The role of eGP in facilitating regional trade

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Content

• **Definition and importance of eGP**
  - eGP’s role in commerce and trade
  - Final considerations
Definition

• e-GP is the use of Information & Communications Technology (especially the Internet) by governments in conducting their procurement relationships with suppliers for the acquisition of goods, works, and services required by the public sector.

• *WB, IDB, ADB, AfDB 2003*
# Benefits of e-GP implementations

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<th>Government</th>
<th>Suppliers</th>
<th>Citizenship</th>
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| **Transparency** | • # Suppliers  
• + Monitoring  
• + Decision making  
• - Corruption | • + Fair competition  
• + Access market  
• # SMEs  
• - Corruption | • # Procurement Information Available  
• + Monitoring of public expenditure  
• + Accountability |
| **Competition**  | • - Prices  
• - Public expenditure  
• + Fiscal Health | • - Transaction Costs  
• + Cash flow  
• # Potential Market | • # Availability of public funds  
• + Distribution of public resources |
| **Efficiency**   | • - Operational costs  
• - Procurement cycle | • - Repetitive requirements  
• # Communication and support 24/7  
• - Procurement cycle | • # Communication and support 24/7 |
Main components of e-GP
Gradual approach to e-GP implementation
Content

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• Final considerations
FTAs and eGP

Free Trade Agreements that mention and promote use of electronic systems to facilitate public procurement:

- MERCOSUR
- CAN
- CARICOM
- MCCA
- GPA
eGP Tool for regional integration

To Increase Trade
- Regulations
- Political will
- Market reorganization

Market Integration
- Transparency
- Equal Access
- Efficiency
What are the benefits of e-GP for trade?

**Transparency**
- More opportunities in new markets
- Fair competition
- More data published on processes and trends of a specific market

**Equal access**
- No barriers because of nationality of eligibility
- Reducing cost based on geography or time-zone
- Increase access of SME (information on subcontracting, bidding support)

**Efficiency**
- Reducing time for the offers, evaluation and awarding
- Efficiency in payments and certification (registry of suppliers)
- Standardization: catalogues, bidding documents, and protocols.
Key eGP areas to facilitate trade

- Standard Catalogues
- Standard Bidding Documents
- Regional Supplier Registries
- Contract Award Information
- Generation of data and statistics on public procurement
Content

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Final Considerations

Governments:

• Include public procurement entities and officials in trade agreement negotiations
• Make sure eGP implementations take into account an international trade perspective.

International Organizations:

• Promote dialogue on how to better use eGP to facilitate free regional trade.
• Monitor and promote procurement initiatives with regional integration potential.