

# Procuring standards-based ICT: Challenges, best practice and guidance

## Session One

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Overview of current procurement  
practices

Identification of difficulties faced

# Terms of reference

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- Investigate the ICT procurement practices of public authorities across the EU
- At all levels, across range of Member States and sectors
- Identify key difficulties faced

# Background (I)

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- ICT procurement represents a significant expenditure of public funds
  - Public should ensure the greatest value for money is achieved over long run
  - But procurement decisions often influenced by current situation rather than actual need or consideration of future costs
    - Little conscious evaluation of new purchases
    - Limited by technical and institutional constraints
    - Dependent on certain suppliers/vendors: lock-in

## Background (II)

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- Public authorities are a large consumer of ICT products and services
  - Procurement should be open and transparent and allow for maximum participation
  - No discrimination or undue favouritism of certain suppliers/vendors
- But difficulty achieving this
  - Lock-in/legacy can implicitly favour suppliers in tenders
  - Difficult not to use brand names to describe products
  - Difficult to write open functional requirements
  - Difficult to involve all types of suppliers

## Background (III)

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- Increasing interaction between citizens and public authorities
  - Should make data available in open formats
  - Should not restrict citizens to using certain products
- But this still happens
  - Public authorities unable to open documents in certain formats
  - Lack of interoperability with online applications and web browsers
  - Can be costly to request openness in complex systems

# Background (IV)

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- Standards can help
  - Introduce openness and interoperability among products from range of suppliers
  - Facilitate technology-neutral specifications
  - Stipulate preferable licence conditions
- But difficult to procure ICT based on standards
  - Hard to judge 'quality'
  - Confusion over definitions
  - Vast number to choose from
  - Interoperability not guaranteed
  - Significant area of development

# Research Methods

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- Remit: investigate the current procurement practices across the EU
  - Survey: 244 public authorities and 172 suppliers across EU
  - Interviews: 14 across stakeholders and experts
  - Tender analysis: 32 tenders in-depth
- 5 main areas investigated
  - Identifying ICT need
  - Lock-in and legacy systems
  - Importance of interoperability and accessibility
  - Use of brand names
  - Use of standards

# Identifying ICT need

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- Mainly customised solutions (70%)
- New evaluation of products (72%)
  - But 44% maintain existing arrangements
  - Licence upgrades 80%
- Access to IT skills
  - Majority use internal/independent IT skills
  - 20% involve procurement officers
- Accurate specifications
  - Difficult to reflect ICT need
  - Lack functional description

Restrictive for suppliers



# Lock-in and legacy systems

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- Reporting vendor lock-in: 40%
  - Loss of functionality/data 25%
  - Too costly to replace legacy system 40%
  - Staff training a factor
- Effects of legacy systems
  - More of a concern
  - Importance of backwards compatibility
    - Procurers 95%
    - Suppliers 78% (Restricts ability to participate 68%)
- Exit costs important: 66%

# Public access

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- 55% make applications available to citizens
- Little evidence of restricted access
  - 6% state constraints i.t.o products/browsers
- But not asked about file/data formats
  - Extensive evidence from literature

# Use of brand names

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- Relatively extensive use
  - Procurers: 23% always/often; 40% sometimes
  - Suppliers: 37% always/often
  - Tender analysis
    - name (part of) the existing solution, often with compatibility requirements
    - describe the product to be procured
    - directly requiring that specific brand/product
- Restrictive technical specifications
  - Suppliers: 50-60%

# Use of standards

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- Extensive use of standards in tenders (67%)
  - Helps to specify technical requirements
  - Increases participation of suppliers
- Results suggest low level of in-depth knowledge
- Difficulties/disadvantages in using standards
  - Lack of expertise
  - Overwhelming/confusing
  - Use of standards not supported
  - Do not always exist
  - Difficult to ensure compliance/implementation
  - Can favour proprietary technologies

# Overview of difficulties

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- Procurement process complex
  - Especially writing specifications
- Use of standards
  - Confusion; unknown effects; poor referencing
- Existence of legacy systems and lock-in
  - Backward compatibility important but restrictive
- Difficulty in avoiding brand names
- Lengthy tender process

# Recommendations

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- Document and share best practice
- Help in accessing and using standards in tenders
  - Databases of useful standards
  - Tender writing templates
  - Mandate
- Increase procurement skills
  - Assessment of ICT investment
- Increase market engagement

# Discussion

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- Accurate reflection of difficulties?