'. It may include theoretically obtaining goods or services by coercion or stealing but it is beyond the limit of ethical Procurement. Therefore procurement is a more word in terms of what organisation performs actually.

- Procurement imply a broader process than a "purchasing". At times purchase is described as the purchase to pay or P2P cycle including purchase order, expediting (monitoring and chasing delivery), receipt of delivery into stock and payment to the supplier. In fact, procurement imply the activities prior to the act of purchase such as identification and definition of a business needs, surveying the market to select potential suppliers and gather the information of availability, price, technology development etc.; sourcing(identification and selection of suppliers) and finally make negotiation and development of the contract. It also covers activities after purchase such as ongoing contract management, supplier relationship management, dispute resolution, contract review etc.

Procurement indicates more proactive, relational, strategic and integrated function in modern organisation. So to say "procurement" is a more strategic and high status term than purchasing.

1.5 Public Procurement

Procurement means the purchasing or hiring of goods or acquisition of goods through purchasing and hiring, and the execution of works and performance of services by any contractual means.

In 1999 a joint review of the county portfolio performance was conducted by WB & ADB and an action plan was prepared for government of Bangladesh on public procurement. World Bank with the agreement of GB Prepared CPAR 2002.

This report identified many deficiencies in the procurement system of Bangladesh, they are as follows:

- Absence of adequate legal framework to govern public sector procurement.
- Existence of complex bureaucratic procedure causing delay
- Inadequate professional competence of staff managing public procurement.
- Improper bidding documents & bid evaluation
- Lack of effective administration of contract.
- Lack of adequate mechanism to ensure transparency and accountability.

To reform the existing procurement system govt. undertook public procurement reform project- with IDA assistance on 14 February 2002.

CPAR placed important recommendations to GOB, They are as   follows:

- Setting up a public procurement policy unit

- Issuing public procurement Rules
- Making consistent procurement process & financial delegation.
- Developing procurement management capacity
- Publishing awarding of contract
- Introducing appeal procedure

1.6 Public procurement Reform Project

With the assistance of IDA credit of 5 million $ started on August 2002 for a term of four years, It`s objective was to improve governance efficiency, transparency and accountability to increase Peoples confidence in the domestic system.

The elements of reform were to:

I)   Establish procurement policy unit
II)   Implement rules/ reform
III)   Improve Procurement management capacity

As a result of reform CPTU was established in April 2002. Public procurement regulation PPR was made on October 2003. Procurement Act and rules was effective on January 2008.

1.7 Public Procurement reform Project –II

In spite of having good progress, application of procurement rules shows inconsistency within government organisation and actual implementations is slow in terms of tangible outcome. The outcome shows delay in contract award, lack of effective contract administration, insufficient procurement professionalism, practice of fraud and corruption and political intervention. PPRPII was made to take the reform process further.

1.8 Objective of PPRPII

- Improve capacity and make skilled & efficient procurement Professionals.
- Strengthening management& monitoring in the key agencies.
- Implementation of e-gp in key agencies & CPTU on pilot basis.
- Make Public aware of the Public procurement about procurement system by involving civil society, think tank .beneficiaries and private sector. PPA, 2006 – primary legislation addressing main public procurement issue, PPR, 2008 secondary legislation how the procurement procedure will be carried out.

1.9 What is e-Procurement?

E-Procurement started in the beginning of 1980 & and with advancement of electronic data interchange (EDI). The customers and suppliers mostly in the sphere of fast moving consumer goods were benefitted in terms of sending and receiving orders via secure store.

Due to EDI system is possible to exchange and synchronise master data regarding products, prices, specification and information. Internet software made available and software developer started to make buyers manages electronic catalogue to be used by vendors. At times these were proved to be unwieldy for failure in communication among customer and suppliers. As a result, software firm began to customization, maintaining and hosting some catalogues for being intermediaries between the buyers hub and the vender spoke are vice versa. The catalogue was outsourced and the relevant software companies offered the same catalogue to a good number of buyers.

With the development of e Procurement e market place was increased in a great number which Covered electronic trading need of certain industries such as automotive and aircraft. These factors contributed to an extension of market place for supplies, distributors, agent and customers.

Others issues are also in existence to be overcome while implementing e-Procurement including:

- The organizations are not only passing cost or process inefficiencies to another part of the Organization or others parties.
- Issues relating to competition.
- Loss of control of website and information due to exchange of administrator.
- Procurement benefit may be shared with other user who might be potential competitor.
- Catalogues creations may be a long process bearing cost to supplies.
- Product coding & classification, as part of data and catalogue management, may be done well though costly.
- The change of suppliers who has invested in catalogue prod ^{n} may restrict competition leading to inertia.
- Resistance to change profile within the organization.
- Protection of data in procurement is important. Sufficient mechanism should be there to identify and authenticate the user by which supplier can have confidence in fulfilling any order placed.
- Security infra-structure must be robust enough to have complete confidence among the portico involved.

1.10 The buyer will be benefitted by the following ways

- Reduction in transaction cost & cycle time
- Development of vendor managed inventory.
- Possibility of just in time deliveries.
- Accuracy in deliveries for reduced input order by suppliers
- Performance measurement data will be shared encouraging improved supplier performance.
- Buyer system will be updated due to potential for less expediting by buyer.

- Probability of using self-billing.

1.11 The consequential benefits of contractor will be

- Saving in time and cost by re inputting order.
- Reduced errors for example from re inputting order, deliveries, return, invoices and payments.
- Reduction in transaction cost and cycle times.
- Less amount of stock due to more efficient communications with customer meaning real time sales data.
- Sufficient information in using to plan and to forecast.
- Improvement in supplier performance by sharing information relating to supplier measurement.
- Speedy payment.
- Improvement in managing information

Government procurement is important representing 18-43% of the total GDP of the world. Special agencies have been created by many countries in order **to** developing and managing business to government (B2G) electronic procurement (e-procurement) system (Singar, 2009).

Purchase of goods, works and services become most reasonable (Lee, 2010) when e-Procurement system is applied . E-Procurement means procuring goods and services by electronic channel (Upasana Paridha, 2005). It implies the use of electronic media for publishing, processing, exchanging and storing information involved with institutional purchase in the public sector (Assar, 2008). E-Procurement in public sector is an important stage in e-governance development having considerable economic stage. This is how public procurement system consider dual system for two customers-government and companies (Lee, 2010).

World Bank group in changing it former manual process to select consultant into a vital e-procurement solution as part of modernization and simplification of process. This group hires consultant and service providers for technical as well as managerial advisory service in all sectors from socio economic to reformation of state and financial sector, privatization, infrastructure etc. World Bank manages the selection of providers and the contracts with hundred of business throughout the world. As part of the work of process efficiency it has materialized new electronic procurement solution for the selection of consultants. With the objective of improving consistency of practices around the world for increasing transparency and competition reducing process time and effort e-procurement system has been introduced (Leopold, 2004).

1.12 - Electronic Government procurement

E-GP is the simultaneous use of information and communication technology i.e. internet by the government agencies as well as other actor of procurement in running all activities of government procurement process to acquire goods & service with improved efficiency.

E-GP system is an internet based system encompassing the total procurement life cycle keeping records of all procurement activities. The objective of this system is to maintain full and updated Public procurement activities of all government agencies and providing tender opportunities to all tenderers from home and abroad.

The purpose of e-GP is to improve the efficiency and transparency in all types of public procurement by materializing a comprehensive e-GP solution to be followed by all public bodies in the country. At the very outset, it was applied to four agencies namely Rural Electrification Board (REB), Bangladesh water development board (BWDB), Roads and Highways Department (RHD) and local government engineering Department (LGED). This system was then applied by all the procuring entities of Bangladesh.

The whole public procurement activities are conducted through the e-GP infrastructure. It is automation & process reengineering by which public procurement is handled to increase efficiency. This system provides real time data to maintain a clear picture of procurement. Introducing E-GP Government encourages the suppliers community to involve with e- business.

CPTU, Ministry of planning has developed the e-GP system using latest technology and expertise following PPA-2006 and PPR-2008. A comprehensive set of interlinked modules have developed the e-GP system, these modules are:

1. Centralized Registration System

- Actors of E-GP such as contractor, applicants, consultants, PE etc.
- Centralised registration of tenderers/consultants.
- Registration of PE.
- Registration of media.
- Registration for payment service provider.
- Registration of development partner.

2 . E tendering system

- Preparation &publishing of annul procurement Plan
- Library of STDs
- Publishing invitation to Tender
- publishing Tender Document

- Corrigendum of Tender
- Online communication by stakeholders
- Online submission, Substitution and Withdrawal
- Online Opening of tender
- Online evaluation by Technical Committee
- Post verification of Qualification
- Online negotiation of tender
- Notification of Award (NOA) or LOI
- Online Contract

3. Procurement Management Information System (PROMIS)

- Monitoring of compliance though KPI
- Production of MIS Reports

4. Workflow management System

5. E-Contract Management System

- Submission of work plan
- Generation, submission and acceptance of process report
- Definition of Payment Milestone
- Payment Processing of Running Bill
- Variation/Repeat Order
- Certification of Quality
- Certificate of Work Completion
- Final Payment
- Rating of Supplier
- Database Compliance and resolution

6. E-Payment System

- Collection of Registration Fee, Tender document purchase fee, and other services fee
- Receiving tender Security and performance security.
- release of security and handling of forfeiture

7. System and Security Administration

- Generation of E-Signature
- Digital signature based on PKI
- Encryption/ Decryption of Bid
- 128 bit SSL

8.Handling Errors & Exception

9. Usability of application and help

- Message box/ Integrated Inbox
- SMS opportunity/ email
- Dashboards for monitoring of Procurement Performances
- Handbook for all users
- Helpdesk assistance (Anon,2011)

2.0 LITERATURE REVIEW

The numbers of papers are few working on the efficiency of procurement in the public sector and corruption. A disciplinary action on corruption in Argentina has drastically lowered the price of procured items, although having no long term effect (Di Tella, 2003). Some technique are more useful in combating corruption such as best value vs. best price technique.

Political connection is another important factor. An analysis by Khwaja & Miah (2005) shows that politically linked firm borrow more and default more whether they are from ruling party or not. Politically linked firms are in existence in most of the Countries (Faccio, 2006)

Those counters are highly corrupt having more politically linked firms involving in procurement. In china firm having communist party member link are benefited more in getting loan and other benefit, embezzlement and bribers are higher with the firm connected with political members.

Everywhere awarding of contract indicates opportunities for procurement. A lot of reports are there about corruption, Political influence and undue pressure from trade union in various important stages of procurement. Public trusts are on the decline in the case of procurement process. Donors are concerned and anxious in terms of corruption in the foreign funded project.

Evaluation report of World Bank (2002) showed that procurement process is not up to the mark needing reform and modernisation. They identified the following problems:

I)   Inadequate advertisement

II) Improper bidding period

III) Lack of quality specification

IV) Non publicity of selection criteria

V) Use of lottery as a medium of awarding contract.

VI) Partiality in making contract document

VII) Presence of negotiation with all bidders unnecessary

VIII) Unnecessary retendering

IX) Lot of irregularities

X) Undue pressure and corruption (Mahmud, 2010)

3.0 METHODOLOGY

The principal methodology adopted in this research was primary survey. A set of open ended questions were provided to the respondents having involvement in electronic government procurement. The questionnaire was made for collecting information related to electronic procurement. The questionnaire is shown in **Annexure-A.**

3.1 Respondents

The questionnaire contained 10 questions. Question was supplied manually and electronically to almost 20 person having Knowledge on e-GP. Some are the members of procuring entity such as LGED (Local Government Engineering Department). Some of the respondents were member of e-tender opening committee and some belonged to tender evaluation committee. Survey was conducted among 20 persons and 18 persons responded to the questionnaire survey. It has been reflected in Figure-1. Our survey was conducted related to the e-GP in the office of the executive engineer, LGED Thakurgaon.
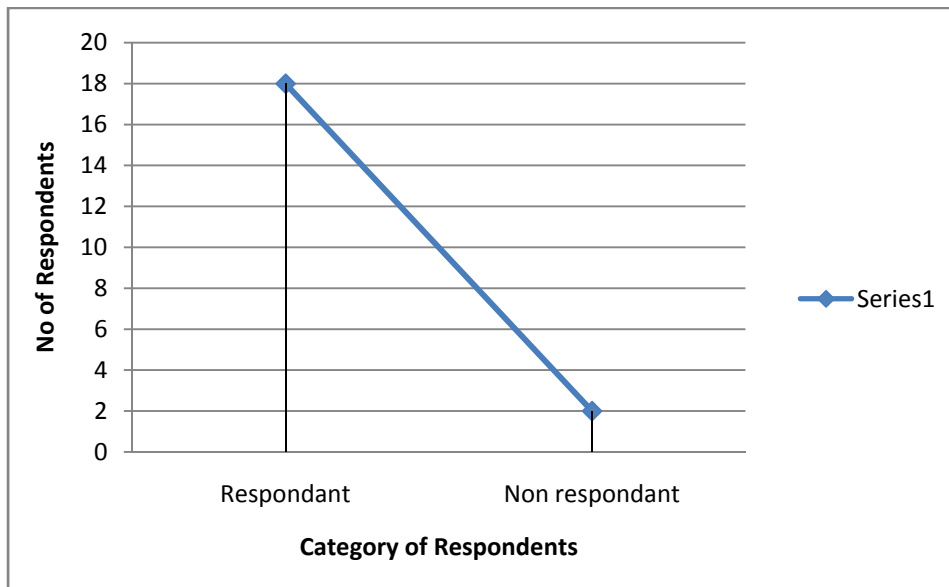

Figure-1: Status of Respondents

In the office of XEN, LGED, Thakurgaon e-GP started in 2014. But e-GP system in procurement was started in 2015 in the Upazila level of Thakurgaon district.

3.2 Analysis of data

The questionnaire was collected and data were analyzed for identifying the information in favour of e-GP and those opposing e-GP.

3.3 Scope of the study

This research focused on the benefit and difficulties of e-GP in LGED in Thakurgaon District. We had to examine the related reports and questionnaire from 2012-2017. The time spanned 6 years covering pre e-GP timing and post e-GP timing in the e-GP history of LGED in Thakurgaon. We could focus on more informations but that would require more time and money. Besides, I have got limited time to conduct the research.

4.0   MAJOR FINDINGS

4.1 Benefits of e-GP.
4.1.1 Speed of the work

LGED at Thakurgaon started e-GP in 2014. Earlier the procurement was paper based and manual. Among the respondents all stated that speed of the procurement activities have been increased. It has been found in each and every step of procurement. Earlier many of the tenders were not completed within tender validity period which was 90 – 120 days. But after introducing e-GP it was observed that no single tender took the total time of tender validity period. Issue of notification of award was possible much earlier of the tender validity period. Figure 2 shows that average tender processing time is 12 weeks in manual process where it is 3 weeks in e-GP system. It reflected that e-GP is much speedier than that of traditional tendering.
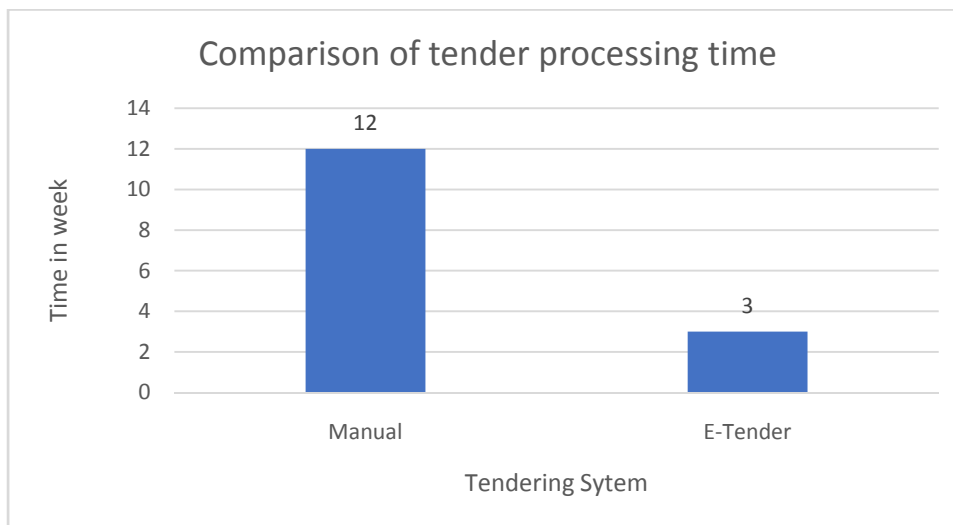

Figure-2: Tender Processing Time

4.1.2 Tender evaluation time

Before starting e-GP, tender Evaluation Committee took more than 2 weeks to evaluate the tenders. The respondents' answer and office record coincided. In most of the tender after the in introduction of e-GP system took less than 2 weeks' time to evaluate the tenders. Saving of time means saving of money and saving of everything.

Besides these, in the earlier manual method all the members of the tender Evaluation Committee were to sit together needed time, travel and extra effort. In the electronic system members can log separately and can evaluate the tender separately. The system is hassle free.

4.1.3 Number of Complain

Before starting e-GP there was a cut of complains. In 2012, 2013, 2014, 2015 and 2016 the figure of complain was as 130, 150, 155, 10 and 0.
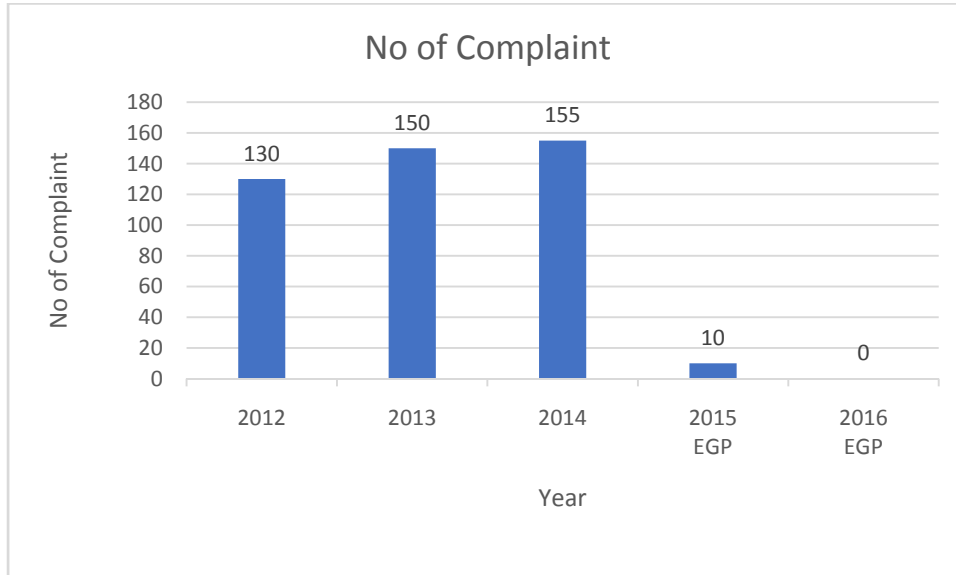

Figure-3: Comparison of number of complains in traditional and e-GP tendering.

The figure shows that no of complain is decreasing gradually. During the manual system a lot of complains were recorded. Even some complains were filed in the judicial court. After introduction of e-GP it has been started decreasing and after one year it has been reached to almost zero as shown in Figure-3.

4.1.4 Nature of Complain

Money received from the sale of tender schedule was not deposited properly in the Government exchequer. It was not possible to verify the misappropriation. But in the EGP the software has ensured the deposit of money in time.

1. Enter we have witnessed a lot of incident of snatching of tender box. Conflicts among the suppliers and contractor led to the killing of man and loss of property and life. There is no box of tender so no incident of snatching of tender box.
2. In many cases there was negotiation and as a result quoted value was high as procurement cost was much more.
3. Many offices were involved with corrupt practices and leaked confidential information to the contractor. The result was the loss of government money.

Earlier there was a lot of complains. After introduction of e-GP, it has reduced to a few numbers that presently there is no complain at all.

4.1.5 Cost of Procurement

Cost of procurement has been reduced to a large extent. E procurement has saved the cost of paper, ink etc.
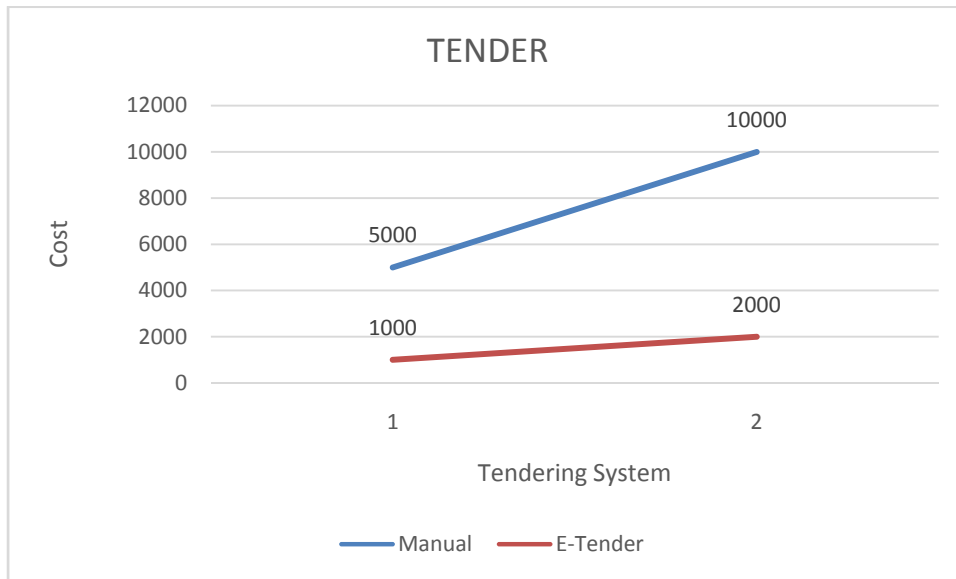

Figure-4: Average cost of Procurement.

Besides these, travelling has been also reduced saving money. In the earlier manual system contractor or supplier had to go to the office of procuring entity to find opening or evaluation report. But in the e-GP system, they have the access via online to these report saving time and money. Figure-4 shows that average cost of procurement in normal tendering is between 5000 and 10000 taka where it is between 1000 and 2000 Taka in e-GP.

4.1.6 Transparency in the EGP

Transparency has been increased in the EGP. All the relations relating to tenders are posted in the web site where everybody has access. Anybody registered can download the tender document and submit the same online. There is no hassle in downloading document as tender schedule and submitting the same. How many tenders schedule has been purchased is shown in the web site and information regarding submission of tender document is also visible. There is no scope to hide information regarding tender.

4.2 Difficulties

4.2.1 Lack of Trained People/workforce

EGP need trained people to handle the activities relating to tender. CPTU provide training to few people which is not sufficient to handle the procurement activities. Moreover trained people are

sometimes transferred due to which office work is suffered in terms of procurement. In-house training facilities are not sufficient. Additionally low speed of internet hampers the procurement activities. Sometime load shedding hinders the procurement activities.

4.2.2 How to overcome difficulties

We have to increase the number trained manpower due to which in house training arrangement should be increased. Office should be equipped with sufficient number of computer with accessories. During load shedding alternate backup system should be in place to continue the activities. For increasing the internet speed third generation internet with highest band width should be provided in the government office in district and upazilla level.

4.2.3 Problem in the server of CPTU

CPTU own, develop and operate the national EGP portal. The procurement related activities are carried out in the website of CPTU. It is an extended office of CPTU. At time thousands of users including PE, tenderers and others stakeholders get locked in the website. As a result server got jammed. When such incident occurred it is solved only with the intervention of CPTU authority causing delay.

4.2.4 Insufficient training of the tenderers

There are a lot of institutions to train the officials regarding EGP, but scope of training for the tenderers is not adequate. As a result, they cannot create the documents properly and cannot use the website to fulfill their purpose. Another problem is the exclusion of small and medium entrepreneur form the registration process.

4.2.5 Lack of interest of procuring entity

Procuring entity play vital role in the e-GP system. At times procuring entities do not have sufficient interest in using EGP. Mostly the senior management is against the use of latest technology. They think it to be complicated. PE delegates most of his work to personal Assistant or most junior officer. As a result there is possible of leaking the password which create the threat of privacy of the tenderers and procuring entity. In no way confidential should be compromised.

4.2.6 Log in problem in EGP

The account in e-GP does not have sufficient security. During opening account no email is verified. Due to this problem fake account can be used having the possibility of manipulation. So during signing up the provision should be the existence of use of email verification. Password retrieval system is clumsy. In the existing system HOPE is notified and he has to open account to retrieve the password. HOPE has other busy schedule which may be hampered due to such engagement. So he /she should be relieved in retrieving password.

4.2.7 Inadequacy of the process

The respondents in the questionnaire survey complain the inadequacy of EGP of not having payment system included. So payment should be inserted in the system and existing offline payment system should be dropped. This will ensure the security and credibility only of the system. CPTU should try to include the payment system in EGP without any delay.

5.0 CONCLUSIONS

For conducting public procurement a uniform and regulatory framework has been developed by Government with the enactment of PPA, 2006 and PPR, 2008 respectively. These act and rules have ensured the provisions of transparency in different stages of the procurement network. It is very important to supervise the implementation of said laws in the procurement activities. Using e-GP system, monitoring contract implementation will be easier and speedy.

Information disclosure acts as a tool to monitor the public procurement system. In this regard Government enacted Right to Information Act 2009 (RTI Act 2009) and the public interest protection act – whistle Blowers Protection Act – 2010. RTI act has made the procuring entities bound to proactively disclose information relating to procurement planning, decisions etc. Citizen can collect information upon request form the procuring entities. Thus the law including e-GP guideline has facilitated transparency to a greatest extent in the procurement system of the country.

Whistle blower's act has encouraged the official to disclose the name of the corrupt officials. If will take time to experience the result of the law. Civil society and media will have to play proactive role which will be visible in future with the consciousness of the concerned stakeholders. Provision of proactive disclosure has made it possible to get information easily. ICT can play a vital role to make the disclosure of information easier. Internet based or website based disclosure is not so effective in our country as the coverage of internet is not so wide. Ensuring high speed internet facility e-GP can be ensured to maximize value for money.

Information commission can disseminate the best practices to stimulate replication. This will help reducing in consistencies and delays in the procurement sector.

Information commission can act with CPTU and civil society organization for application of RTI act to ensure transparency in procurement.

Mere information is not important if it cannot improve procurement process and reduce corruption. Moreover transparency alone cannot be seen as an end rather it is a process ensuring integrity in the procurement system. If only integrity is given emphasis, it will slow down procurement process resulting in affecting competitiveness in public procurement. Thus a

balance is needed to be ensured between integrity and competitiveness in the procurement system through e-GP.

There should be an archive of all historical information regarding award of contract on the e-government procurement portal/system. It will help the auditors to find all information needed in one place. The traditional paper based system will be replaced with e-GP system. e-GP system can improve the overall procurement system saving time & money ensuring economies of scale.

6.0 RECOMMENDATIONS

In spite of the focuses on benefit and challenge of e-GP response from the questionnaire survey prescribe some suggestions to make the process more users friendly.

6.1 Adequate change Management Programme

Resistance to change of the organization is the most important obstacle to fruitful implementation of the e-GP. Fear of change and organizational culture make this happen. Govt. official think it difficult to adapt without traditional way of monitoring, receiving and payment of contract.

The main barriers are created in the use of ICT form the govt. itself. Better interaction and coordination make it possible to use ICT to obtain enhanced productivity. So significant change in bureaucracy is needed to cope with the changes.

6.2 Up gradating of CPTU server

The server of CPTU is not up to the mark. So it need up gradation without any delay. Highly professional team should be engaged with the task of modernizing the server so that it can be sustained for nest 30 years. Natural calamity like earthquake can damage the server which needs comingle of plan. Back up should be built in a different and safer place.

6.3 Internet Connectivity

In our country generally the internet connectivity speed is low and somewhere it is unreliable and discontinuous. LGED has connectivity is all offices but the service need improvement. Tenderers do not get sufficient connectivity facilities.

Deadline for tender submission is usually between 12 pm – 3 pm and most of the bidder has tendency to submit bid at the last moment. As a result there may be huge traffic in internet infrastructure which may collapse the system at that time. To overcome the situation, there should have variation in the deadline of submission.

6.4 Cyber security

Internet based computer are prove to all of hacker, virus, spam, phising etc. Server as well as user end- both are under threat. Licensed and legal antivirus or software should be used. In default of Antivirus Data may be theft or corrupt.

6.5 Training of Contractor

The contractors need training about the E-GP procedure. CPTU can play a vital role in this matter. For this training they are charged high amount of money in the notion that they are afluent person which is not always true. For some of the contractor like SME contractor CPTU should arrange fee training sessions. There feedback should be cordially hard to improve the website. Standard training should be imparted to the contractor so that they can independently fill up the bidding documents and submit the same. This well work as

6.6 Incorporating the concerned organizations:

EGP which is a unitary government website for procurement should have linkages with all the other concerned organization in the government sector. CPTU should conduct a stakeholder analysis to identify the stakeholders. All should be included with the CPTU website. To make it happen EGP website need modification so that relevant personnel can have access to the CPTU website having own account. Thus EGP website will achieve its objectives and will be able to act as dependable platform for all procurement functions.

6.7 Effective Training Program

Current Training program is not sufficient. The training system should be upgraded. The training system should be massively interactive. There should be a mixture of senior and junior officials. Innovative training program should be added. CPTU website should be enriched by uploading training video and other related materials so that anybody can watch the video according to their preference.

6.8 Overall recommendations

CPTU should be empowered to take decisions on all issues for satisfactory implementation of e-GP. This can be done by formation of a board. This board should have representative from different ministries. CPTU & private sector under the leadership of the Director General of CPTU should be empowered so that he can solve any issue for the board. e-GP initiative need regular monitoring for the identification of opportunities. Periodic and planned reviews are also needed. From time to time strategy should be updated.

CPTU can generate revenues by various ways such as (i) taking annual subscription form suppliers, (II) Transaction fee to be paid by the supplier/Contractor, (III) Participation fee for each tender. It should be taken with consideration so that fee can not affect the participation of suppliers.

Now there are two website for procurement www.cptu.gov.bd and www.eprocure.gov.bd. Both the website need consolidation and integration.

Sometime internet connectivity is not up to the mark. It should be improved. Bidders should be trained and encouraged to submit tender at night when they can get easy access and less jam. Tender opening time should be modified to be spanned for anytime of the day.

Activities of CPTU are increasing day by day. e-GP coverage is also increasing. Different organizations and the banks have been integrated with the e-GP system.

Annexure I

Questioinnaire Survey

Name of the Respondent:

Designation:

Organisation:

Question 01: Which system is good between e-GP and manual tendering?

Question 02: Has the speed of work increased in e-GP?

Question 03: What is the status of transparency in e-GP?

Question 04: Has the tender evaluation time decreased?

Question 05: What is condition of the number of complain in eGP?

Question 06: Has the procurement processing time decreased?

Question 07: What about the cost of procurement processing?

Question 08: What are the difficulties of eGP?

Question 09: How the difficulties of eGP can be removed?

Question 10: Considering the merits and demerits which system is better?

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