E-Procurement for Improving Governance

A World Bank live e-learning event addressing the design and implementation of e-procurement infrastructure

Session 5:
Consip & the “Pan-European Public Procurement On-Line (PEPPOL)” project
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In this session, you will review:

- The background of Consip SpA
- The “PEPPOL - Pan-European Public Procurement On-Line” Project
- The Consip Focus on eCatalogues
Consip is a public stock company that was created in 1997 by the Italian Ministry of the Treasury (currently, Ministry of Economy and Finance), which is its sole stockholder.

**Mission:** providing consultancy and project support, organizational and technological services aimed at the innovation within the MEF and other Public Administration structures.

**Corporate vision:** “Supporting a changing Public Administration”, Consip is a partner with Italy’s Public Administration and supports it in its drive towards modernization.
Consip Business Profile

Consip is involved in two key areas of business:

Managing and developing IT services for the MEF

- Technical, organization, and project consulting services to support information systems;
- Process optimization;
- Introduction of modern management technologies;
- Rationalization and coordination of expenditure in Information Technology.

Implementing central purchasing for all Italian Public agencies

Implementing the Program for the Rationalization of Public Spending on Goods and Services through the use of IT technology and innovative tools, including:

- Framework contracts for the purchase of goods and services;
- Web-based tenders;
- The Electronic Market of the Public Administration;
- Special projects and specific consultant services.
Consip Business Method

Consip offers consultancy and project services.
- Provides strategic conception of projects
- Based on expertise developed via the organization, processes and Information systems of Government Administration

Consip offers innovation, transparency, competence and competition.

Consip uses existing solutions where available.
- Solutions are often based on existing products that are best suited to the requirements of the Administration
- Consip thus also functions as a “Contracting Authority” that defines, implements and awards tenders on behalf of the MEF and of other Administrations

Consip employs around 500 people
- Over half of its employees are engaged in the activities that support the IT evolution of the MEF
- One third work for the Program for the Rationalization of Public Spending on Goods and Services
- Average age of staff is below 40
The objective of PEPPOL is to set up an integrated pilot solution for cross-border eProcurement (i.e. EU-wide interoperable) capitalizing on existing national systems’ strengths.

To address this objective, standards on processes, documents, transport protocols, safety, etc. will be defined, together with interfaces (“building blocks for interoperability”) for automating the dialogue between such standards and the existing national systems.
The project vision is that any company within the EU, will be able to communicate electronically with any EU governmental institution to accomplish public procurement procedures, including small and medium enterprises (SMEs).
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Competitiveness and Innovation Programme (CIP) Geographical Coverage

- **Consortium**
- **Phasing in (Nov. ’09)**
- **Reference group**
- **Regional Nodes**
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Competitiveness and Innovation Programme (CIP) Framework

The Project is articulated into eight sub-projects or “Work Packages”, each coordinated by a country.
National solutions will not be replaced, instead they will be aligned with common European standards and then linked to support interoperation.
36 month Work Plans are typically made of 3 phases:

1 - Design (8/14 months) - Definition of building blocks technical specifications
2 - Implementation (10-12 months) - ‘building blocks’ software development, including test
3 - Interoperability (min. 12 months) - Actual procurements and transactions in a real-life setting
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Expected Outcomes

- **Shared (and open) standards** for interoperability of eSignatures, eCatalogues, eOrders, eInvoices, and secure Transport
- **Infrastructure** and **web services** for exchange of documents
- **Technical specifications** for connection to shared standards
- “**Building blocks**”, i.e. software tools to allow interoperability between existing systems
- **Roll-out plans** for replication of the experience
A number of other PEPPOL initiatives related to public procurement

- **WS/BII - CEN/ISSS Workshop on Business Interoperability Interface** (for e-business documents: eCat, eOrder, eInvoice)
- **STORK Project** (for eSignature)
- **BRITE Project** (for Virtual Company Dossiers)
- **eInvoicing Expert Group**
- **IDABC Projects on eOrders and eInvoices**
- **“PROCURE” Project** (eTEN)
- **WS/eCAT - CEN ISSS Workshop on eCatalogues**
**High Complexity:** eCatalogue is a complex document (*thousands of data items*). In cross-sector use (as in PA case) there is a lack of prevailing *standards on processes, document formats and contents*.

**Cross-border barriers:** Despite ‘globalization’, business partners still need to describe eCatalog items in *national standards and languages*.

**Tools:** CAs typically want to create the *own formats*, managed with *ad hoc tools*.

**Culture:** There is a still too limited use of eCatalogs by Contracting authorities’, especially in the pre-award phase.

To avoid creating interoperability barriers for suppliers, Public Administrations need “good examples” and practical tools.

Need to set up a “*system of standard systems*”, overcoming cross-border issues.
Define the **processes for eCatalogue management**: 
- Set up/receive eCatalogue by contracting authorities  
- Generate/submit/upload eCatalogues by the economic operators  
- Support activities/services like converting formats, matching contents and validating/assuring quality of contents

Development of **software tools** ("building blocks") demonstrating how to implement the eCatalog processes
- **For CAs:** a tool to create eCatalogue templates (retrieving properties from on-line servers of standardized properties, and importing them in the CEN/BII standard eCatalogue format); a tool to manage receipt of eCats.
- **For EcOps:** a client, supporting creation of an eCat in a given template (format and properties), and submission through PEPPOL infrastructure.
- **For CAs, EcOps, Service Providers:** tools for converting formats, matching contents and validating assuring quality of contents
1. Contracting Authority (CA) Identifies desired format and product properties

2. CA Tool retrieves standard product properties and imports them in the given format

3. CA specifies values, and creates the specific tender template (format + properties)

4. CA publishes eCatalogue template with other Tender documents

5. Economic Operator (EcOp) downloads tender docs, incl. eCat template

6. Tool - Module 1: Supports creation of the catalogue for the specific tender (1. header, item description) with a first level validation of technical rules

7. EcOp submits (via PEPPOL Inft) or uploads eCatalogue (+ other doc)

8. Tool - module 2: validates catalogue against business rules of the specific tender, and creates payload (in XML) for WP8 submission tool

Reviewers – There are 3 version of this process. Please determine either if we can delete 2 of these variations (leaving one that is correct, or what the differences are so that we can identify the differences within the narrative.
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PEPPOL WP3 – Designed Solution

1. CA: Inputs desired format and product properties in CA Tool - Module 1

2. CA Tool - Module 1: Retrieves standard product proper-ties and imports them in the given format

3. CA: Specifies values, and creates the specific tender template (format + properties) and business rules, supported by CA Tool- Module 2

4. CA: Publishes eCatalogue template with other Tender documents

5. EcOp: Downloads tender docs, incl. eCat template

6. EcOP: creates catalogue, supported by EcOP Tool - Module 1 (that can point to on-line product property servers to integrate the EcOp’s catalogue descriptions)

7. EcOP: Validates catalogue content, supported by EcOP Tool - Module 2

7. Tool - module 2: validates catalogue against business rules of the specific tender, and creates payload (in XML) for WP8 submission tool

8. EcOp: Signs and Submits (via PEPPOL Inft), supported by EcOP Tool - Module 3

or, 8. EcOp: Signs and uploads eCatalogue (+ other doc) in CA Tool Module 4

NOTE: STEP 8 = CEN/BII “TENDERING SIMPLE”

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PEPPOL WP3 – Designed Solution

1. CA: Inputs desired format and product properties in CA Tool - Module 1

2. CA Tool - Module 1: Retrieves standard product properties and imports them in the given format

3. CA: Specifies values, and creates the specific tender template (format + properties) and business rules, supported by CA Tool - Module 2

4. CA: Sends the template to the EcOp (via PEPPOL infst)

5. EcOP: creates catalogue, supported by EcOP Tool - Module 1

6. EcOP: Validates catalogue content, supported by EcOP Tool - Module 2

7. EcOP: Submits (via PEPPOL Inft), supported by EcOP Tool - Module 3

NOTE: STEPS 4+ 8 = CEN/BII “CATALOGUE ONLY”

Reviewers – There are 3 version of this process. Please determine either if we can delete 2 of these variations (leaving one that is correct, or what the differences are so that we can identify the differences within the narrative.
Definition of **Standard processes** to manage eCatalogue format and data structure

Development of **software tools** to support the above processes (**building blocks**) 

Management of **real tenders** to be run under the pilot

Design of a permanent approach to manage the system in the future
Expected Benefits and Implications for Stakeholders

For Public Administrations:
• higher participation (->competition) to tenders
• easier solutions for eCatalogues formats
• increased integration with other eProcurement tools

For Economic Operators:
• reduction of workload for tender participation
• wider market opportunities
• reduced transaction costs

For IT industry:
• Integration of the existing SW solutions with new functionalities
• Business opportunities as VAS Providers
Main Areas for Cooperation

Standardization of eBusiness Process and electronic document formats:

‘CEN/BII’ (CEN Workshop on “Business Interoperability Interface”)

Goal: to provide a basic framework for technical interoperability in pan-European electronic transactions, expressed as a set of technical specifications that cross-reference relevant activities, and in particular are compatible with UN/CEFACT - in order to ensure global interoperability.

The workshop will be focused on implementation facilitation and coordinating pilots for implementing the technical specifications output. The requirements and final specifications will be input into UN/CEFACT.

- The starting point for the Workshop is the NES and CODICE customizations of OASIS Universal Business Language 2.0.
- Issues “Profiles” (processes + business rules) and “Document data models”
- At present, profiles are published for public review at http.spec.cenbii.eu
- All data models will be published for a public review.
Main Areas for Cooperation – continued

**eCatalogue Content standardization: ‘**WS/eCAT’ **(CEN Workshop on eCatalogues)**

Launched in 2002 to address issues related to the use of electronic catalogues used for eBusiness in a multilingual environment.

The scope of the Workshop eCAT was extended to include harmonization of product classification schemes and their application to electronic catalogues.

Currently, the workshop eCAT is carrying out the ePPS and the CC3P projects:

- **The ePPS project** will produce the 'Guidelines for the design, implementation and operation of a product property server'.

- **The CC3P project** will analyze the four main classification systems used in Europe (CPV, GS1, UNSPSC, eCl@ss) and will propose possible harmonization and mapping methodologies.
Reviewers – The next 3 slides are the original process slides. They were retained in case we need to refer back to them for some reason.
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**Contracting Authority**

1. CA: Identifies desired format and product properties

2. Tool: Retrieves standard product properties and imports them in the given format

3. CA: Specifies values, and creates the specific tender template (format + properties)

4. CA: Publishes eCatalogue template with other Tender documents

5. EcOp: Downloads tender docs, incl. eCat template

6. Tool - module 1: supports creation of the catalogue for the specific tender (1. header, item description) with a first level validation of technical rules

7. EcOp: Submits (via PEPPOL Inft) or uploads eCatalogue (+ other doc)

**On line product property server**

**Economic operator**

**VA Service Provider**

**VASP/EcOp Tool**

**CA Tool**

**ECOp Tool**

**PEPPOL WP3 – Designed Solution**
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PEPPOL WP 3 - Designed Solution

1. CA: Inputs desired format and product properties in CA Tool - Module 1

2. CA Tool - Module 1: Retrieves standard product properties and imports them in the given format

3. CA: Specifies values, and creates the specific tender template (format + properties) and business rules, supported by CA Tool Module 2

4. CA: Publishes eCatalogue template with other Tender documents

5. EcOp: Downloads tender docs, incl. eCat template

6. EcOP: creates catalogue, supported by EcOP Tool - Module 1 (that can point to on-line product property servers to integrate the EcOp’s catalogue descriptions)

7. EcOP: Validates catalogue content, supported by EcOP Tool - Module 2

8. EcOp: Signs and submits (via PEPPOL Inft), supported by EcOP Tool - Module 3

NOTE: STEP 8 = CEN/BII “TENDERING SIMPLE”
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PEPPOL WP 3 - Designed Solution

1. CA: Inputs desired format and product properties in CA Tool - Module 1

2. CA Tool - Module 1: Retrieves standard product properties and imports them in the given format.

3. CA: Specifies values, and creates the specific tender template (format + properties) and business rules, supported by CA Tool - Module 2

4. CA: Sends the template to the EcOp (via PEPPOL Inft).

5. EcOp Tool - Module 1

6. EcOP: Creates catalogue, supported by EcOP Tool - Module 1

7. EcOP: Validates catalogue content, supported by EcOP Tool - Module 2

8. EcOp: Submits (via PEPPOL Inft), supported by EcOP Tool - Module 3

NOTE: STEPS 4+ 8 = CEN/BII “CATALOGUE ONLY”