

BASQUE GOVERNMENT'S E-TENDERING PUBLIC MODEL

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INTRODUCTION

The Basque Government is the first administration to introduce e-procurement in Spain, having developed an integral electronic procurement system for the entire procurement process. The Public Electronic Tendering Model of the Basque Country (PETM-BCS) operates in the Basque Government. The Basque Country (population 2,133,000 inhabitants) is one of the 17 regions of Spain.

The PETM-BCS was developed to use eAdministration general architecture applications and provides for various levels of security and confidentiality. The software developments began in 2004 and the first eTender took place in October 2005.

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, and computers.

The eProcurement procedures supported by the system are open by competition, negotiated with advertising, and negotiated without advertising. Continuing our efforts for the (2004-2007) period, the Basque Government will continue working on technological evolution, rolling out new features so as to support following new procedures:

- Restricted procedure, and
- Dynamic purchasing systems.

Through the introduction of the PETM-BCS the goal is to promote competition, increase accessibility to public administration markets, and

use the purchasing power of the administration to advance the information society. The PETM-BCS is generating the following benefits for companies:

- More time to prepare bids,
- Shorter processing times,
- Potential reduction in errors,
- Reduced mail and transfer costs and less stress, and
- The opportunity for companies to experiment and gain familiarity” with a mechanism set to be adopted by the entire European public administration in future.

Prior to the initiation of PETM-BCS promotional activities, each Basque Government procurement dossier received, on average, 4.53 tenders from bidding companies. Today, six bidding companies e-tender for each dossier. Of the 150 dossiers issued in 2007 and 2008, 50 (%) received digital bids. On average 33% of bids received have been digital. All applications, promotional and training materials are considered “open source” and are made available to European administrations.

E-TENDERING ARCHITECTURE

The Basque Government has developed a comprehensive Electronic Tendering System as the whole procedure is carried out using telematic resources. The Basque Government holds that its Electronic Procurement Model has the following characteristics:

- It is a global project.
- It is a modular and progressive project.
- It is a decidedly digital project.

All the applications that make up the electronic procurement system are supported in the context of services for the e-Administration Technology Platform, promoted in the context of the Electronic Administration and Governance Strategic Plan. All procedures are performed electronically, from internal processing to external. For instance: the presentation of bids, the receipt of notices or the signing of contracts, are all of them

carried out electronically. The full list of applications forming part of our system is as follows:

- The Basque Government's general internet website (www.Euskadi.net).
- The electronic Procurement website (www.contratacion.info).
- The Certified Supplier Register Application. After the Spanish law, the Certified Supplier Register certifies the existence of a company on a given moment, its compliance with contracting laws and certifies that the company pays all the taxes.
- The Company Classification System. Because, of the Spanish law, the Classification System certifies the ability of a company to carry out big projects, mainly in the fields of civil works and construction.
- The Tender Administration Application. It's the application, we use to prepare all the procedures regarding all the life span of a given contracting activity.
- The Electronic Tender Application. The one, which is used for bidding.
- Entry and Exit Register.
- The Electronic Notification, and, finally,
- Electronic Signature, Certification and Time Stamping.

Why does the Basque Government's electronic Procurement system require so many applications?

- First, because of the strict nature of the Spanish Law of Procurement.
- Second, because a series of highly specialised applications are needed, to cover internal procurement process.
- Third, because of the previous existence of a legacy of applications, in some cases, dating back to 20 years ago.
- Fourth, because a gradual development and, step-by-step, implementation was required.

- Finally, because of the convenience of the use of the “Common Modules” of the Basque Government’s electronic Administration system.

The eProcurement procedures supported by the system are open by competition, negotiated with and without advertising. The eTender application enables the automated processing of following activities:

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

Tendering it is not a sport. Because tendering is dramatically important for suppliers, the Basque Government thought it was necessary to develop efforts to general sufficient social and business awareness of its security to motivate demand for its electronic tendering application. So, a high degree of security for the e-Tendering process is necessary to promote its adoption amongst our suppliers. Hence, all the processes are exclusively carried out on the tendering company’s computer and digital signature certificates, a guarantee for all relevant interventions:

- Transfer and encryption of tenders submitted, and
- Opening and decryption via quorum of desk members.

The electronic tendering application splits the bids into, as many fragments, as there are members on the electronic desk. Moreover, the electronic tendering application uses Recognised Electronic Signature for Signature of the bids, and encrypting the bid fragments against the public key of all the members of the electronic desk.

It is interesting to highlight that all relevant interventions are guaranteed by the requirement for recognised digital signatures, highlighting the fact that electronic tenders are encrypted with the recognised digital signatures of the members of each procurement desk, in such manner that they can only be opened by such members if they

form a quorum and present their electronic signature cards at tender opening desks.

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.

Finally, 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 public openings are retransmitted live on-line by Internet. From February 2008 we have an opening room exclusively dedicated to electronic tendering.

TECHNICAL DESCRIPTION BASQUE GOVERNMENT'S ETENDERING PUBLIC MODEL

The eProcurement phases covered by the Basque Government's eTendering Public Model are shown in Table 1.

**TABLE 1
eProcurement Phases**

Phase	Coverage	Comments
eSourcing	Not covered; development in progress.	Development are in progress in order to fulfil European Union 18/2004/CE directive and spanish public procurement new law (issued in 2007).
eNoticing	Fully covered.	Depending of the type of tender, eNoticing can be carried out through different ways: - By electronic notification. - By offering information in the Basque Government Website (see "early warnings" in www.contratacion.info website). - By sending early warnings through email messages intended to all possible interested companies. - By sending early warnings to companies dealing with tenders issued by the Spanish administration.
eTendering	Fully covered.	
eAwarding	Fully covered.	
eContract	Fully covered.	
eInvoice	Not covered; development in progress.	
ePayment	Fully covered.	

Compliance of the Basque Government's eTendering Public Model against Public eProcurement Functional Requirements

The Basque Government's eTendering Public Model is compliant with the following functional requirements described in IDABC document "Functional Requirements for eProcurement under the EU Framework" (Table 2).

TABLE 2
Government's eTendering Public Model's Compliance

Functional Requirements	Comments
User Registration	Fully covered.
User Profiling	Yes, covered. Further developments in progress.
User Authentication	Fully covered.
User Authorisation	Fully covered.
Tender workspace creation.	Fully covered.
Preparation of a Prior Information Notice	Fully covered.
Use of the Common Procurement Vocabulary (CPV) classification standard	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	Fully covered.
Tender Evaluation Mechanism	Fully covered.
Interface with the OJEU	Yes. But homologation process still in progress with the DOUE.
Publication of Contract Documents	Not covered.
Search Calls mechanism	Fully covered.
Visualise/Download Call for Tenders specifications	Fully covered.
Request for Additional Documents	Not covered.
Automated Notifications	Fully covered.
Submission of Tenders	Fully covered.
Four-eye Principle	Fully covered.
Tender Confidentiality	Fully covered.
Tender Evaluation	Not covered.
Creation of Mandatory Reports regulated by the legislation	Fully covered.
Invitation to Tender	Developments are in progress, due to 2008.
DPS reporting	Developments are 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 2008.

TARGET GROUP OF OUR EPROCUREMENT SYSTEM

PETM-BCS system services are available to the Basque Government's Central Procurement Committee, the various departments and autonomous bodies. The user group includes 3,200 suppliers. The main introduction difficulties relate to a large percentage are SMBs, the suppliers from a broad range of sectors, and 1/3 of the suppliers are from other Spanish regions. Collaboration is provided, available human and technical resources permitting, for the adoption by Basque Country provincial and local administrations that so desire.

Training for Bidding Companies and for Officials

The Basque Government provides intensive attendance courses of three hours duration for bidding companies, 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, and
- Demonstration and practice.

Statistics for the 2006-2008 period: 101 courses, 1,000 people from 606 companies.

The Basque Government also provides **20 hour** duration training courses for procurement technicians 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, and
- Electronic tendering application usage and practice.

Statistics for the 2006-2007 period: 39 courses, 220 contracting official belonging to every departments and main autonomous bodies, and 56 people from the Call-Centre.

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, 2007 and 2008 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: 26,
- Participating companies: 1,224,
- Individual participants: 1,100.

All these figures are related to our activity in the Basque Country, which is one of the seventeen (17) regions of Spain and has a population of 2 Million people.

EARLY WARNINGS AND OTHER E-MARKETING ACTIONS

The “early warning” is a system for providing companies with sufficient notice (average of 30 to 45 days from the publication of the procurement dossier in the Basque Country Official Bulletin) so that they can learn about the technical and administrative conditions required by electronic procurement, meet, prepare and act on them. Early Warning is a continuous information service for companies, which helps them to learn of the technical and administrative conditions to be met when tendering electronically, meet them, prepare and respond. Therefore, the “early warning” system was brought into operation for dossiers open to electronic tendering from the 3rd dossier offered via e-Procurement, issued at the beginning of 2006. It is based on the provision of the following information:

- Dossier objective: two lines of very general text explaining:
 - The aim of the dossier.

- An approximate date on which the Official Bulletin of the Basque Country will publish the competition.
- Invitation to the Information Session to companies that may potentially be interested in the procurement dossier.
- Call to complete administrative preparations in order to participate in e-Procurement.
- Help and advice in obtaining digital certification in order to digitally sign tenders submitted to the Basque Government.
- Training course advertising enabling familiarisation with the electronic tendering application.

The early warning is delivered through following ways:

- By publishing them as a news item in the new items section of the Public Electronic Procurement Model website www.contratacion.info.
- By Email: messages are sent out by the Technical Secretariat, to companies registered in the Official Register of Contractors and historical Bidding Companies in the department.
- By distributing the warnings to companies specialised in submitting information for competitions.

Besides early warning messages, following other electronic marketing actions take place almost every day:

- Electronic notifications to companies. Messages are sent to over 2,000 people.
- Electronic notifications to Basque Government procurement officer. Messages are sent to over 200 procurement technicians.

INTRODUCTION TO PILOT TENDERS LAUNCH PROTOCOL

The first tenders for the various contracting bodies are prepared using a protocol designed to help companies and Procurement Desks to adjust to the new e-Procurement model. Given the novelty of e-Procurement in the Basque Government and the need to assist companies and Procurement Desks, the first dossiers issued electronically are prepared using a Pilot Tender protocol. Generically, Pilot Tenders are

dossiers issued by the Technical e-Procurement Secretariat in collaboration with the Departments and contain the following characteristics:

- Dossiers managed by Procurement Desks with no prior experience of e-Procurement.
- Depending on the nature of the object of procurement, a dossier may relate to an activity that has not been handled previously by the Electronic Tendering system. Dossiers therefore aimed at companies with no prior experience of e-Procurement.

In order to obtain good results, Procurement Desk support activities should preferably commence about 40 or 50 days prior to the publication of a dossier in the Official Bulletin of the Basque Country. The protocol covers the following steps:

- Contact with Department to agree procurement dossier. Contact is normally established by the e-Procurement Model Technical Secretariat, but Departments are increasingly requesting direct help to launching pilot dossiers.
- Support from the Technical Secretariat for technical and administrative dossier preparation. Tasks performed are as follows:
 - Analysis of Administrative and Individual Clause Sheets and Technical Specification Sheets initially supplied by the Department.
 - Issuing of recommendations for the resolution of potential dematerialization obstacles.
 - Adequate preparation of models introduced to Electronic Tendering Application.
 - Preparation of hardware and approvals required for e-Procurement Desk constitution.
- Obtain Database of potential bidders. Obtention of data for maximum possible number of companies that potentially interested in a dossier. The main sources of information are:
 - The Official Register of Contractors, which contains an exhaustive list of registered companies whose activity is potentially linked to that of the dossier.

- List of companies that have in the past bid on similar dossiers to the one being issued.
- Early warning preparation and activation. Very brief information:
 - Informing potential bidders of a dossier issue.
 - Calling an information meeting to present the dossier and the Public e-Procurement Model.
 - Calling on companies to fulfil electronic tendering technical and administrative requirements and attend training courses.
- Holding of an Information Meeting with bidders to present the dossier and the Public e-Procurement Model.
- Activation of real dossiers in the Electronic Tendering Application: structuring dossiers in accordance with anticipated technical and administrative conditions.
- Preparation of trial tenders. This type of trial is generated before and during the legal tendering period for a real competition and has the following characteristics:
 - The electronic tendering application works in real mode.
 - From the perspective of the composition of Envelopes A, B and C is practically identical to that required for the dossier object of the procurement.
- Bid tracking. The tasks performed during this phase are:
 - Call on Companies to use the e-Procurement application rather than traditional paper-based forms of bidding.
 - Bidding company support.
 - Interpretation of any potential incidents or events that may arise during the bidding process.
 - Procurement Desk consultancy for possible incident resolution.
- Opening of sealed tenders. The e-Procurement Model Secretariat supports the public sealed tender opening session:
 - Preparation of IT and electronic equipment in the Opening Hall.
 - Accompanying the e-Procurement Desk during bid opening.

- Retransmission in Basque and/or Castilian of tasks performed by the e-Procurement Desk, providing commentary assistance for bidding companies attending the opening either in person or virtually over the Internet.
- Process measurement. Collection of data for statistical tracking of the level of implementation of e-Procurement in the Basque Government.

USER SUPPORT CENTRE

A support Centre has been established to provide user support, technical assistance, articulate access channels, personify marketing and promotional features, etc. The Public Electronic Procurement User Support Centre for users of the Public Electronic Procurement Model provides:

- A central point for direct contact with the people who, at each company, adopt electronic procurement.
- Support for using applications and help in resolving possible incidents.
- "Remote Collaboration": The User Support service also provides "remote collaboration" (WebControl) features via the Internet, with the following collaboration levels:
 - First Level: View of the Internet screen the user is working on. Telephone support comments.
 - Second Level: Enables remote operation of the users cursor for the Internet page being viewed by the user, to illustrate how to access the various functions of a particular application or web page.
 - Third Level: Enables direct control of a users PC control, actually accessing the PC.

If the user accepts the offer of support from the Support Centre, both the user and the support technicians connect to certain web addresses that will enable them to simultaneously observe what is happening on the companies' screen. The company user and the support technicians

perform operations relating to electronic procurement and verify if everything is working correctly.

CONTRIBUTION TO THE STATE OF THE ART IN EPROCUREMENT

We think that the Basque Government has advanced beyond the state-of-of-the-art, providing the following improvements:

1. Improvement of procedural aspects:

- Development of legal provision of electronic procurement.
- e-procurement extension to the procurement of services and intellectual supplies.
- Pilot Tender Launch Protocol to help officials to prepare their first dossiers.

2. Development of a Rollout/Introduction Methodology that takes into account following issues:

- Analysis of procurement historical profile.
- Potential digitalisation issues.
- Reference criteria for dossiers to be tendered electronically.
- Rollout strategy and Institutional Support Policies.
- Support Centre services.
- Training for companies and officials.
- Marketing.

3. Contribution to the improvement of technical aspects:

- Traditionally, e-Procurement applications have been developed independently, and have had to cover every function (bid receipt, notification, dossier queries, etc). However, the PETM-BCS employs general Basque eAdministration architecture applications for electronic notification, Register of Receipts and Dispatches and Dossier queries.

- Access to electronic tender openings via live video images over the Internet.
- Development of the Early Warning concept. A system for providing companies with sufficient notice (average of 45 days from procurement dossier publication in the Official Bulletin) so that they can learn about the technical and administrative conditions required by electronic procurement, meet, prepare and act on them.
- Development of digital guarantees for the presentation of provisional guarantees.

4. Contribution to the improvement of operational aspects:

- Training elements for companies and officials.
- Multi-channel Support featuring “remote collaboration” over the Internet for incident resolution.

THE EPROCUREMENT ROLLOUT/INTRODUCTION METHODOLOGY

The Basque Government's e-Procurement System is defined as a progressive project, as it aims to progressively introduce ever more procurement elements into the system, commencing with the Central Procurement Commission, the Government Departments, its Autonomous Bodies and private law Public Entities. It is notable that, for the Basque Government alone, e-Procurement has to cover hundreds of Administration officials and employees, 100 Procurement Desks, 150 Procurement Bodies and countless management bodies, almost as many as Directorates and services exist, as they all must procure using the same procedure.

Considering that one of the fundamental aspects of Electronic Procurement lies in its decided Departmental adoption, the Basque Government aims for a high degree of structuring and organisation through a Rollout Master Plan in accordance with the principles established in the Service Prioritization Methodology (MPS), contained in the Basque Governments Digitalization Manual. As a result, the following elements can be distinguished:

Public e-Procurement Actual Areas of Activity

According to e-Procurement maturity levels, and the specific experience gained during its use over the past few years in the Basque Government, in addition to currently known criteria, the following types of dossier can currently be distinguished:

- Procurement dossiers for which electronic tendering is Compulsory. All dossiers that are not, within reason, affected by digitalisation issues and which fall under the following types:
 - Open competition.
 - Negotiated with advertising.
 - Negotiated without advertising.

It is important to note that dossiers requiring delivery of additional documents signed by persons other than the bidder can be delivered by hand to the Patrimony and Procurement Directorate Entry Register.

- Procurement dossiers for which electronic tendering is Optional. Due to reasons related to the state of technology development, this group of dossiers is comprised of those currently considered less suited to Electronic Tendering, given that historical procurement data indicates the frequent appearance of Provisional Company Unions.

Procurement Dossiers That Are Considered Not Apt for Electronic Tendering

This group of dossiers is comprised of those affected by the following characteristics:

- Dossiers possibly affected by digitalisation issues related to technical specification or administrative pages or bids (extremely large digital files).
- Dossiers that require digitalisation to be performed via professional applications that employ formats not contemplated in Treasury and Public Administration Department Order No. 4673.
- Basque Government Departments adopt e-Procurement.

Public e-Procurement Departmental Incorporation Phases

Phases are as follows:

- **Phase No. 1 or Introductory Load:** The Department commences proposing e-Procurement for dossiers current best suited to electronic tendering. This phase lasts approximately 6 months, and deals with dossiers that are "Apt for Electronic Tendering".
- **Phase No. 2 Consolidated Load:** Upon completion of the experimental phase, the Basque Government and Bidding Companies will have gained experience. What's more, technological evolution will enable the processing of ever more complex dossiers, such as those currently classified as "Electronic Procurement Optional" or "Not Apt for Electronic Procurement".

Requirements Related to the Incorporation of Public e-Procurement in Basque Government Departments

One of the keys to the success of the e-Procurement Plan relates to its adoption by Departments and the individuals responsible for its procurement desks. This is not therefore an exercise in developing an electronic tendering experiment but rather is intended to provide a structured Departmental framework, and must therefore develop commitment to the following tasks:

- Participation in the Public e-Procurement Plan Training Programme.
- The procurement dossier management application is the e-Procurement system root application, as it feeds most of the other system applications and establishes the procurement timetable, therefore it is recommended that Departments include a procurement dossier manager to automate the necessary tasks within a period of 6 months from commencement of Phase No. 1 (Introductory Load) of the adoption of Electronic Tendering.
- The adoption of applications comprising Electronic Procurement support systems architecture and, very specifically:
 - Electronic Signature.
 - Electronic Notification.
 - The adoption of Electronic Notification.
 - Electronic processing of the maximum number of procurement activities:

- Dossier activation via the Procurement Dossier Management Application.
 - Formalization of the Public e-procurement Desk.
 - Bid submission.
 - Opening of documents.
 - Electronic notices.
 - Document correction.
 - Virtual access to the sealed bid opening session.
 - Adjudication - Publication - Notification.
 - Contract signing.
- Use of new model Titles, Administrative Clauses Sheet and Technical Specifications Sheets developed by the Patrimony and Procurement Directorate, which encourage companies to use electronic tendering.

Collaboration with promotion of electronic tendering adoption mechanisms for bidding companies.

- Request use of the "Public e-Procurement Kit" from the Patrimony and Procurement Directorate or provide your own means.
- Where necessary, request support from the Auxiliary IT Technicians provided by the Patrimony and Procurement Directorate to support procurement desks.
- Completion of Bid Printing Quality Assurance procedure.
- Inclusion of information about the e-Procurement system in all notices sent by Procurement Desks to companies that have not tendered electronically.
- Cooperation in the continuous improvement of e-Procurement, through improvement suggestions, both for organisational and technical aspects of the service.

TRANSFERRING THE PETM-BCS TO OTHER SPANISH ADMINISTRATIONS

Collaboration is provided, available human and technical resources permitting, for the adoption by Basque Country provincial and local administrations that so desire. The Basque Government has included PETM-BCS in its offer to Regional and Local Administrations participating in the Inter-administrative Forum, a space for inter-institutional collaboration for the advancement of service digitalisation and the coordination of initiatives in the Basque Country. As a result of that, Methodological, training and application support has been provided to the following Institutions:

- Regional Governments of Galicia and Extremadura Spanish Regions.
- Basque Health Service.
- Public Administration Institute
- Police and Police Academy.
- RTV.
- Network of Technology Parks.
- Country University.
- Various Provincial Governments (Gipuzkoa, Alava, Biscay).

All material and applications used by the PETM-BCS 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. Our “open source” offer covers:

- PETM-BCS software.
- Application user manuals.
- Training courses for companies and officials.
- PETM-BCS presentation talks.
- 19 brochures (leaflets) cover all aspects of e-procurement.

Awards and Recognitions

- 2004 – Tecnimap Award, awarded by the Spanish Public Administration Ministry for the best business digital service.

- 2006 – Award for Spanish Electronic Administration Best Practice.
- Inclusion in the IDABC Programme studies on European eProcurement projects.
- II CATCert Awards: The Basque Government received the "award for the best track record in the use of digital signatures" at the II CATCert Awards, given to the "Days on Electronic Signature use in public administrations", organised by the Catalan Agency for Digital Certification and Signature.
- ePractice.eu Good Practice label for 2007, based on the recommendation from the 2007 European eGovernment Awards consortium.

Website: www.contratacion.info. (A English version is available).

QUANTITATIVE EVALUATION

In 2007 and 2008, 150 procurement dossiers have been totally electronically processed, and procurement turnover has been over 120 million Euros. Our contracting activity is mainly devoted to contracting mastermind services. As mentioned above, the types of goods and services provided through electronic tendering is growing and diverse. 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.

Technological Evolution of our eProcurement System Applications in 2008

- 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.

- 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.

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.

Main lessons That Can Be Learned from Our Case: Positive and negative outcomes.

- It would be good if European Directives were more authoritative.
- Firm political will for e-Procurement adoption is essential.
- The interoperability between institutions providing electronic signatures needs to be improved.
- The multiplicity of platforms will represent an obstacle to e-Procurement adoption.

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).

Why We Did Things The Way We Did?

The Basque Government started developing electronic procurement in 2004, and therefore both from a technical and a legal perspective it was conditioned by what was available at the time. From a regulatory and legal perspective the situation was as follows:

- The Spanish transposition of European Parliament and Council Directive 2004/18/EC did not take place until the end of 2007, when the Spanish Parliament approved Law 30/2007, on 30 October, on Public Sector Contracts.
- Likewise, the legal regulatory basis for Electronic Administration in Spain was very limited. The fundamental law in this area was approved in July 2007: Law 11/2007 on "Citizens Electronic Access to Public Services".

Therefore, the Basque Government had to develop the regulatory basis for electronic procurement processes practically from zero. From a technical perspective we would like to highlight the following three elements:

- The level of security afforded to protect and transfer electronic tenders is probably unique in Europe. This is because the Basque Government views public procurement as very relevant to its supplier's business activities, and it has therefore developed a system that offers exceptional levels of security.
- On the other hand, the technology used to develop the protection and transfer systems for the electronic tenders was exclusively purchased from Microsoft Corp., as we were unaware of the existence of other suppliers of the technology needed.
- Lastly, it is important to highlight that, in 2004, there was no interoperability amongst recognised digital signature providers in Spain. This situation started to change in 2007 and the Basque Government is currently able to offer electronic procurement with the support recognised digital signature providers.

Considering that one of the fundamental keys to the success of Public Electronic Procurement resides in its committed adoption by Departments, the Basque Government pursued a policy of high level of structuring, organisation and leadership at each Department. It therefore had to thoroughly think through the rollout process. As a result, it developed the Rollout Master Plan, which covered the adoption of Electronic Procurement by 3,400 supplier companies registered in the Official Register of Contractors. The most relevant aspects of the Rollout Plan were as follows:

- Public e-Procurement rollout strategy reference concepts amongst Basque Government Departments and suppliers.
- Reference criteria to be met by procurement dossiers for electronic tendering.
- The incorporation of Public Electronic Procurement to different Basque Government Departments as a function of their procurement typology.
- The structure and services provided by the Public e-Procurement User Support Centre.
- The content of the Training Program for companies and administration procurement technicians.
- Public Electronic Procurement marketing and promotional activities aimed at Basque Government suppliers.
- The scope of the Service Provision Quality Commitment.

From the outset, we viewed electronic Procurement as more than just computers and software applications. As a result, the Basque Government created a Secretariat working in the following areas for its promotion: training, day to day platform operation, and marketing. Over half our budget is spent on activities not related to software and computers.

Things We Considered But Did Not Implement and The Reasons Why Not

In general, elements that we planned for but which still remain outstanding today relate to new technology developments. As is well known, computing is not an “exact science”, particularly as far as the development timetable is concerned. Therefore, the Basque Government

has not yet been able to implement the exclusively electronic procedures foreseen in European Parliament and Council Directive 2004/18/CE.

Things we would have done differently in retrospect.

Looking back critically at the past three years of e-Procurement development we would evaluate the following elements:

- Activities we would have developed with greater lead times had we the scientific-technical knowledge we have today:
- We would have started working sooner on receiving provisional and definitive Bid e-Bonds through the electronic procurement system.
- We would have accepted the presentation of electronic documents and digital certificates issued by third parties.
- Activities we would have developed sooner had Spanish legislation developed faster:
 - Computing and telecommunications are not exempt from malfunctions and errors. Work on incident and error classification, in addition to knowledge of how to resolve them is a better guarantee for Bidding Companies and the Administration.
 - Malfunctions and errors have different causes and are characterised as follows:
 - Impossible to access the system, computing malfunctions and errors resulting from non-compliance with administrative and technical requirements for electronic tendering.
 - Computing malfunctions and errors resulting from the tender element dematerialisation process.
 - Unavailability of electronic procurement system or e-Administration modules.

Therefore, from where we are at present we believe we should have included “computing error” amongst regulations for electronic procurement in the Basque Government and, as far as possible, we would have provided training and promotional mechanisms for known computing errors and malfunctions at any given time, their possible causes and how to resolve them.

- Practical experience of intellectual services e-Procurement for the Basque Government has demonstrated that Companies wish to submit annexes not strictly related to bid evaluation criteria.

In many instances such material tends to relate to catalogues and commercial presentations, minutes, company reports, project and client reference lists, installation presentations.

Had we had our current scientific-technical knowledge we would have provided for Digital Annexes via auxiliary systems outside the electronic procurement application («lift system»), as long as:

- They are not related to any of the tender evaluation criteria.
- He annexes have been digitally signed by means of services provided by a Recognised Certification Body.
- The hash for each is provided in the main tender.
- Annexes are submitted before the end of the legal bid presentation period.
- We would have contemplated a regulatory framework to support other administrations (provinces, councils) using the Basque Government's e-Procurement system.
- Adaptation of the two phases included in the new Law on Contracts:
 - Submitting bid signatures.
 - Bid submission, within a 24-hour deadline.
 - Technical annexes provided by the "Lift" System.

OBJECTIVES FOR THE FUTURE

Our objective for 2008 is simple; to definitively instil the use of electronic tendering, as EC Directive 18/2004/CE for administrative procurement and the draft Law for Contracts in the Public Sector both contemplate the birth of new, exclusively electronic, procurement typologies. Finally, 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.